

**Code of Ethics and
Direct Sale Business Policy of
MEGA GLORYOUNG INTERNATIONAL**

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CHAPTER I

GENERAL PROVISION

In this regulation, what is defined as:

1. “Company” is MEGA GLORYOUNG INTERNATIONAL established or known as “MGICLUB.” When applicable if the context so provides, “Company” may also refer to subsidiary and affiliate corporations of MGICLUB established by virtue of the laws of the country where they are situated, and are serving either as importer of MGICLUB products and marketing arm of MGICLUB distributors in a particular territory.
2. “Product” is all types of merchandise sold by the company exclusively through a direct sale system.
3. “MEMBER/s” is Direct Seller i.e. an individual person officially registered in the company as a member and has a membership card that authorizes him or her to conduct MGICLUB direct sale marketing activities, and who is not part of a corporate organization and has no employment relationship with the company.
4. “Code of Ethics” is this regulation, i.e. a set of regulations binding on, and serving as a guideline for, MEMBER/s in performing MGICLUB businesses.
5. “MGICLUB MEMBER candidate” is a person who has attended the seminar for the marketing strategies and limitations on MGICLUB direct sales or one who has filled out the registration forms to become a MEMBER, or one who has been invited to join MGICLUB businesses by a Sponsor/MEMBER, but who has not been officially admitted as a MGICLUB MEMBER yet.

6. “Guarantee period” is a period determined by the company in which MEMBER candidates will obtain their rights for participating as MEMBERS by way of acquisition of Product, receiving Commission, or using the marketing facilities from the company with applicable terms and conditions.
7. “Sponsor” is a MEMBER who introduces the MGICLUB business to MEMBER candidates.
8. “Active MEMBER” is MEMBER who consistently makes minimum Repeat Order by purchasing MGICLUB products.
9. “Membership network” is all MEMBERS conducting MGICLUB businesses and located in the relevant MEMBER groups.
10. “Consumer” is product-consuming MEMBER and the end-buyers of MGICLUB products for the purpose of self-consumption.
11. “Up Line” is MEMBER’s “superior” or a MEMBER who became as such ahead of the former in the same network line.
12. “Down Line” is MEMBER placed below an Up Line in the same network line due to becoming as such after the Up Line.
13. “Banking Account” is the account number of MEMBER in a bank which has to be stated / mentioned in MEMBER Registration forms and will be used as a means of commission payment.
14. “Member’s User Id” is Username provided by company for the exclusive use of MEMBER to access and/or log-in to the MGICLUB Corporate Website System, and shall serve as proof that MEMBER is officially registered in the company.
15. “MEMBER application forms” are forms provided by company in corporate Website System to be filled in completely and correctly by MEMBER candidates before being officially accepted as MEMBER.

16. "Sponsorship Line" is an ascending order consisting of MEMBER, his or her sponsor and the latter's sponsor and so on.
17. "Commission" is a specific amount provided by company to MEMBER achieving certain objectives subject to the terms and conditions prescribed by the company.
18. "Starter Kit" is a package of guideline provided by company to MEMBER candidates or new MEMBERS containing MGICLUB direct sale provisions.
19. "Decedent" is a deceased MGICLUB MEMBER.
20. "Heir" is the child, wife, or other heirs of MEMBER who, upon the exclusive judgment of company, may take over the membership account of the Decedent with MGICLUB.
21. "Inheritance" is the accrued benefits or commissions of the Decedent that is payable by the company to the Decedent's heir/s, which may include, upon the exclusive judgment of the company, the membership account of the Decedent with MGICLUB.
22. The governing law is the Law of Republic of Indonesia or the law of the country where the MEMBER conducts his or her business, upon the exclusive option of the company.

ARTICLE II

MEMBERSHIP REGULATION

Article 1

Procedures of Becoming MEMBER

1. Every person, without being prohibited by law or by contract with third parties, and without regard to race, ethnicity, religion, gender has equal opportunity to become an MGICLUB MEMBER provided that they meet the requirements and qualifications prescribed by the company.

2. The requirements to be a MEMBER are as follows:
 - a. Sponsored by a MEMBER.
 - b. Age of 18 years old and above.
 - c. Has not been charged or convicted of a crime involving moral turpitude.
 - d. With valid government-issued ID and tax identification number.
 - e. In full possession of his or her mental faculties upon the exclusive judgment of the company.
 - f. Who has accomplished all the prescribed membership registration forms.
3. By accomplishing or signing the MEMBER Application Forms by MEMBER candidate or MEMBER, he or she attests to the truthfulness of all the entries stated therein, and waives whatever rights under any relevant data privacy laws regarding any personal or sensitive information provided therein which the company may process or transmit in the legitimate exercise of its business.
4. Registration can be done by filling out and completing the registration form online through MGI official website or MGI official mobile application.
5. The submission of the aforesaid MEMBER Registration Forms and agreeing with applicable terms and conditions stated therein, the MEMBER candidate or MEMBER also binds himself or herself to the provisions off this Code of Ethics for MGICLUB MEMBERS, and other subsequent rules and regulations that the company may issue from time to time.
6. MGICLUB MEMBER is an independent corporate partner and is not an employee of the company. Nevertheless, MEMBER/s may not go beyond the allowed marketing strategies that the company designed in marketing the Products, without the prior consent of the company.

7. The company is free to process, transmit, communicate, or use all data received from MEMBER/s for any legitimate purpose. Thus, and as earlier said, MEMBER/s waive their right to relevant data privacy law by voluntarily becoming a MEMBER of the company.
8. For purposes of notice, the Company will only recognize MEMBER's address and contact details as stated in MEMBER Registration forms except when written request for a change of address and contact details of a MEMBER have been approved by the Company.
9. All transactional payments of MEMBER to the Company for MGICLUB Products and others (marketing materials, etc...) shall be deemed valid if made through transfer or deposit to the designated MGICLUB bank account (under the name of MEGA GLORYOUNG INTERNATIONAL). The payment not meeting the above provision may be declared invalid and MGICLUB assumes no responsibility for it, except when a written receipt is issued therefor.

Article 2

Membership

1. Unless earlier revoked, MEMBER's membership in the company is valid for the lifetime of both the MEMBER and the Company.
2. MEMBER candidate will not be considered as a MEMBER unless qualified as per this Code of Ethics, has filed a duly accomplished MEMBER Registration Forms to the Company, has expressly agreed to all the terms and conditions of being a MEMBER, including those stated herein, and has officially been declared as such by the Company. Only at that point will a MEMBER candidate can exercise the rights given by the Company to MEMBER/s.

3. A **MEMBER** is allowed to have a maximum of seven membership accounts only. All membership account/s created beyond the said limit will be terminated by the Company even without notice to the **MEMBER** concerned.
4. Company may, at any time, summon **MEMBER** without being represented to come to the corporate office to prove, by evidence satisfactory to the Company, **MEMBER**'s data provided to the Company, and if company deems that any data provided is false, inaccurate or misleading, the Company may terminate the membership without being liable to any compensation or damages.
5. Company may allow a **MEMBER** whose membership is forfeited or who has resigned and intends to re-join to become a member again by filling out new membership forms and meet the requirements of membership. However, if such rejoining **MEMBER** desires to be associated by a Sponsor different from his or her previous one, he or she can only rejoin after a period of six (6) months from the time his membership was forfeited or the date of his resignation.

Article 3

Spouse Membership

1. Conjugal membership is considered separate and must be in the same network with same sponsorship. If violated, then the latest registered membership account will be terminated by the Company without exception and without any compensation from the company.
2. If there are two members of the company from different networks decided to get married, then their membership shall remains in a separate, independent network.
3. When there are married members in MGI chooses to divorce, their network account in MGI shall remains it status except there is any courts decisions that mention otherwise.

Article 4

Sponsorship for New MEMBER

1. MEMBER/s have equal rights in sponsoring MEMBER candidates.
2. In conducting MEMBER sponsorship, both MEMBER and MEMBER candidates are obligated to apprise themselves of this Code of Ethics, copies of which are accessible within the office premises of the Company or may be downloaded from the company's member area website.
3. In inviting MEMBER candidates to become MEMBERS of the Company, MEMBER shall strictly adopt the marketing message prescribed by the Company regarding the MGICLUB business, the techniques for success, and the Company's products. The Company shall not be responsible for exaggerated claims made by MEMBERS regarding the business and the Company's products, and the likelihood of success in conducting the proposed business. A violation of this provision may subject the MEMBER involved to penalty including suspension or termination of his or her membership account. Further, the Company shall not be responsible for any false, inaccurate or misleading manner by which MEMBER markets MGICLUB and its Products.
4. Transfer or assignment of membership accounts to another, whether for a consideration or not, is strictly prohibited. MEMBER/s may not merge with the business accounts of other MEMBER/s. MEMBER/s who represent themselves to the public in the course of conducting MGICLUB business with a different name is likewise prohibited.
5. MEMBER conducting sponsorship is prohibited from providing misleading information to MEMBER candidates.

6. MEMBER conducting sponsorship is required to provide correct guidance, training, motivation, and explanation to the sponsored MEMBER, in accordance with the guidelines set by the Company.
7. When inviting prospects/candidates to become member of the company, member is PROHIBITED to collect any registration/entrance fee/money, which is never be allowed or approved by the company.

CHAPTER III

CORPORATE RIGHTS AND OBLIGATIONS

Article 1

Corporate Rights

1. Company is entitled to perform its business based on the permit issued by the government, which includes activities necessarily related thereto.
2. Between the Company and the MEMBER/s, the Company has the sole prerogative to design and implement exclusive and uniform marketing strategies in promoting its Products, and has the right to impose strict compliance thereof through this Code of Ethics and through written advisories it may issue from time to time. MEMBER/s who refuse to abide by this principle may be suspended or removed.
3. Company is entitled to organize certain promotions to improve spirit and sale.
4. Company retains the inherent right to accept and/or reject applications to become a MEMBER without any obligation to explain its rejection.

5. Similarly, Company is entitled to approve or not approve applications for additional marketing, advertising or promotional assistance submitted by MEMBER.
6. Company may restrict product sales to a MEMBER or a group of MEMBERS for any reasonable ground, such as the presence of indication that such product sale will prejudice the Company or other MEMBER/s.
7. Company is likewise entitled to amend, supplement, or change the provisions of this Code of Ethics, and to issue additional rules and regulations for the conduct of its MEMBER/s of MGICLUB business, and such changes and additional rules shall be complied with by its MEMBERS as though they were imposed from the beginning.
8. Company is entitled to change, add, or revoke matters related to goods and prescribed business practices, including but not limited to packaging, formula, price, quality, and quantity of goods, in compliance with government regulations and/or to take advantage of any benefit provided by law.

Article 2

Corporate Obligations

1. Performing business activities based on Code of Ethics, Regulation, and Code of Conduct of Company and corporate culture.
2. Providing Marketing Program and Goods being sold are suitable with promise and permit from government.
3. Providing Commission, Bonus, and Award based on Marketing Plan.
4. Providing services to MEMBERS and consumers based on Code of Ethics, Regulation, and Code of Conduct as well as Culture of Company.
5. Maintaining conducive business situation by enforcing Code of Ethics, Regulation, and Code of Conduct of Company.

6. Educating Consumers and MEMBER with correct information.

CHAPTER IV

RIGHTS AND OBLIGATIONS OF MEMBER AND PROHIBITIONS

Article 1

Rights and Obligations of MEMBER

A. Rights of MEMBER

1. MEMBER is entitled to obtain quality products from company.
2. MEMBER has the right to determine to whom and with whom it carries out its membership activities.
3. MEMBER is entitled to obtain financial reward in the form of commission from company for its membership and direct sales activities based on the agreement with the company.
4. MEMBER is entitled to obtain additional bonuses based on quotas which the company may determine from time to time. Such additional bonus is normally given out in big events where other MEMBER/s are invited to join, as determined by the Company. All tax consequences of the giving of this additional bonus shall be borne by the recipient MEMBER.
5. MEMBER is entitled to obtain proper explanation and information from company regarding compensation / marketing plans.
6. MEMBER is entitled to obtain proper explanation and information from company regarding MGICLUB products.

7. MEMBER is entitled to obtain training, guidance, briefing about MGICLUB's direct sale either from company or Up Line / its sponsor based on CHAPTER VIII.

B. Obligations of MEMBER

1. MEMBER is responsible for all consequences arising from the performance of membership or marketing activities which deviate from the rules prescribed by company.
2. MEMBER is required to provide guidance, training, and motivation to MEMBER they sponsor through methods not contradictory with principles enacted by company.
3. MEMBER is required to give proof of payment to consumers when selling products.
4. MEMBER is required to apprise himself or herself and comply with all regulations issued by MGICLUB company.
5. MEMBER is required to act politely, sympathetically, honestly in conducting their membership and marketing activities.
6. MEMBER is prohibited from influencing / persuading / poaching the invitees or MEMBER candidates belonging to other MEMBERS, even MEMBER candidates of MEMBERS belonging to his or her network, to join his or her Sponsorship line. Likewise, a MEMBER is prohibited from influencing / persuading / poaching other MEMBERS belonging to other network to transfer to his or her network. Sanction for a violation of any acts prohibited in this paragraph is Dismissal or membership termination without any compensation.
7. MEMBER is required to understand compensation / marketing plans prescribed by the Company.

8. All MEMBERS are required refrain from performing acts or omissions which may negatively affect the reputation and goodwill of MGICLUB, or which might subject or expose the Company to liability.

Article 2

Prohibitions

1. MEMBER/s are prohibited from claiming themselves, or a specific group of MEMBERS to which he or she belong, to have exclusive control over a territory and, thus, have monopoly to sell the Company's products therein and obtain new MEMBER/s therefrom.
2. MEMBER is prohibited from approaching, influencing, persuading other people's MEMBERS to move to his or her network tree or set an ID to other people's network tree. Sanction for this violation is Dismissal or membership termination without any compensation.
3. MEMBER is prohibited from acting as an agent or representative of the Company. MEMBER/s are prohibited from entering into binding agreements with other persons in the name of the company. A violation of this paragraph has a penalty of suspension and/or dismissal upon the exclusive option of the Company.
4. MEMBER or groups are prohibited from making any form of promo with any scheme without written permission from the company.
5. MEMBER is prohibited from creating and/or using marketing or promotional materials that have not been approved by the Company. A violation of this paragraph has a penalty of suspension and/or dismissal upon the exclusive option of the Company.

6. MEMBER is prohibited from selling or distributing Company's products that have become unusable or defective.
7. MEMBER is prohibited from altering, changing, replacing, destroying, reducing either partially or entirely the packaging of the Company's products, including any sticker, logo, symbol, form, brochure, and other assisting business tools officially determined by company.
8. MEMBER is prohibited from selling products below the prices determined by company. A violation of this provision has a penalty of Dismissal and/or suspension, upon the exclusive option of the Company.
9. MEMBER are prohibited from creating their own events such as meetings, presentations or trainings and are prohibited from making their own promos without permission or reporting to the company in formal writing.
10. MEMBERS/STOCKIST are prohibited from selling/trading MGICLUB Cash Wallet/PV below the rates set by the company as below:

Member: 1PV = 70 Peso

Master Stockist: 1PV = 65.4 peso

Mobile Stockist: 1PV = 68.6 Peso

Sanction for this violation is dismissal or membership termination without any compensation.
11. Without a prior written permit from company, MEMBER is prohibited from using MGICLUB brand name, trademark, design, and logo either partially or entirely.
12. In conducting membership activities, MEMBER is prohibited from denouncing, insulting, or threatening other MEMBERS and the officers of the Company.

13. MEMBER is prohibited from engaging in export / import activities of MGICLUB products to and from a specific country. A violation of this provision is penalized by Dismissal or suspension, upon the exclusive option of the company.
14. All MGI Master Stockists and/or Members who have previously received an award of recognition from MGI shall be prohibited to be involved either as employee, agent, officer, stockholder, Director, partner, or owner of any business or venture that may reasonably be viewed as in conflict or in competition with MGI. The promotion of other such entities and their products and services in social media or in any other medium shall be highly prohibited. A violation of this policy may result to the suspension or termination of the account of the concerned Stockist of Member.
15. Members are prohibited from selling similar products that are not distributed by the company or participate in any activities that will cause confusion or order conflict or interests to the Company's and/or its other members. Any breach of this code will attract sanctions that may lead to suspension or termination of membership account/s.
16. Members are prohibited to purchase cash wallet/PV from other members who's offering below the rates set by the company. A violation of this provision is penalized by Dismissal or suspension of membership permanently.

For the prohibitions mentioned above that do not have an accompanying penalty, the penalty of Dismissal or suspension, upon the exclusive option of the company, may be imposed if, upon notice from the Company about the violation, the MEMBER concerned fails to rectify his or her mistake, or to undo the violation, or persists in violating the same or other prohibitions, or fails to perform an act required by the company to settle the matter.

CHAPTER V

PRODUCT PURCHASE, PRODUCT SALE, SATISFACTION WARRANTY

Article 1

Product Purchase

1. Regarding Product Purchase, at the request of MEMBER, Company may deliver Products to MEMBER's address and costs are borne by MEMBER.
2. Product purchase may be conducted in cash / debit card / credit card.
3. Company may not be forced to approve product purchase outside the locations determined by company to prevent product forgery by irresponsible parties.
4. Each MEMBER is entitled to similar product prices determined by company.

Article 2

Product Sale

1. Products' selling prices are determined by company.
2. In selling products, MEMBER is prohibited from providing misleading or excessive explanations regarding products besides those determined by company.
3. MGICLUB products are exclusively sold through direct sale. Sales without using this method are prohibited.
4. MEMBER is prohibited from displaying and selling MGICLUB products at booths and public stores.

5. MEMBER is prohibited from selling MGICLUB products online through a marketplace such as *Lazada*, *Shopee* or similar apps. Similarly, a violation of the foregoing may merit the penalty of dismissal or suspension, at the exclusive option of the Company.
6. The offering of term payments, with or without interests, to customers who purchase MGI products is not allowed. Similarly, a violation of this rule may subject the erring member to temporary or permanent of his or her account upon the discretion of the company.

CHAPTER VI

MEMBERSHIP INHERITANCE

1. Upon the death of a MEMBER, his or her membership account may be transferred by the Company to an heir/s designated by the MEMBER in his or her MEMBER registration forms, provided that such heir/s is qualified to become a MEMBER of the Company, and that he or she is not yet a MEMBER of the Company.
2. The above undertaking to transfer a deceased' MEMBER's membership account, however, will not apply if no notice is received by the Company from the designated heir/s of the MEMBER's death 30 days after the occurrence thereof. In such case, the Company may disposed of the said membership account in whatever manner it wishes to. Thus, MEMBER/s are enjoined to advise their heirs of their timely compliance with this strict notice provision.
3. Heirs who will replace the position of deceased MEMBER shall submit the following requirements:
 - a. Certificate of death.

- b. Notarized waiver of other compulsory heirs to his or her designation to succeed the membership account.
- c. Marriage or Birth Certificates, if applicable.

CHAPTER VII
BONUS AND TAX

Article 11
Bonus Payment

1. All transaction/sales and bonus earnings will be calculated base on company's compensation's plan.
2. MEMBER/s are required to inspect the bonus statements thru their registered member's account provided by the Company and shall immediately report to the Company any inaccurate or erroneous computation therein within 15 (fifteen) days from notice of such bonus statement. If no report is made within the period mentioned, the bonus statement shall be conclusively presumed by the Company to be accurate, without prejudice to the right of the Company to recover excess payments from the relevant MEMBER.
3. The Company is entitled to set-off against the bonus or other incentives and payments to which a MEMBER is entitled to, and to deduct there from, any amount of obligations of the latter to the Company.
4. Company may hold the release of any bonus or incentives or any other payments due a MEMBER who signifies his resignation, or whose account has been suspended or

terminated, until the exact financial liability of such MEMBER to the Company has been finally ascertained by the Company.

5. The Company shall not be liable for any restrictions made by the bank regarding transfer of funds as payment for MEMBERS' bonuses and other incentives. Such restriction may include, but is not limited to, the maximum amount or number of fund transfer within a particular cycle.
6. The minimum amount of bonus withdrawal is only from E-wallet, which is a minimum of 100 PV minus admin fees set by the company.
7. All fees charged by the bank for deposit/transfer the bonus payment shall be the burden and responsibility of the MEMBER concerned, where such fees will be deducted directly from the bonus.
8. The Company shall attempt to make bonus payments on the 15th day or at the end of the month following the month where the MEMBER made a withdrawal request.

Article 12

Tax

1. The Company shall abide by the relevant tax laws and regulations, and may withhold from incentives and bonuses due its MEMBERS the prescribed portion for tax so that the Company may promptly remit the same to the tax authorities.
2. Proof of payment of withholding taxes shall be provided each MEMBERS upon request.
3. All tax obligations of a MEMBER shall be the responsibility of the MEMBER concerned.

CHAPTER VIII

TRAINING, GUIDANCE, AND AWARD

TRAINING

Company will regularly provide training and seminars to its MEMBERS to clearly understand the Products, their benefits, and the allowable manner by which they are to be marketed to the public.

- a) The Company shall assist in product explanation and other customer service at any reasonable time within the office of the Company.
- b) The Company shall endeavor to consistently organize a Product Knowledge Training once a week within its company premises.
- c) Every MEMBER is encouraged to learn how to explain the benefits of the Products based on the guidelines issued by the Company, and to prevent making excessive or erroneous claims that may expose the Company to liability.
- d) Likewise, the Company shall endeavor to consistently conduct learning sessions regarding the Company's Marketing Plan.
- e) Unless announced otherwise, orientation session for new MEMBERS are held once a month.

GUIDANCE

Company will perform guidance to build Partner's firm character, good behavior, and responsibility for establishing collective businesses by organizing:

- a) Entrepreneurship Seminar (HTS-HOW TO SUCCESS) routinely.
- b) Leadership Seminar (RTS-ROAD TO SUCCESS) and (RTL- ROAD TO LEADER) once in a year.

- c) Motivation Seminar (Soft Training) routinely.

AWARD

Company realizes that corporate development is resulted from the hard work of Partners so

Company will give awards and rewards regularly:

- a) Rewards are in form of Tour or assets such as motorcycle, car, and house once a year which will be regulated based on the result of Company's business development.
- b) Award Night will be conducted by the company according to the date/schedule set by the company for excellent Partners.

CHAPTER IX

STOCKIST

1. There're 2 different types of Stockistship in MGICLUB:
 - a. Master Stockist
 - b. Mobile Stockist

2. The general requirement to become a Stockist are as follows:
 - a. The Stockist applicant is an active member of MGICLUB with a minimum BASIC account.

- b. Fill in and submit Stockist application form to the office or through the MGI official member's area website.
- c. Willing to be interviewed (if required) either face-to-face or via online from the company management.
- d. Comply with the Company's Code of Ethics and the stockist's regulations by the company.
- e. Willing to provide services to all members even if it is not in the same network.

A. MASTER STOCKIST

1. Special requirements that must be met in addition to the General Requirements:

- a. The applicant is an active member of the company
- b. Not a Stockist for other similar companies.
- c. Has a representative location and facilities.
- d. Provide tables and display shelves for MGI products, and willing to provide administration services and sales to all members.
- e. Have a team that works full time to maintain and run Stockist daily service.
- f. Ready to serve product and service complaints.
- g. Must have a room or presentation venue that can accommodate around 10-20 people for presentations.
- h. Providing Laptops, LCD projectors, Wifi and other presentation supporting facilities
- i. Willing to be involved by the company in official company events in the Stockist territory.
- j. Have a room or place to store the stockist products/inventory.
- k. Have the initiative, commitment and activeness to continue carrying out activities or the company's programs.

2. Master Stockist Benefits:

- a. Obtain early information about the development of the company.
- b. Earn a Stockist fee of 5% PV from every member purchase under your Stockist account.
- c. Earn a Stockist fee of 2.5% PV from every Mobile Stockist purchase under your Stockist account.
- d. Get facilities in the form of design master files for brochures, catalogs, and tools.

B. MOBILE STOCKIST

1. Special requirements that must be met in addition to the General Requirements:

- a. The applicant is an active member of the company
- b. Willing to provide administrative and sales services to all members.
- c. Ready to serve product and service complaints and also consult about network development.
- d. Willing to be involved by the company in official company events.

2. Advantages of Mobile Stockists:

- a. Obtain early information about the development of the company.
- b. Earn a Stockist fee of 1.5% PV from every member purchase under your Stockist account.

CHAPTER X

Article 1

Violation, Complaint, Sanction

1. Any violation of this Code of Ethics may result in membership termination.
2. Every MEMBER is entitled to complain all acts of other MEMBERS that deviate from the provisions of this Code and/or other regulations issued by the Company by sending in writing the following:
 - a. The respondent's data (username / full name).
 - b. Brief narration of facts complete with evidence attached, if any.
 - c. Complainant's identity (may be kept as a secret if desired).
3. Company may, at any time, conduct inspection to the subject allegedly conducting violation.
4. Settlement from company only covers membership administrative settlement while criminal or civil remedies against the subject of violation are beyond the company's authority.

Sanctions over violation are:

- 4.1. Oral or written reprimands.
- 4.2. Suspension in form of prohibition from conducting membership activities within the period of 1 to 3 months determined by company.
- 4.3. Commission suspension for the period of 1 to 3 months and company is not obligated to indemnify in any forms.
- 4.4. Dismissal or membership termination without any compensations.

5. Sanction is imposed by Corporate Director or Legal Department and may be conducted without referring to the above order, but may be conducted based on the condition at the time.

Article 14

Dispute Settlement

1. Disputes occurring between MEMBER and Company will, as much as possible, be settled amicably through good discussion. In case of failure to settle the dispute amicably within a reasonable time, actions may be instituted by the part exclusively in the pertinent trial court of the country where the Company presented this Code Of Ethics or the country where the MEMBER registered his/her MEMBER account with the company.
2. In case of disputes between MEMBERS, Company will endeavor to mediate if it involves or related to the rights of either Party as a MEMBER of the COMPANY, of if it involves the proper interpretation of the provisions of this Code of Ethics and other Company regulations or advisories.
3. In case of disputes between MEMBERS, the parties involved in the dispute have to strive for settlement between themselves hierarchically by involving Team Leader. If it fails to be settled, the parties may ask Company to be a mediator.

CHAPTER XI

CLOSING

1. All MEMBERS are required to comply with this Code of Ethics.
2. This Code of Ethics only consists of primary rules while the specific performance of this Code of Ethics will be regulated in separate regulations.
3. Company is entitled to conduct change / revision / update to this Code of Ethics if deemed necessary.
4. If company conducts change / revision / update to Code of Ethics, the one declared valid and effective is the latest Code of Ethics issued by company.