

CODE OF ETHICS

The Code of Ethics (the “Code”) governs *inter alia* your business conduct, ethics and practices as Richnergy International Sdn Bhd Member (“MEMBER”) as well as your relationship with other Members and multi-level marketeers in the industry. As a Member, you must read and fully understand the Code and must strictly adhere to the same in every respect. Any breach, non-compliance or violation of the Code is a serious matter and may result among other things in termination of your membership.

Richnergy International Sdn. Bhd. (RISB) (Company No. 1211098-W) reserves the right to amend or update the Code and it is your responsibility to check the Company’s official website from time to time for any amendments or updates to the Code. In any event, your continued participation in and conduct of the business will constitute your agreement to be bound by and adhere to the amended or updated Code.

1. CONDUCT TOWARDS PROSPECTIVE CONSUMERS/ CUSTOMERS

1.1 Prohibited Practices

Members shall not use or engage in any unlawful, unethical, misleading, deceptive or unfair sales, promotion and/or marketing practices.

1.2 Identification

From the beginning of the sales presentation, Members shall, without request, truthfully identify themselves to the prospective customer, and shall also identify the Company, the Company’s products and services and the purpose of their solicitation.

1.3 Explanation and Demonstration

Explanation and demonstration of the Company’s marketing plan (the “Marketing Plan”), products and/or services offered shall be accurate and complete, in particular with regard to price and, if applicable, price, terms of payment, cooling-off period and/or return rights, terms of guarantee and after-sales service, and delivery.

Members shall honestly and truthfully represent the quality, value and performance of the Company’s products and services and reflect the integrity of the Company’s products and services through words, actions and conduct.

1.4 Answers to Questions

Members shall give accurate and understandable answers to all questions from prospective customers concerning the product, services and/or the offer.

1.5 Verbal Promises

Members shall only make verbal promises concerning the product and/or services which are authorised by the Company in writing.

1.6 Literature

Members shall only use flyers, promotional literature, advertisements or mailings approved and/or provided by the Company.

1.7 Testimonials

Members shall not refer to any testimonial or endorsement which is not authorised by the Company, not true, obsolete or otherwise no longer applicable, not related to their offer or used in any way likely to mislead the consumer.

1.8 Comparison and Denigration

Members shall refrain from using comparisons which are likely to mislead and which are incompatible with principles of fair competition. Points of comparison shall not be unfairly selected and shall be based on facts which can be substantiated. Members shall not unfairly denigrate any firm or product directly or by implication. Members shall not take unfair advantage of the goodwill attached to the trade name and symbol of another firm or product.

1.9 Respect of Privacy

Personal or telephone contact shall be made in a reasonable manner and during reasonable hours to avoid intrusiveness. A Member shall discontinue a demonstration or sales presentation upon the request of the consumer.

1.10 Fairness towards customers/ consumers

Members shall not abuse the trust of individual consumers, shall respect the lack of commercial experience of consumers and shall not exploit a consumer's age, illness, lack of understanding or lack of language knowledge.

1.11 Referral Selling

Members shall not induce a customer to purchase goods or services based upon the representation that a customer can reduce or recover the purchase price by referring prospective customers to the sellers for similar purchases, if such reductions or recovery are contingent upon some unsure future event.

1.12 Delivery

Members shall fulfil the customer's order in a timely manner.

1.13 Recruiting

Members shall not use unlawful, unethical, misleading, deceptive or unfair recruiting practices.

Unless expressly permitted by the Company, Members shall not at anytime offer any free gifts, lucky draws or incentives to induce any individual to join as a Member. Members shall not at anytime force or threaten any individual to join as a Member.

1.14 Business Information

Information provided by the Members to prospective Members/ customers concerning the opportunity and related rights and obligations shall be accurate and complete and must have been approved by the Company. Members shall not make any factual representation to a prospective recruit which cannot be verified or make any promise which cannot be fulfilled. Members shall not present the advantages of the selling opportunity to any prospective recruit in a false or deceptive manner.

1.15 Earnings Claims

Members shall not misrepresent their actual or potential sales, income or earnings. Any sales, income or earnings representations made shall be based upon documented facts. Members shall truthfully portray the earning potential of the Marketing Plan.

Members shall not represent, promote and/or market the Company's Marketing Plan as an investment plan or "get rich quick" plan. Under the Marketing Plan, Members are paid based on their individual performance such as volume of sales achieved and are not guaranteed of any income or bonuses or assured of any success. Members can only generate income through hard work and their own individual efforts.

1.16 Fees

Save for the registration fees and such other fees imposed by the Company which shall be payable to the Company, Members shall not ask prospective Members/recruits to pay any other fees including without limitation, entrance fees, training fees, franchise fees, fees for promotional materials or other fees related solely to the right to participate in the business.

2. CONDUCT AMONG MEMBERS AND TOWARDS OTHER MULTI-LEVEL MARKETEERS

2.1 Fairness among Members

Members shall conduct themselves fairly towards other Members.

2.2 Pinching

Members shall not directly or indirectly influence/convince or otherwise attempt to influence/convince a prospective recruit to join/register under him/her where the said prospective recruit has already agreed to join/register under another Member. For example, the aforesaid prohibition would apply where the prospective recruit is chanced upon at Business Opportunity Success Synergy (BOSS) and the Member is aware that the prospective recruit was invited by another Member.

Members shall not directly or indirectly influence/convince or otherwise attempt to influence/convince another existing Member to join/register under him/her under a different name/identity.

2.3 Enticement

Members should not entice away or solicit any multi-level marketeers by systematic enticement towards other companies' multi-level marketeers.

2.4 Denigration

Members shall not unfairly denigrate another company's product, its sales and marketing plan or any other feature of that company.

3. GENERAL

3.1 Rules & Regulations

The Code read together with the Company's MEMBER Policies and Procedures, the Marketing Plan and the standard terms and conditions of membership set out in the membership form

(collectively, the “Rules & Regulations”) govern *inter alia* the business activities and conduct of the Member.

The Rules & Regulations shall be read in the following order of precedence (i) the Company’s MEMBER Policies and Procedures; (ii) the Code; (iii) the Marketing Plan; and (iv) the standard terms and conditions of membership set out in the membership form. Where any conflict occurs between the provisions contained in two or more of the aforesaid documents, the document lower in the order of precedence shall where possible be read down to resolve such conflict. If the conflict remains incapable of resolution by reading down, the conflicting provisions shall be severed from the document lower in the order of precedence without otherwise diminishing the enforceability of the remaining provisions of that document.

3.2 Enforcement of the Code

Actions to be determined by the Company against a Member for breaches, non-compliance or violation of the Code may include without limitation, termination of the Member’s membership with the Company, placing the Member under probation, or such other appropriate action or sanctions as the Company deems fit. For avoidance of doubt, the aforesaid actions taken by the Company shall be in addition to and without prejudice to any other rights or remedies available to the Company under the Rules & Regulations, at law or in equity.

Notwithstanding anything to the contrary, a failure by the Company to enforce the Code against any Member in any instance(s) will not give rise to any claim by any other Member or third party.

3.3 Waiver

Failure by the Company to enforce, at any time, any of provision of the Code shall not be construed as a waiver of its rights to enforce the breach of such provisions or any other provisions of the Code or as a waiver of any continuing, succeeding or subsequent breach of such provisions or other provisions of the Code.

3.4 Severance

If any provision of the Code (or part thereof) is held to be illegal or invalid under present or future laws or regulations effective and applicable during the continuance of the Code, such provision (or part thereof) shall be fully severable and the Code shall be construed as if such illegal or invalid provision (or part thereof) had never comprised a part of the Code and the remaining provisions of the Code shall remain in full force and effect and shall not be affected by the illegal or invalid provision (or part thereof) or by its severance from the Code.

3.5 Rules of Construction

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of the Code or any part of it.

3.6 Translations

In the event of any inconsistency or conflict between the Code in the English language and the translated version(s) of the Code in other languages, the Code in the English language shall prevail with respect to such inconsistency or conflict.