

## **Terms of Participation in the Community Distribution Program.**

**Updated: July 21, 2020**

This document is written in English. To the extent that any translated version of this document conflicts with this English version, this English version shall prevail.

The OTON Community has been created to share knowledge, goods and services between people around the world on a mono-platform using advanced technologies. The OTON Community is not an investment project. The Payment for Community Packages made by Community Members is used for promotion and development of the Community as well as for the development and maintenance of the Community activity.

These Terms of Participation in the Community Distribution Program (**Terms**) describe the general terms of participation in the Community Distribution Program.

### **1. Terms and definitions**

#### **1.1. Defined terms**

Defined Terms used herein are defined in the Terms of Use.

#### **1.2. Interpretation of references**

For the purposes of these Terms, unless the context otherwise requires, any reference:

1.2.1. to "the clause" or "the paragraph" is a reference to the clause or the paragraph hereof;

1.2.2. to "these Terms" is a reference to the terms of participation being in force at that time or amended in accordance with the provisions hereof;

1.2.3. to "a person" includes individuals, legal entities, partnerships, other non-legal entities or associations of persons and any state or public authorities;

1.2.4. to "a right" includes authority, a measure of legal protection and freedom of action.

#### **1.3. Interpretation**

1.3.1. words used in the plural refer to both the singular and vice versa;

1.3.2. words used in masculine, neuter or feminine refer to all genders;

1.3.3. the words "other" or "including" do not infringe on the general meaning of the words ahead and should not be interpreted as referring only to an anterior word where a broader interpretation is permitted.

## **1.4. Headings**

1.4.1. The headings hereof do not affect the interpretation.

## **2. General requirements**

2.1. Your participation in the Community Distribution Program may be recognized in the country of your permanent residence/citizenship, as a business activity for which you may be required to register in accordance with the requirements of the applicable law.

2.2. The legislation of the country of your permanent residence/citizenship may provide for prohibitions and restrictions that prevent your participation in the Community Distribution Program or make certain requirements for your participation.

2.3. It is highly advised that you consult on the issues specified in clauses 2.1. and 2.2. with a competent specialist before you participate in the Community Distribution Program. The Community does not provide such information and does not advise on these matters.

2.4. The Participant in the Community Distribution Program must be a Community Member.

2.5. Each Participant in the Community Distribution Program shall occupy only one position in the structure of rewards payments; circumvention of this rule is prohibited.

2.6. In order to participate in the Community Distribution Program, you do not need to complete any application. You shall automatically become a Participant of the Community Distribution Program from the moment you pay for any of the prepaid Community Packages.

## **3. Membership status in the Community Distribution Program**

3.1. Each Member of the Community Distribution Program acts as an independent entrepreneur.

3.2. By participating in the Community Distribution Program, you carry out activities in the interests of all Community Members as all Community Members are interested in the development of the Community.

3.3. The Community does not create obligations for the Members in the Community Distribution Program to reach either a required minimum number of invited persons, or a minimum amount of Community Packages purchased by such persons, or to attract other persons to become Members in the Community Distribution Program or any other obligation related to your activities as a Member in the Community Distribution Program.

## **4. Termination and lockout of the Membership status in the Community Distribution Program**

4.1. The issue of termination and lockout of the Membership status in Community Distribution Program is governed by Section 6 of the Terms of Use.

## **5. Rights of participants in the Community Distribution Program: Rewards.**

5.1. You may receive rewards according to the Marketing Plan for Community Packages and other Satellite Programs of the Community that are calculated as a certain percentage from purchase made by the persons registered on the Website or by other Community Members at your invitation.

5.2. In accordance with these Terms and the Marketing Plan, you will not receive a reward for only attracting a new participant in the Community Distribution Program. This is technically impossible as it is only Community Members that may become participants of the Community Distribution Program, i.e. persons who have purchased Community Packages.

5.3. The reward is paid in cryptocurrency or EUR depending in which currency such new participant have purchased Community Package.

5.4. The reward is credited to your OTON Account balance automatically when a Community Package is paid by a person who is in your Community Distribution Program structure, including other Community Members according to the Marketing Plan. Information on the payment of all rewards is available in your OTON Account. Please note that some Satellite Programs may provide special conditions for the rewards payments, we highly recommend you to read documents and marketing plan related to such Satellite Program carefully.

## **6. General obligations of a Participant in the Community Distribution Program**

6.1. Participant in the Community Distribution Program are prohibited from violating the rights of other Participants in the Community Distribution Program or any third parties, encumber them or otherwise violate current legislation, including legislation governing competition.

6.2. In particular, but not exclusively, it is prohibited for a Participant in the Community Distribution Program:

6.2.1. to carry out any actions that create the impression that the Community Distribution Program is an investment project and guarantees payment of any dividends.

6.2.2. to report income statements or make statements, or imply that participating in the Community Distribution Program is an opportunity to get rich quickly and achieve success with minimal efforts and time or in absence of any efforts or time. Participant of the Community Distribution Program during first conversation on this topic, explicitly state that only a few Members of the Community Distribution Program may receive a respectively

large income from participation in the Community Distribution Program and income is possible only as a result of very intensive and continuous work.

6.2.3. to carry out actions that create the impression of the existence of any reward for the purpose of attracting a new Participant in the Community Distribution Program.

6.2.4. to disseminate false or misleading information about OTON Community, Satellite Programs, Community Packages, Community Educational Program or Community Distribution Program. Participant in the Community Distribution Program may speak about Community Packages, Satellite Programs, Community Educational Programs, Community, Community Distribution Program only in accordance with the Community Documents.

6.2.5. to send advertising materials via e-mail, fax or promotional SMS (spam) without consent of the recipient. This prohibition also includes illegal use or illegal actions. For example, unauthorized or unfair advertising (e.g. misleading statements).

6.2.6. to carry out actions that may create impression that Community Distribution Program is illegal. In particular, that it is a system built on the principle of a "pyramid" or any other fraudulent system.

6.2.7. to carry out actions for the sale and/or marketing on minors or unsophisticated persons in business communication; and to use the age, illness or person with limited capability of being aware of their actions, to encourage him/her to acquire Community Packages. When contacting a person in the so-called "socially unprotected groups" or a person who speaks a foreign language, a participant in the Community Distribution Program must take into account his financial potential, the proficiency in the language in which the conversation is conducted and the ability of the person to be aware of his actions, in particular, a participant should not do anything that could induce such a person to carry out actions that do not correspond to his/her financial capabilities.

6.2.8. to take disproportionate, illegal, or unclear actions in respect of the legal consequences for sales and marketing. These actions should not apply unacceptable pressure on persons.

6.2.9. to commit any act that could lead the customer to purchase the Community Package merely to do a Participant in the Community Distribution Program a favour, end an unwanted conversation or to enjoy advantages that are not part of the offer or to show appreciation for offering such an advantage.

6.2.10. to claim that the Marketing Plan and/or Community Packages and/or Community Educational Programs and/or Satellite Programs are approved, permitted or supported by a government agency or are recognized by lawyers for their legal purity.

6.2.11. to offer Community Packages at auctions, public or private "flea markets", websites for exchange of goods, in exchange platforms, online stores, on Internet shopping portals (such as eBay or Amazon) and on similar trading platforms.

6.2.12. to be presented in business community as an employee and/or a representative of the Community;

6.2.13. to mention competitors in a negative, disparaging or in any other manner contrary to the law and/or give negative or pejorative assessment of other companies in business turnover.

6.2.14. to use the Community Logo without consent of the Community;

6.2.15. to register own trademarks, product names, internet domains or other protected industrial rights containing the OTON or Easybizzi logos or registered trademarks or product names used on the Website or Easybizzi website;

6.2.16. to require the status of an exclusive representative in any region;

6.2.17. to induce third parties to sell or purchase Community Packages in order to improve their position in accordance with the Marketing Plan or manipulate the amount of rewards in some other way.

6.2.18. to entice and/or re-sign other Community Members who are already Participants in the Community Distribution Program from their structure.

6.3. Participant in the Community Distribution Program shall:

6.3.1. advertise and sell Community Packages only in those countries where local legislation does not contain any prohibitions and/or restrictions for citizens/residents on use of the Website and/or membership in the Community and/or participation in the Community Distribution Program and/or Satellite Programs.

6.3.2. advise honestly and in good faith, removing any ambiguities regarding the Community Packages and Membership in Community.

6.3.3. communicate honestly and respectfully with the Users, including Participants in the Community Distribution Program, sales partners from other network marketing companies when distributing online or during communication with other persons working in the direct sales method.

6.4. Participant in the Community Distribution Program shall not collude with any person for the purpose of violating or creating precedents for violation hereof and/or provoke or induce

another Participant in the Community Distribution Program to violate hereof. Any activity of a similar nature is a violation hereof.

6.5. Participant in the Community Distribution Program has no right to refer to anonymous feedback and opinions of others about the Community and Community Packages. Feedback and opinions must correspond to the real position and be relevant.

6.6. The reason for acquiring a person for the Community Package should not be vague and/or contain misleading promises or special benefits if such promise of benefit is relevant to future, vague results.

6.7. Participant in the Community Distribution Program may conduct presentation of the Community Package at home, including invitations to guests, online meetings, webinars and other similar events within the framework of the applicable law and these Terms.

6.8. Participants in the Community Distribution Program may advertise the Community, Community Packages, Community Educational Programs by their own or on other internet websites, including social networks on their own expenses.

6.9. Participants in the Community Distribution Program may use official Community materials provided to Participants in the Community Distribution Program for distribution in such materials can be used only in unchanged form. Official materials are available at <https://office.oton.org/docs/>.

6.10. Participants in the Community Distribution Program have the right to create and distribute their own documentation for the sale of the Community Packages on their own internet pages, their own brochures on the Community and Community Packages, advertising videos or movies, and other self-created media products and advertising media provided that it has the mandatory notice stating that it is copyright and "not official Community Content".

6.11. Participants in the Community Distribution Program are entitled to respond to press inquiries about the Community, Community Packages, Satellite Programs, the Community Distribution Program and/or Marketing Plan.

6.12. Participants in the Community Distribution Program are entitled to speak publicly (for example, on television, radio, on Internet forums) about the Community, Community Packages, Satellite Programs, Community Distribution Program and Marketing Plan.

6.13. Participant in the Community Distribution Program may delegate its structure to another person who is a Community Member. In order to do this, they need to change the e-mail address in their OTON Account to the delegated person's e-mail address.

6.14. Participant in the Community Distribution Program accepts and bears under its own responsibility all travel expenses, costs, office and telephone calls or other expenses for advertising materials.

## **7. Sale of third-party goods and services/Prohibition of work on competitors/Poaching**

7.1. You have the right to engage in activities related to the sale, promotion and advertising of products and services of other companies, including those using the method of network marketing even if they are competitors.

7.2. However, Participants in the Community Distribution Program are prohibited from offering to other Community Members distribution of products from third party companies who are not acting partners of the Community.

7.3. If a Participant in the Community Distribution Program works at the same time for competitors, other companies or participates in direct sales systems, he/she must arrange this activity in such a way that there is no connection or intersection with their activities in the Community Distribution Program.

## **8. Tax liabilities.**

8.1. In accordance with the laws of the country of your permanent residence/citizenship, you are responsible for paying taxes on income in that country and other taxes or other charges that apply or may apply to your income. We recommend that you consult with an independent tax specialist on these issues. The Community does not provide such information and does not advise on these matters.

8.2. The Community will endeavor to ensure that each Participant in the Community Distribution Program has all necessary information in his/her OTON Account required for clause 8.1. hereof.

## **9. Liability, exemption from liability**

9.1. If these Terms are violated your User account can be lockout (blocked) for certain period of time according to the Section 6 of the Terms of Use.

9.2. Participant of the Community Distribution Program is fully liable for any damages caused to other Users of the Website and any third party caused by violation of Participant's obligations provided herein.

9.3. Other Participants in the Community Distribution Program and/or Users do not bear joint or subsidiary liability for the obligations of a particular Participant in the Community Distribution Program.

9.4. Participant in the Community Distribution Program shall exempt Community Members from liability for claims of third parties in connection with breach of the obligations provided by these Terms or in connection with another violation of the current legislation. In particular, Participant in the Community Distribution Program undertakes to indemnify all costs incurred by Community Members, including attorneys, courts and compensation claims incurred in view of such third party claims.

## **10. Amendments**

10.1. This document can be amended at any time.

10.2. You will be notified of any amendments to these Terms before continuing to use the Website.

10.3. If you shall continue to use the Website after receiving notice that new version of these Terms being enforce, this means that you are deemed to have accepted such amendments.

## **11. General legal conditions**

11.1. If a court competent to consider such a matter decides that any provision hereof is void, such provision shall be excluded from these terms without affecting the validity of the remaining provisions. At the same time, the remaining positions shall remain in force.