

## **Terms and Conditions for Representatives Operating in the European Union.**

In accordance with the conditions of the Program, the Representative of the Company must close or confirm his/her qualification starting from 3 CARAT and the group volume of 12,000 PV. Only the Vilavi's group volume of PV is taken into account, and the group volume of BPV participating in the qualifying volume is not taken into account. These indicators must be maintained for a specified number of periods depending on the qualification, according to the conditions of the Program.

In accordance with the qualifications with which the Representative is eligible to participate in the Program, the partner must maintain the following group volume values:

3 CARAT—12,000 GPV  
CRYSTAL—20,000 GPV  
RUBIN—30,000 GPV  
SAPPHIRE—50,000 GPV  
EMERALD—100,000 GPV  
DIAMOND—150,000 GPV  
BLACK DIAMOND STAR—300,000 GPV

Also, the Representative entering the Program with the 3 CARAT qualification must comply with the "Big Foot"\* rule.

\* The "Big Foot" rule means that joining the program is possible if the "Big Foot" of the Classic Tree<sup>i</sup> of the structure is less or equals 70% of the turnover amount for the reporting period (only for the 3 CARAT qualification, 4 consecutive periods required to meet the conditions are taken into account).

Note: this rule is verified only by the volume of the classic tree, not binary.

### Example:

Option 1. The total turnover of the Representative = 12,000 PV, the big foot of the classic tree = 10,000 PV, the remainder is 2,000 PV—the rule is not fulfilled.

Option 2. The total turnover of the Representative = 12,000 PV, the big foot of the classic tree = 8,000 PV, the remainder is 4,000 PV. In this case, the representative meets the conditions of this rule.

Option 3. The total turnover of the Representative = 16,000 PV, the big foot = 11,200 PV, the remainder is 4,800 PV—the rule is fulfilled.

Option 4. The total turnover of the Representative = 16,000 PV, the big foot = 12,000 PV, the remainder is 4,000 PV—the rule is not fulfilled.

To receive payments, it's necessary to maintain the qualification and the required volumes of the personal group, and comply with a specified number of periods:

3 CARAT—12,000 GPV—4 periods  
CRYSTAL—20,000 GPV—4 periods  
RUBIN—30,000 GPV—3 periods  
SAPPHIRE—50,000 GPV—3 periods  
EMERALD—100,000 GPV—3 periods  
DIAMOND—150,000 GPV—3 periods  
BLACK DIAMOND STAR—300,000 GPV—3 periods

<sup>i</sup>**The Classic Tree** is a structure of an unlimited number of branches, personally sponsored representatives and their personally sponsored representatives—endlessly. The classical tree consists not of business centers, but real representatives.

## **Receiving a Bonus.**

### **1. Light Bonus**

An additional monthly bonus is paid by the Company to Representatives, who own a car of any make and model which is less than 5 years old at the time of joining the program; who comply with these terms and conditions of car branding; who have achieved a certain level of qualifications:

- the Representative confirming the qualification of 3 CARAT receives an additional monthly bonus of RUB 25,000
- the Representative confirming the qualification of CRYSTAL and higher receives an additional monthly bonus of RUB 32,000

The bonus is paid as long as the car meets the criteria and until it's 5 years from the production date.

**The amount of the bonus increases for the Representative who buys or rents a vehicle in his/her name. (Full Bonus)**

The Representative who buys or rents a car in his/her name becomes the Member of the DRIVE CLUB VILAVI Program provided that the car is one of the following makes and models:

#### **BMW:**

BMW 1 Series

BMW 2 Series

BMW 3 Series

BMW X1

BMW 4 Series

BMW 5 Series

BMW X3

BMW X5

BMW 6 Series

BMW 7 Series

BMW X7

#### **MINI Cooper:**

MINI Cooper 5-door

MINI Cooper 3-door

MINI Cooper Countryman

#### **Volkswagen:**

Volkswagen Tiguan

Volkswagen Passat

Volkswagen Teramont

Volkswagen Touareg

**Volvo:**

Volvo Kinetic V40

Volvo XC40

Volvo S90

Volvo XC90

**Lexus:**

Lexus UX

Lexus NX

Lexus GX

Lexus LX

**Toyota:**

Toyota Camry

Toyota C-HR Ride

Toyota RAV4

Toyota C-HRCool

Toyota Hilux

Toyota Fortuner

Toyota Land Cruiser Prado

Toyota Land Cruiser 200

**Audi:**

Audi A3

Audi A4

Audi A5

Audi Q7

Audi A8

**Mercedes-Benz—all models**

**Range Rover—all models**

**Infiniti—all models**

The amount of the Full Bonus depends on the confirmed qualification:

- the Representative confirming the 3 CARAT qualification receives an additional monthly bonus of RUB 48,000
- the Representative confirming the CRYSTAL qualification receives an additional monthly bonus of RUB 63,000
- the Representative confirming the RUBIN qualification receives an additional monthly bonus of RUB 72,000
- the Representative confirming the SAPPHIRE qualification receives an additional monthly bonus of RUB 84,000
- the Representative confirming the EMERALD qualification receives an additional monthly bonus of RUB 102,000
- the Representative confirming the DIAMOND qualification receives an additional monthly bonus of RUB 129,000
- the Representative confirming the black DIAMOND STAR qualifications receives an additional monthly bonus of RUB 192,000

To receive the bonus, Members of the DRIVE CLUB VILAVI Program must have ownership for or the right to lease a car and provide the following supporting documents:

- a copy of the loan repayment schedule
- a copy of the lease contract
- a copy of the car purchase certificate
- a copy of the vehicle registration certificate
- a photo confirming the branding of the car, which must be sent three days before the payment of the bonus
- Once every three months, the Member of the Program must provide the confirmation that the car is in his/her ownership (right of ownership, certificate, lease or insurance agreement, which indicates that the car is registered in the name of the Member)

The bonus is transferred based on the results of the settlement period, on the date of joining the Program, to the Representative's cash account or the AdvCash.

If the Member's qualification grows compared with the one under which he/she entered the program,

and he/she maintains it for six (6) months or more continuously, the Company has the right to increase the amount of the bonus and pay it according to the new confirmed qualification. The payment is made during the period of maintenance of the new qualification, but no longer than the term of the Contract. To recalculate the size of the bonus, the parties sign an annex to the Contract.

The bonus is not paid in the following cases:

- the Member fails to confirm qualifications based on the results of the settlement period
- the Member of the DRIVER CLUB VILAVI Program no longer owns or rents a vehicle of a stipulated make and model
- the Member of the DRIVER CLUB VILAVI Program fails to provide necessary supporting documents annually
- the Member of the DRIVER CLUB VILAVI Program fails to fulfil the conditions of the Program
- the lease term for the vehicle expires
- it has been thirty-six (36) months since joining the program

### **Characteristics of a Vehicle Rented or Purchased**

The above-stated car makes and models satisfy the DRIVE CLUB VILAVI program requirements, provided that the selected car is less than 3 years old at the time of joining the DRIVE CLUB VILAVI Program.

The Representative must place a label set (branding) on the vehicle; the layout will be sent to the Representative. The Representative performs the car branding by his/her own efforts. The Company reimburses the cost of branding for RUB 5,000. If the branding does not match the layout, the Member must eliminate all existing inconsistencies. The reimbursement will be paid only after the violations are resolved. Placing any additional elements on the car, including its windows, shall be performed only with the approval of the Company.

In the future, the Member of the Program shall be responsible for the presence of a high-quality sticker on the car, as well as the car badge. In the absence of one of the branding elements, and if they are significantly damaged, the Representative must restore them by his/her own efforts in a short time (within 7 days).

Otherwise, the Company stops paying bonuses until the branding elements on the car are fully restored.

The Member of the Program is obliged to comply with the condition of the car branding for 3 years from the date of signing this Contract, regardless of the Representative's performance of qualifications and receipt of monthly payments.

NOTE that the Member of the Program undertakes to provide up-to-date photos of the branded car from the 25th to the 2nd day of each month (before the end of the settlement period).

If the Member fails to provide an actual photo of the branded car, or if it's been discovered that some elements of the branding are missing, the Company stops paying the cash bonus until all elements of the branding are fully restored or a photo is sent.

### **Buying or Renting a Vehicle which Satisfies the DRIVE CLUB VILAVI Program Requirements**

Choosing a dealer or seller for purchasing the desired car, the Representative is solely obliged to

negotiate the terms of the purchase.

The Representative of the Company can decide himself/herself whether to buy or rent a car of a make and model stipulated by these conditions.

There are no restrictions on the term of the lease provided that the termination of the lease will lead to the termination of the payment of the bonus, except when the Member makes an advance purchase of the car. In this case, the Company will be transferring the monthly bonus for three (3) years from the date of signing the vehicle purchase agreement, provided that the Representative complies with the terms and conditions of the DRIVE CLUB VILAVI Program.

If the Representative buys a vehicle of a certain brand for cash or using a loan, the Company will be transferring the monthly bonus for three (3) years from the date of the purchase of the car provided that the Representative complies with the terms of the DRIVE CLUB VILAVI Program.

Branding the car with the logo of the Company is a prerequisite for receiving the bonus. In the case of renting a car, the Company recommends clarifying in advance the possibility of placing logo stickers on the owner's vehicle.

**Note, that** each Member of the Program must understand the following important points.

- The Company shall not be involved in a lease, rental or loan contract for purchasing a vehicle, such contract will be performed only between the Representative and the dealer, seller or owner
- The Representative is solely responsible for his/her decision to purchase a new or used car, this matter is the responsibility of the Representative and relates to his/her legal relationship with the dealer, seller or owner of the vehicle
- The Company's obligation is limited to the appointment of a monthly bonus, subject to the Representative's compliance with the conditions of the program specified above
- The Representative wishing to use a bonus intended for DRIVE CLUB VILAVI members is required to sign and send a copy of the note to the Company
- The Company has no obligation to advise the Representative on the car lease/purchase procedures using the DRIVE CLUB VILAVI bonus program
- The Representative himself/herself must make sure that the vehicle he/she is interested in actually meets the requirements of the bonus program, as specified above, and provide information about the car to the Company. He/she must also ensure that he/she has sufficient funds to purchase a vehicle, and pay all lease contracts on his own or pay the entire amount of the loan agreement, principal and interest

The Company strongly recommends that before entering into any sales contract, with or without a loan, or lease contract, the Representative ensure that he/she has sufficient funds to meet his/her financial obligations.

### **Advertising**

After purchasing the vehicle, the Representative must send an e-mail to [info@vilavi.com](mailto:info@vilavi.com) with a digital photo confirming his/her participation in the DRIVE CLUB VILAVI Program, where he/she is depicted with the car in the background so that the Vilavi's logos can be seen on it.

By accepting the terms of the DRIVE CLUB VILAVI Program, the Representative recognizes his/her obligation to transfer the right to the picture, its distribution, reproduction and use in the Company's communication tools (websites, videos, brochures, catalogs, social networks, etc.) to the Company for free.

This right shall come into force from the moment the photo is sent to the Company.