AGRICULTURE SUSTAINABILITY CONSORTIUM
RULES, REGULATIONS, TERMS AND CONDITIONS

Binary Direct-Selling / Network of Sellers Framework Draft for India — Version 1.0 | 1 October 2026

1. CONFIDENTIAL BUSINESS DOCUMENT

This document is a comprehensive operational template. It must be reviewed and approved by qualified Indian legal, tax and compliance professionals before adoption or use.

2. DOCUMENT STATUS & LEGAL FRAMEWORK

2.1 Purpose

This document sets out the proposed rules, distributor terms, compensation controls, conduct standards, complaint procedures and management responsibilities for AGRICULTURE SUSTAINABILITY CONSORTIUM, THE NILGIRIS hereinafter called as "ASCO" (the "Company") and its Independent Distributors called as (the "Direct Sellers"). It is designed around a product-led direct-selling model and a binary network structure in which compensation is linked to qualifying product sales rather than recruitment alone.

2.2 Governing framework

The principal Indian Direct selling framework includes the Consumer Protection (Direct Selling) Rules, 2021, as amended in 2023, together with other applicable laws and regulations. The Rules apply to goods/services sold through direct selling and prohibit pyramid schemes and money-circulation schemes. The 2023 amendment introduced the concept of a "network of sellers", defined around consideration arising solely from sale of goods or services. [Official source: Department of Consumer Affairs / Gazette.]

2.3 Priority of law

If any provision in this document conflicts with mandatory law, the mandatory law prevails. The Company ASCO may amend this document when required by law, regulator direction, court order, product-specific regulation, tax requirements or a documented compliance review.

2.4 Important status note

This is a business-policy and contract template, not a substitute for legal advice. Company registration details, product license, GST/tax treatment, return periods, payout caps, product claims, privacy notices and state-specific requirements must be verified before launch.

3. DEFINITIONS

3.1 "Company-ASCO" / "Haagotu-Trademark registered brand"

The legal entity that owns, holds or is licensed to use the relevant brand/trademarks and sells or offers goods/services through Direct Sellers.

3.2 "Rule of Legitimacy"

In the rule of legitimacy the office bearers (i.e. Directors/Partners, Management employees, Backend contractors and/or their netas) may entering into a Direct Seller/Independent Distributor is unlawful and found entries can be terminated by the Company.

3.3 "Direct Seller / Independent Distributor"

A person authorized by the Company through a legally enforceable written/online contract to undertake direct-selling business on a principal-to-principal basis. The Distributor is not an employee or office bearer unless a separate written contract says otherwise.

3.4 "Customer"

A person who purchases or receives "Haagotu" goods/services for personal or household use or other lawful consumption.

3.5 "Network of Sellers"

A network formed by the Company to sell goods/services for consideration solely from such sale, consistent with an applicable direct-selling law.

3.6 "Qualifying Sale"

A genuine sale of an eligible "Hagootu" product/service to a customer, properly paid, invoiced, delivered and not subsequently cancelled, refunded, reversed or identified as fraudulent.

3.7 "Pair"

For the binary compensation schedule, one qualifying unit/volume on the Left Leg matched with one qualifying unit/volume on the Right Leg, subject to all plan rules and eligibility conditions.

3.8 "Pairing Commission"

The commission payable for a valid matched pair under Schedule A. The proposed rate in this template is Rs. 500 per qualifying pair, subject to the plan's eligibility, cap, claw back and compliance rules.

3.9 "Direct referral incentive"

The direct referral incentive, promotional offers and achievers rewards are announced time to time according to the business needs of the Company

3.10 "Cooling-off Period"

A period during which a participant may cancel participation without breach or penalty, subject to the applicable law and the Company's disclosed policy.

3.11 "Miss-selling"

Selling by misrepresentation or misleading information, including omission of material information, so that a consumer is induced to complete a sale.

4. COMPANY GOVERNANCE & COMPLIANCE RULES

4.1 Legal identity and records

The Company shall maintain the corporate, tax, accounting, product and distributor records required by applicable law. Its registered office, contact information, management details and other required information should be kept current and published where required.

4.2 Written/Online Distributor Agreement

No person may operate as ASCO and Haagotu Direct Seller unless the Company has accepted the person through a written agreement or approved electronic contract. The agreement shall identify the parties, product/business scope, compensation rules, conduct requirements, termination conditions and applicable customer protection policies.

4.3 Verified identity

The Company shall use reasonable procedures to verify identity, address, payment credentials for purchasing Haagotu products and required bank information before activating a Distributor. Identity documents shall be collected, stored and used only for lawful business purposes.

4.4 Website and disclosures

The Company should maintain an updated website or official information channel containing the information required by applicable law, including company identity, contact details, products, prices, complaint process, return/refund information and relevant compliance contacts.

4.5 Grievance mechanism

The Company shall maintain an appropriate consumer grievance mechanism and designate responsible officers. Under the 2021 Rules, consumer complaints should be acknowledged within 48 working hours and normally redressed within one month, with written reasons/actions if a delay exceeds one month.

4.6 National Consumer Helpline

The Company shall take the required steps to participate in the convergence process of the National Consumer Helpline, as applicable to the Company.

5. DISTRIBUTOR ELIGIBILITY & ONBOARDING

5.1 Eligibility

A prospective Distributor must satisfy the Company's lawful age, identity, address, tax, banking and eligibility requirements. The Company may reject an application where required verification cannot be completed or where participation would violate applicable law.

5.2 No compulsory entry fee

The Company shall not charge an entry fee or subscription fee are prohibited by applicable direct-selling rules. Any legitimate product purchase must be a genuine product transaction and must not be disguised as a fee for the right to earn.

5.3 Application/Entry process

The applicant shall provide accurate information and accept the Distributor Agreement, Code of Conduct, Privacy Notice and Compensation Plan. False identity, duplicate accounts or use of another person's documents is prohibited.

5.4 Distributor ID

After approval, the Company may issue a unique Distributor ID. The ID is personal and may not be sold, rented, transferred or shared without written Company approval and compliance with succession rules.

5.5 Training before selling

The Company may require product, compliance, customer-service and compensation-plan training before a Distributor begins active selling or presenting the business opportunity.

6. PRODUCT SALES & CUSTOMER PROTECTION

6.1 Genuine product sales

All compensation must be based on genuine, documented sales or other qualifying transactions expressly permitted by the approved plan. Purchases made only to generate commission, without reasonable consumer demand, are not qualifying sales.

6.2 Product information

Distributors must use accurate Company-approved descriptions, prices, usage instructions, warnings, warranty/guarantee terms and return/refund conditions. No Distributor may alter an approved claim.

6.3 Order documentation

The customer must receive the required order/billing information, including product description, total amount payable, relevant seller details, applicable tax information and return/refund rights.

6.4 No forced purchases

A customer or Distributor must not be pressured to purchase unnecessary quantities. The Company may set reasonable order controls to reduce inventory loading and returns.

6.5 Returns and refunds

Returns, replacements and refunds shall be handled under the published Company policy and applicable law. A Distributor must never tell a customer that a statutory or disclosed return right does not exist.

6.6 Product claims

Health, nutritional, performance, environmental or other specialized claims may be made only when legally permitted and specifically approved by the Company. Distributors must not diagnose, cure, prevent or treat disease unless the product and claim are legally authorized for that purpose.

7. BINARY NETWORK STRUCTURE

7.1 General structure

ASCO may use a binary structure consisting of two legs, commonly called the Left Leg and Right Leg. A Distributor may sponsor or place eligible sellers within either leg, subject to the Company's placement rules.

7.2 Retail-first principle

The network exists to support the sale of genuine products/services. Recruitment, sponsorship or direct referral placement by itself may create an incentive entitlement.

7.3 Pairing

A pair is created only when the required qualifying volume/sales on the Left Leg and Right Leg are matched under the current Compensation Plan. The Company's system records the matched volume and calculates commission according to the published plan.

7.4 No commission on recruitment alone

No commission, incentive or bonus shall be paid merely because a new participant joins, pays a fee, opens an account or recruits another participant. Any network benefit must arise from qualifying sales in accordance with applicable law.

7.5 Placement and genealogy

The Company's electronic records are the official record of sponsorship and placement. A Distributor may not demand changes to genealogy based solely on an informal promise. Corrections require documented evidence of a system or administrative error.

7.6 No guaranteed earnings

No Distributor may state or imply that a person will earn a fixed income, recover a purchase price through referrals, become financially independent within a stated period, or earn 500 simply by enrolling or recruiting.

8. COMPENSATION PLAN — 500/ PAIRING MODEL

8.1 Proposed core rule under this template, the published Pairing Commission is 500 for each valid qualifying pair. The Company must define the qualifying product/volume unit before launch and publish it in the Compensation Plan. Example: one qualifying unit on the Left Leg + one qualifying unit on the Right Leg = one pair = 500, subject to all conditions.

8.2 Mandatory plan parameters before launch The Company must publish, in one clear schedule:

(A) Product(s) qualifying volume	: **60 EGCG-rich capsules in food grade plastic container with label**
(B) Qualifying volume per product	: **450mg of EGCG-rich capsules contains 40 to 50% of API**
(C) Pairing ratio	: **1(left):1(right)**
(D) Commission per pair	: **Rs. 500.00**
(E) Daily/weekly/monthly cap, if any	: **10 pair daily**
(F) Direct referral incentives	: **Rs. 100.00/ referral any side (offer)**
(G) Carry-forward rule	: **Power side carry-forward**
(H) Flush/expiry rule, if any	: **Weaker side flush out**
(I) Refund/claw back treatment	: **Once invoiced the product cannot be taken back**
(J) Payout cycle	: **Daily from next day**
(K) Minimum payout threshold	: **Rs. 1000.00 and above apart of admin deduction**
(L) Admin deduction treatment	: **10% admin deduction rules as applicable**

8.3 Caps and controls any payout cap must be disclosed before participation. The Company may impose reasonable compliance controls to prevent duplicate orders, circular transactions, fake accounts, self-purchasing, refund abuse or other manipulation.

8.4 Refund/ claw back a qualifying sale is later cancelled, refunded, charged back or determined to be invalid, the associated volume and commission may be reversed. Negative balances may be carried forward only under a clearly disclosed and lawful policy.

8.6 Payment Commissions are paid only to the verified Distributor ID, Bank Account and Transaction Credentials recorded by the Company software. Applicable taxes, withholding and statutory deductions may be made.

9. DISTRIBUTOR DO'S

9.1. Identify themselves and Haagotu truthfully at the start of a sales presentation.

9.2. Explain the product, price, payment, delivery and return/refund terms accurately.

9.3. Use only current Company-approved brochures, presentations, websites and social-media content.

9.4. Maintain sales records and provide required receipts/orders.

9.5. Respect customer privacy and obtain/use personal information lawfully.

9.6. Attend required compliance/product training.

9.7. Report suspected fraud, counterfeit products, misleading claims or policy violations promptly.

9.8. Treat customers, fellow Distributors and Company staff respectfully.

9.9. Keep passwords, Distributor IDs and account access confidential.

9.10. Cooperate with lawful audits, investigations and complaint resolution.

9.11. Explain that earnings are not guaranteed and depend on qualifying sales and compliance with the plan.

9.12. Keep all business activity consistent with applicable laws and the written Distributor Agreement.

10. DISTRIBUTOR DON'Ts & PROHIBITED CONDUCT

Strictly prohibited•:

10.1• Pyramid or money-circulation activity.

10.2• Charging customers or recruits an unauthorized joining/entry/subscription fee.

10.3• Paying or promising a reward merely for recruitment/enrolment.

10.4• False income screenshots, fake testimonials, fake customer reviews or fabricated success stories.

10.5• Unapproved medical, therapeutic, disease-treatment or guaranteed-result claims.

10.6• Misrepresenting MRP, discounts, commissions, refunds or product availability.

10.7• Coercion, harassment, intimidation or abusive selling practices.

10.8• Selling products through unauthorized channels where the Company prohibits it.

10.9• Creating duplicate/fake accounts or using another person's identity.

10.10• Manipulating orders to generate artificial volume or commissions.

10.11• Buying products primarily to qualify for commissions is not supported by consumer demand.

10.12• Using the Company's trademarks, logos or brand identity after authorization has ended.

10.13• Sharing confidential customer, Distributor or Company information without lawful authority.

11. SOCIAL MEDIA, ADVERTISING & MARKETING POLICY

11.1 Approved marketing only

Distributors may market Haagotu products through approved channels using Company-approved claims and materials. Personal posts must not create a false impression that the Distributor is the Company itself.

11.2 Income advertising

Income-related content must include only factual, supportable information approved by the Company. Posts must not promise a particular income, lifestyle, vehicle, house or financial result merely from joining, recruiting or attending training.

11.3 Testimonials

Testimonials must be genuine, current where required, and not misleading. A Distributor must not present an exceptional result as typical without appropriate context and Company approval.

11.4 Digital selling

The same product, consumer-protection and advertising rules apply to online sales. Where e-commerce rules apply, the Company and relevant seller must comply with them.

11.5 Brand protection

Domain names, pages, groups, advertisements and accounts that use Haagotu branding may require prior written approval. The Company may require removal of misleading or unauthorized content.

12. CUSTOMER COMPLAINTS, RETURNS & GRIEVANCES

12.1 Complaint channels

Complaints may be submitted through the Company's published office, branch, Distributor channel, telephone, e- mail or website mechanisms, as applicable.

12.2 Complaint ticket

Where the Company provides an electronic complaint system, each complaint should receive a ticket/reference number so its status can be tracked.

12.3 Response standard

The Company shall follow the applicable legal response standard. Under the 2021 Rules, the grievance officer should acknowledge a consumer complaint within 48 working hours and normally redress it within one month; where a delay exceeds one month, the reasons and action taken should be communicated in writing.

12.4 Distributor cooperation

A Distributor must provide documents and information reasonably required to resolve a complaint, including order details, customer communications, delivery evidence and payment records.

12.5 Refund processing

Refunds shall be processed according to the Company's disclosed policy and applicable law. Commission associated with a refunded or reversed sale may be adjusted or prohibited due to invoiced.

12.6 Escalation

Unresolved matters may be escalated to the designated grievance officer, nodal/compliance officer or other legally available consumer redress mechanism.

13 PRIVACY, DATA & CONFIDENTIALITY

13.1 Lawful collection

The Company and Distributors shall collect only information reasonably required for legitimate business, contractual, tax, payment, customer-service or legal purposes and shall follow applicable privacy/data-protection requirements.

13.2 Security

Reasonable technical and organizational safeguards shall be used to protect personal information from unauthorized access, disclosure, alteration, loss or misuse.

13.3 Distributor confidentiality

Customer lists, pricing strategy, commission data, internal manuals, software access, credentials and non-public business information are confidential and may not be disclosed or used outside authorized business purposes.

13.4 Data after termination

Upon termination, the Distributor must stop using Company/customer data except where retention is legally required. Credentials and access rights may be disabled immediately where necessary to protect customers or systems.

14. MANAGEMENT TEAM — DO'S & DON'Ts

Management DO's

- Maintain transparent policies and publish material compensation and customer terms.
- Verify Distributor identity and maintain required records.
- Monitor Distributor conduct and investigate credible complaints.
- Maintain accurate commission calculations and audit trails.
- Keep product claims and advertising under compliance review.
- Maintain grievance, nodal and compliance responsibilities required by law.
- Protect customer and Distributor data.
- Provide regular compliance and product training.

Management DON'Ts

- Do not create fake enrolments, fake orders, fake customers or artificial sales volume.
- Do not instruct Distributors to hide material terms or returns.
- Do not promise guaranteed earnings or recruitment-based rewards.
- Do not pressure Distributors to purchase unnecessary inventory.
- Do not suppress legitimate complaints or alter complaint records.
- Do not approve misleading product or income claims.

15. AUDIT, COMPLIANCE & DISCIPLINARY PROCEDURE

15.1 Monitoring

The Company may monitor orders, returns, network activity, advertisements, complaints, account access and other information necessary to detect fraud, Mis-selling, policy violations or legal non-compliance.

15.2 Investigation

Where a credible concern arises, the Company may request documents or explanations and may temporarily restrict commissions or account functions where reasonably necessary to prevent loss, fraud or continuing harm.

15.3 Corrective action

Depending on severity and applicable law, corrective action may include warning, training, content removal, commission adjustment for invalid transactions, temporary suspension, termination, recovery of amounts improperly paid, or referral to competent authorities.

15.4 Fair process

Except where immediate protective action is necessary, the Distributor should receive notice of the material allegation and a reasonable opportunity to provide an explanation. The Company should keep an internal record of the decision and reasons.

15.5 Fraud and legal violations

Suspected fraud, identity theft, money laundering, counterfeit goods, cyber abuse or other criminal conduct may be reported to the appropriate authority where required or appropriate.

16. SUSPENSION, TERMINATION & POST-TERMINATION

16.1 Suspension

The Company may temporarily suspend an account where there is a reasonable compliance, security, payment, fraud or customer-protection concern, subject to the Distributor Agreement and applicable law.

16.2 Termination grounds

Termination may occur for material breach, fraud, repeated misleading claims, unauthorized use of the brand, manipulation of sales/volume, serious customer abuse, unlawful activity, misuse of data, or other grounds stated in the signed agreement.

16.3 Final settlement

After termination, eligible commissions arising from valid completed transactions may be settled according to the plan, after lawful deductions and adjustments. Invalid, refunded or fraudulent transactions are not commissionable.

16.4 Post-termination obligations

The former Distributor must stop representing themselves as a Haagotu Distributor, stop using Company marks and materials, return or securely delete confidential information as required, and settle outstanding obligations.

16.5 Rejoining

A terminated Distributor may reapply only if the Company's current policy permits it. Rejoining does not erase previous compliance findings or liabilities.

17. TAX, PAYMENTS, BANKING & RECORDS

17.1 Tax Laws

The Company and Distributors shall comply with applicable tax laws, including GST, income-tax, withholding/TDS and other requirements applicable to their transactions. The actual tax treatment must be confirmed by a tax professional for the Company's product and distributor structure.

17.2 Bank account

Commissions shall be paid only to a verified bank/payment account belonging to the eligible Distributor, subject to the Company's KYC and payout controls.

17.3 Records

Records of the Company shall maintain relevant corporate, tax, sales, Distributor and financial records for the period required by applicable law. Distributors should maintain their own business and tax records as required.

17.4 No cash manipulation

Distributors must use Company-approved payment methods and must not collect or transfer money through personal accounts when Company policy requires payment directly to the Company or an approved payment provider.

17.5 Statements of payments

The Company may issue periodic commission statements showing qualifying volume, matched pairs, gross commission, adjustments, deductions and net payout.

LEGAL REFERENCES

Primary references: Consumer Protection (Direct Selling) Rules, 2021; Consumer Protection (Direct Selling) (Amendment) Rules, 2023; Consumer Protection Act, 2019; and other applicable laws/rules relevant to the Company's products, tax, advertising, privacy, payments and employment/contracting arrangements. Official Department of Consumer Affairs materials should be checked for amendments before each policy revision.

COMPENSATION SCHEDULE, DECLARATIONS & SIGNATURE

SCHEDULE A -FINAL PLAN INPUTS BEFORE LAUNCH

Company legal name	: AGRICULTURE SUSTAINABILITY CONSORTIUM
Registered office	: 2/13 A BETALADA, KONAVAKORAI POST, THE NILGIRIS 643 217
Product/service	: HAAGOTU NUETRACETICAL EGCG CAPSULES
Qualifying product / QV unit	: 60 ORGANIC CAPSULES IN FOOD GRADE PLASTIC CONTAINER
Distributor joining/entry fee	: 0.00
Left-leg qualifying unit	: 1(ONE) OR MORE
Right-leg qualifying unit	: 1(ONE) OR MORE
Pairing Commission	: 500 per valid pair (proposed).
Daily/monthly payout cap	: 10 PAIRS PER DAY
Carry-forward	: ON ANY POWER SIDE
Payout cycle	: DAILY FROM NEXT DAY
Minimum payout threshold	: Rs 1000.00 AND ABOVE
Refund/claw back window	: AFTER INVOICED PRODUCT CANNOT BE TAKEN BACK
Admin deduction treatment	: 10% OF THE PAYOUT

SCHEDULE B — DISTRIBUTOR DECLARATION

I confirm that I have read and understood the Haagotu brands Independent Distributor Rules, Regulations and Terms & Conditions. I understand that joining does not guarantee income; compensation depends on genuine qualifying sales and compliance with the approved plan. I will not promote pyramid or money-circulation schemes, make false claims, Mis-sell products, charge unauthorized fees or misuse customer information.

Distributor Name : _____

Distributor ID : _____

Signature : _____

Date : _____

SCHEDULE C — COMPANY APPROVAL

Approved by : _____

Designation : _____

Signature : _____

From Day : _____