

Independent
Sales
Representative
Handbook

Welcome to Enagic INDIA



**Enagic India Kangen water Pvt.Ltd.
U41000TN2015PTC100366**

Enagic® reserve the right to change these terms and conditions at any time, and you agree to abide by the most recent version of this.

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Letter to the New Independent Sales Representative

Congratulations and welcome to Enagic India Kangen water Pvt.Ltd. herein after state as Enagic India

You have made the first step towards success. This booklet contains detailed information regarding the application procedure, as well as answers to general questions that you may have. Please utilize this booklet not only when conducting your own business, but as a tool to train your team. Remember, the more you know, the more you grow! Should you have any further questions regarding something not covered in this booklet, there are a few steps that need to be taken before contacting the company. First, you need to call your up line, or your up line's up line (your 6A would be best). Second you can call the company to get any assistance that you may need after exhausting the first options. Keep in mind that you have entered into a preexisting team. You may feel as though you are alone at times, but that is when you need to reach out most and get connected. You are not alone! There are hundreds, if not thousands, of people in your group willing and ready to lend a hand to help you build your own team and business.

****Please be sure to read this booklet in it's entirely before submitting any applications to prevent any issues****

Independent Sales Representative Responsibilities

As a Independent Sales Representative you have many responsibilities that are vital not only to your success, but are important in ensuring all interactions with the company are as productive as possible. It is very important to understand that you are not working for Enagic India Kangen water Pvt.Ltd, or vice versa, but are your own entity. The role of Enagic India Kangen water Pvt.Ltd. is simply to fulfill the orders that are produced through your hard work, as well as to provide a foundation and general rules to ensure order amongst all of the “business” owners. In order to ensure optimal success please be sure to fully understand and be prepared to fulfill your responsibilities.

Independent Sales Representative responsibilities are as follows:

1. Fully educate yourself regarding the machines, health information, Margins, complete order processing, and general business practices.
2. Being responsible for training and fully educating all Independent Sales Representatives in your downline in order to make them fully self-sufficient.
3. All questions should be answered within the group. The company should only be used as a last resort. More difficult questions should be directed towards your 6A's. No one should be told to call the company.
4. Do not make any health, monetary, or false claims. If you have knowledge of anyone making the above claims, please contact the company immediately.
5. No money is allowed to be exchanged in dealing with the water under any circumstances. That includes donations, as well as selling the water.
6. Read, fully understand, and abide by the company's Policies and Procedures.
7. Run your Independent Sales Representative ship in an ethical manner.
8. Do not sale the Leveluk Machines as discounted prices.

Instructions for filling out the Application

Registering as a Independent Sales Representative

When filling out an application, a new Independent Sales Representative needs to completely fill out and submit the **Application Form** with Policies and Procedures as well as provide the **copy of Identity (both sides with clearly image)** and **Bank Statement/Bank Information and PAN (Personal Account Number)**

Enagic India only accepted:

1. Permanent Resident

General Information

- Applicant makes sure to click the Member section.
- Please make sure have applicant to sign it and have your sponsor sign it as well before submitting it to the company for processing.
- Having the “Sponsor Information” section filled out is very important, and will be needed to ensure your application is complete. You need to have your sponsor’s name, sponsor’s rank, and Independent Sales Representative ID number filled in.
- Applicant makes sure to submit the Bank Information
- Be sure to specify which machine is being purchased in the “Product order” section.
- Choose the “payment method” in payment method section.
- Please input the total cost that the buyer is paying.
- Alternate Payer: If payments are not to be made by the customer, the payer needs to completely fill out and submit the form with payer ID proof and PAN Card (Personal Account Number) Copy.
- Alternate Pick Up: This section is to be filled out only when someone other than the buyer is going to pick up the machine. Anyone can pick up the machine in the buyers place in the event of a full payment. However, only the buyer can pick up their own machine when financing.
- There can only be one name listed as the applicant. If more than one name is listed, this may hold up the processing of your application. An example of this is a case where a husband and wife want to be Independent Sales Representatives and they write both names on the application. That application will not be processed because we only allow one person as the applicant, with one signature on the documents, bank statement, and one copy of Identity Card and PAN (Personal Account Number)

Signing Up as a Tokurei Under Tokurei Agreement of Special Payment (Tokurei) Plan.

Submitting Tokurei Agreement by customer is mandatory to apply.

A Tokurei is someone who may be unable to purchase the machine, but still would like to join the company and work as an Independent Sales Representative. That person will primarily function as a “partial” Independent Sales Representative in that although they are able to go out and sell machines, they will only receive partial Margin. This will be explained in further detail below. Understanding the Tokurei System To sign up as a Tokurei, a person must submit their application (which should include the Product Order Form and Independent Sales Representative Application, a copy of an Identity Copy (both sides with clearly image), a copy of Bank Statement, along with the application of someone that is purchasing the machine by full payment. The Tokurei will sponsor the buyer, and therefore will start with one sale or one (1) A leg.

Applicant agrees to sell and submit at least one Product Sale to purchase with Single payment by applicable payment mode excluding Cash Payment to apply as a Tokurei Applicant. Enagic India requires copy of Residential Identity, PAN Card with application form to enter in to this agreement. Enagic require signature of both a direct –up-line referral sponsor and direct up line 6A Independent Sales Representative. This agreement will be terminated upon completion of payment in full by the applicant. Applicant is responsible for the balance of the purchase price if the Independent Sales Representative ship is terminated for any reason.

Applicant will be unable to downgrade the product when he/she completed the payment.

SP will not apply to the applicant while the special payment plan is in effect.

A Rs.1700/- (Incl Tax) + Shipping (as applicable) will be incurred when undertaking this program for the purchase of a `Samaritan (Tokurei) starter Kit. The purchase of this Kit is mandatory. The kit includes Order Form, Independent Sales Representative Handbook, Policy & Procedures, Brouchers of all products, and Kangen Water broucher.

- When signing up as a Tokurei, one needs to select which machine they are working towards when filling out the application.
- Tokurei is Applicable to earn Basic Commission only of each sales product. To get SP commission Tokurei need to cancel his Tokurei Status and do one direct sale.
- A Tokurei will not receive their machine until enough Margin has been accumulated to fully cover the cost of the machine or when Independent Sales Representative affords to buy it.
- As a Tokurei, every time a sale is made within the 8 point structure, part of the Margin will be placed toward the Tokurei selected machine. For example, if a Tokurei were to sell an SD501 machine as a full payment, where the normal Margin minus the SP bonus.
- A Tokurei can upgrade the machine that was initially chosen, but cannot downgrade. For example, if one was to initially choose to work towards obtaining the SD501 machine, and then decided that they wanted any higher level machine such as SD501-PT, then that would be alright. However, if one was to choose the SD501 initially, and then decided that they wanted any lower level machine, that would not be allowed under any circumstances.
- Once it has been decided to use the Tokurei plan, an Independent Sales Representative may do Enagic Financing (Yet not applicable in India). Accumulated Tokurei Margin can be applied to the down payment. If

the accumulated amount does not meet the down payment amount, then the Independent Sales Representative must pay the remaining amount. Other ways to complete the Tokurei plan are to either accumulate enough Margin to fully cover the total costs of the machine chosen, or pay the complete balance minus what has already been accumulated from Margins.

- A person using the Tokurei plan will receive full Margin minus the amount withheld in the event of a machine sold and paid for in full.
- If a Independent Sales Representative already has an account, he/she cannot sign up as a Tokurei for a second or third account. Signing up as a Tokurei is only allowed for individuals signing up with Enagic for the first time.
- Customers who are under the Tokurei program are not allowed to sign as an alternate payer for the payments of someone else's machine.
- Any Independent Sales Representative under the Tokurei plan will not be allowed to purchase a second until the Tokurei is paid off.
- Independent Sales Representatives signing up using a business name are not allowed to sign up as a Tokurei.
- If a Independent Sales Representative's downline is a Tokurei, they will not receive any Margin until after the Tokurei has been completed.
- Please fully read the Agreement of Special Payment Plan form Tokurei.
- Tokurei is only for individual person, not applicable to company.
- For Tokurei cancellations, kindly stated in the mail saying that is Tokurei cancellation. Please provide the Tokurei ID number, name of the Tokurei.
- After applicant successfully cancelled Tokurei, please be noted that Independent Sales Representative have to do one direct sales to receive full Margin (SP), otherwise Independent Sales Representative will only receive the basic Margin. Once his/ her made direct sales after Tokurei cancelled, a SP (special point) status is reached. This then entitles he/ she to a higher Margin amount per sale (both direct and indirect). If no direct sales are made after Tokurei cancelled, the Margin he/ she will get from indirect lines is Basic Margin, not full Margin (SP).

ORDER MACHINE VIA EMAIL

For application order via Email, kindly refer to details below for service assistant:

Enagic India - Contact Details			
Sections	Contact Number	Mail-Id	Area
Customer Care	080 46509900	area1-india@enagic.co.in	Jammu & Kashmir, Himachal Pradesh, Punjab, Chandigarh,
			Uttarakhand, Haryana, Uttar Pradesh, Bihar, Sikkim, West Bengal
			Assam, Arunachal Pradesh, Meghalaya,
			Tripura, Mizoram, Manipur, Nagaland, Rajasthan
Customer Care	080 46509903	area2-india@enagic.co.in	Maharashtra, Gujrat, Madhya Pradesh, Chhattisgarh, Odisha,
			Delhi, Telangana, Dadar & Nagar Haveli, Daman & Diu
Customer Care	080 46509906	area3-india@enagic.co.in	Karnataka, Andhra Pradesh, Goa, Puducherry, Tamilnadu
			Kerala, Lakshadweep, Andaman & Nicobar, Jharkhand,
Maintenance Inquiry & Service	080 46509907	service-india@enagic.co.in	
Account	08046509905	acc1-india@enagic.co.in	
Margin Inquiry	080 46509902	margin-india@enagic.co.in	
Compalaints	N/A	complaints-india@enagic.co.in	
Events & Marketing	N/A	marketing-india@enagic.co.in	
Overseas Inquiry	N/A	india-sales@enagic.com	

Enagic India – Bank Account Details as below.

Enagic India Kangen Water Pvt. Ltd.	
Bank A/C details to remit payment against Enagic India Product Purchase only	
Bank Name	YES BANK
Beneficiary A/C Name	Enagic India Kangen Water Pvt.Ltd.
A/C Number	019761900001237
IFSC/NEFT/RTGS Code	YESB0000197
MICR Code	560532004
Branch Name	JAYANAGAR BANGALORE

Shipping Charges			
Zone	ZONE Classification	Shipping Company	
		BLUE DART	DTDC
SOUTH	Andhra Pradesh,Karnataka,Pondichery,Kerala,Tamilnadu,Telangana	1800	1100
WEST	Gujrat,Goa,Maharashtra,madhya Pradesh,Chhattisgarh	2200	1500
NORTH	Chandigarh,Delhi,haryana,Himachal pradesh,punjab,Rajasthan,Uttar Pradesh,Uttarakhand	2600	2000
EAST	Bihar,Jharkhand,Orissa,West Bengal	3100	2000
NORTH EAST	Arunachal Pradesh,Assam,Manipur,Tripura,Meghalaya,Mizoram,Nagaland,Sikkim	3400	2000
J&K	Jammu & kashmir	3400	
Portblair	Andan & Nikobar Island / Special Destiniation	3000	2000
Delivery Schedule			
		BLUE DART	DTDC
Working Days			
SOUTH	Andhra Pradesh,Karnataka,Pondichery,Kerala,Tamilnadu,Telangana	2/3	4/5
WEST	Gujrat,Goa,Maharashtra,madhya Pradesh,Chhattisgarh	2	3/5
NORTH	Chandigarh,Delhi,haryana,Himachal pradesh,punjab,Rajasthan,Uttar Pradesh,Uttarakhand	2/3	3/5
EAST	Bihar,Jharkhand,Orissa,West Bengal	3	5
NORTH EAST	Arunachal Pradesh,Assam,Manipur,Tripura,Meghalaya,Mizoram,Nagaland,Sikkim	5	6
J&K	Jammu & kashmir	3	5/6
Portblair	Andan & Nikobar Island / Special Destiniation	3	5/6

Note: Consignee has to prepare following documents by themselves to get consignment in particular states.

State Regulatory Requirements & Product Delivery Schedule

By Consignee

Regulatory Requirements & Product Delivery Schedule						
State / Union Territory	Delivery Schedule		Statutory/Form Requirements	Entry Tax/Octroi	Website	Remark
	Metro /Measure Cities	Unserviced Area				
Andhra Pradesh	2	4	Form 600	N/A	https://www.apct.gov.in/apportal	Pls send scan copy of form to Enagic for further process.
Arunachal Pradesh	5	7	DG 01	Applicable	https://arun-taxexcise.nic.in	Pls send scan copy of form to Enagic for further process.
Bihar	3	5	Form DIX	N/A	www.biharcommercialtax.gov.in	Pls send scan copy of form to Enagic for further process.
Assam	3	5	Form 61	Applicable	http://www.taxassam.gov.in	Pls send scan copy of form to Enagic for further process.

Gujrat	2	5	Form 402/403 (Excluding Ahmedabad, Surat, Vadodara)	N/A	http://commercialtax.gujarat.gov.in	Pls send scan copy of form to Enagic for further process.
Kerala	3	6	Form 15/16	N/A	http://www.keralataxes.gov.in	Pls send scan copy of form to Enagic for further process.
Maharashtra	2	4	N/A	Applicable	N/A	E.g. Mumbai / Dhule.
Punjab	2	4	Form 36	Applicable	https://www.pextax.com	Pls send scan copy of form to Enagic for further process.
Rajsthan	2	4	Form 47	N/A	http://rajtax.gov.in/vatweb	Pls send scan copy of form to Enagic for further process.
Himachal Pradesh	5	7	Form 26	N/A	http://hptax.gov.in/HPPortal/	Pls send scan copy of form to Enagic for further process.
Jharkhand	5	7	Form 504G	N/A	http://jharkhandcomtax.gov.in/commercialtax/	Pls send scan copy of form to Enagic for further process.
Manipur	5	7	Form 27/28	N/A	http://www.manipurvat.gov.in	Pls send scan copy of form to Enagic for further process.
Mizoram	5	7	Form 33	N/A	http://zotax.nic.in/	Pls send scan copy of form to Enagic for further process.

Nagaland	6	7	Form 23/24	N/A	http://nagalandtax.nic.in	Pls send scan copy of form to Enagic for further process.
Odisha	3	5	Form 402	N/A	https://odishatax.gov.in/	Pls send scan copy of form to Enagic for further process.
Sikkim	4	6	Form 25	N/A	http://www.sikkimtax.gov.in/	Pls send scan copy of form to Enagic for further process.
Tripura	4	6	Form 26	N/A	http://taxes.tripura.gov.in/	Pls send scan copy of form to Enagic for further process.
Uttar Pradesh	2	5	Form 39	N/A	http://comtax.up.nic.in/main.htm	Pls send scan copy of form to Enagic for further process.
West Bengal	2	5	Form 50	N/A	http://wbcomtax.nic.in/welcome.asp	Pls send scan copy of form to Enagic for further process.
Jammu & Kashmir	3	5	Form 65	N/A	https://jkcomtax.gov.in/JKPortal/	Pls send scan copy of form to Enagic for further process.
Meghalay	3	6	Form 40	N/A	http://megvat.nic.in/	Pls send scan copy of form to Enagic for further process.

By Consignor

State / Union Territory	Delivery Schedule		Statutory/Form Requirements	Entry Tax/Octroi	Website	Remark
	Metro Cities	Unserviced Area				
Gujrat	2	5	Form 402/403	N/A	http://commercialtax.gujarat.gov.in	Enagic will send form to transport Compny. This is applicable only for Surat,Ahmedabad,Vadodara
Madhya Pradesh	2	5	Form 49	N/A	http://mptax.mp.gov.in	Enagic will send form to transport Compny.
Telangana	2	4	Form 600	N/A	https://www.apct.gov.in/apportal/	Enagic will send form to transport Compny.
Uttaranchal	2	4	Form 16 /17	N/A	http://comtax.ul.gov.in	Some parts is applicable to Consignee. Enagic will inform Customer as per the particular requirement.
Delhi	2	4	Form DS2	N/A	http://dvat.gov.in	Enagic will send form to transport Compny.

Places – Not Applicable For Statutory/Form Requirements

Not Applicable for Statutory/Form Requirements						
State / Union Territory	Delivery Schedule		Statutory/Form Requirements	Entry Tax/Octroi	Website	Remark
	Metro Cities	Unserviced Area				
Chhattisgarh	4	6	N/A	N/A	N/A	
Goa	3	5	N/A	N/A	N/A	
Haryana	2	4	N/A	N/A	N/A	
Karnataka	2	4	N/A	N/A	N/A	
Tamilnadu	2	4	N/A	N/A	N/A	
Pondicherry	3	5	N/A	N/A	N/A	
Chandigarh	2	5	N/A	N/A	N/A	

Note

- Kindly contact particular Regulatory department/Professional agents in your area to fulfill this requirements Form.
- Form/Document requirements are subject to change as per amendments of particular State Regulatory Departments. Kindly cross check your document requirement with Customer Care or Service Team before delivery of order goods.
- Enagic will implement all regulatory changes with immediate effect and keep updated with all.
- Kindly discuss your shipping queries with Enagic staff before confirm the Shipping address.
- You may provide alternate Shipping address which is convenient to get delivery.
- You may contact your Courier Company to pick up product from Enagic Office.

Note on Octroi and Applicable Entry Taxes:

Octroi Charges may applicable for your shipments.

In India whatever applicable Octroi charges/LBT/Entry Tax, you are requested to follow below

mentioned options (Any One)

1. The Independent Sales Representatives / Customers are requested to pay Octroi charges/LBT/Entry Tax by themselves.
2. Or Kindly provide the alternate delivery address to deliver the shipment

➤ **Machine Order by Email or Fax as a Member** When filling out the application, a new Member must fill-in and email or fax their **Product Application Form; copy of applicant's Identity (both sides with clearly image), Bank Statement copy, Bank-in & Remittance slip, PAN (Personal Account Number)**. For all applications sent by email/ fax, the company will response within two (2) working days, regardless of the mode of payment. If there is any shipping required, the company will only ship out the machine after the application is completely processed and subject to stock availability. All the machine sales purchase through email will be closed at 6PM everyday. Application forms received after 6PM will be processed on the following business day.

➤ **Accessories Sales Purchase Through Email**

The buyer cannot do the accessories purchase through phone. The buyer must send the email or fax the Supply Form and fill in accessories that they want to buy. After that, the staff will calculate the entire accessories price together with the courier fees and send back the delivery order form to the buyer. The buyer only can transfer the money to Enagic account. Please fax over or email us the bank-in slip & remittance slip with the delivery order form once payment is made. All the accessories sales purchase through email will be closed at 6PM everyday. Accessories forms received after 6PM will be processed on the following business day.

➤ For payment made by cheque, the company will only hand-over/ ship out the machine after the application is completely submitted and the cheque is cleared, which is at least four (4) working days from the day the cheque being deposited and application/ payment slip completely submitted. All cheque after 4pm will be considered as the next day's deposit. All applications which are unclear and incomplete will be hold and machine will not be shipped out or hand-over to customer.

➤ For all applications which are self-sponsor (e.g.: Mr.Anand in application under sponsor B, and then sponsor him/herself another 2 more applications), kindly submit to us complete documentation, which included copy of applicant's Identity copy (both sides with clearly image), bank statement copy, and PAN(Permanent Account Number) even if all applications are submitted on the same time. The company will not duplicate all the documents for the applicants on behalf. The company will hold the application until all documents are submitted.

- For all applications, kindly make sure that all relevant sections in the application form are properly filled. All applications which are unclear and incomplete will be hold and machine will not be shipped out, regardless of the method of payment.
- For Tokurei applications, kindly stated in the mail saying that it is Tokurei Application. Please send in the Tokurei application together with the new application he/she bringing in (01 sale).
- For all the shipping, the company will only provide the consignment number (tracking number) to the applicant who required from us. We will not call the courier company for the applicant to track on the goods being sent out.
- All catalogues that come together with newly purchase machine are subjected to availability. Request for additional catalogue will not be entertained.
- Independent Sales Representatives have to submit all relevant Enagic application documents to Enagic India Upon the acknowledge by company, the machine will only be shipped out after the payment is cleared, and subject to stock availability.
- **Accessories sales**
 1. After 6 pm, accessories sales (cash) will be closed.
 2. Goods sold are not refundable and returnable.

➤ **Method of Payment**

1. Credit Card, Visa, Master, Debit. : Only Single Transaction Payment is applicable to particular Machine Cost. If Card limit is low please contact your Bank to increase Card Pay limit.
2. Cheque / Demand Draft.
3. Bank Fund Transfer.

Note: Credit Card Payment cancellation charges will be applicable to Customer account including Service Charge if it's applicable.

General Information

- Please note that the office hours are Monday to Saturday 10am-07pm. Accessories sales are closed at 6PM. Submission of application forms after 6PM will be processed on the next working day, and payment in any form will not be accepted.
- Notify the company if anything changes such as your address, telephone number, or Bank Account information.
- To do a name change, you must send in the Independent Sales Representative information change form

by fax or email. Name change can be applied to a first degree relative. All Independent Sales Representatives are not encouraged to change their details or any information frequently, if it cannot be avoided, please give us a concrete reason, but it is subjected to management's approval. Processing fees for name change: individual to individual (Rs.2000), please provide the following documents: Present Personal Name, Change to new personal name, Birth certificate or Marriage certificate, Identity copy, and Bank information, PAN (Personal Account Number)

- To do an address change, you must simply send in the change of address form. handle through your 6A. if the issue in question involves your 6A, the person a higher level up must be contacted. 6A level and above Independent Sales Representatives should call to company in the event that they are unable to resolve the dispute.
 - Machines may be upgraded but **never** downgraded.
- Note : Upgrade period for Rajasthan is 01 Month and For Kerla is 02 Month.**
- Only India Nationalized People can purchase machine in India. NRI cannot purchase machine in India.

General Margin Information

- Please have all names and Independent Sales Representative ID numbers ready when calling to make any inquiries.
- Please wait at least 10 business days before calling to ask any missing Margin payments.
- PAN (Permanent Account Number) submission is mandatory to each Independent Sales Representative with application. If PAN Card copy not submit within one month after application received, 20% TDS will be deducted from Margin amount.
- The entire Margin enquiry will reply via Email only **margin-india@enagic.co.in**
- Please allow up to 48 business hours (2 working days) for response.
- To avoid delays, please ensure that all customer information/ documentation are submitted. Missing information will delay Margin processing, please include together: front and back of Identity Copy (please print clearly), bank statement or bank details, PAN (Personal Account Number) with buyer's signature, application form.
- If you have a direct sale within six (6) months, you are qualified to receive regular Margin, 6A educational allowance and/ or incentive. This status is called "D1". If you do not have a direct sale between six (6) months and two (2) years from your last direct sale, you are qualified to receive fifty percent (50%) of 8-Point Margin, 6A educational allowance and/ or incentive. This status is called "D0". If you do not have a direct sale in over two (2) years, you are not qualified to receive any Margin, 6A educational allowance and/ or incentive. This status is called "FA"

ENAGIC India MARGIN CHART

		Enagic India				
		Product Prices and Margin Chart				
Product	Product Price	Margin	INR	6A Educational	Classification	INR
SD501	Rs.268000	SP	Rs.13000	SP	Level 2/3	Rs.2500
		Basic	Rs.10500	Basic	Level 1	Rs.11000
					Level 2/3	Rs.2200
		Level 1	Rs.9200			
SD501PT	Rs.288000	SP	Rs.13000	SP	Level 2/3	Rs.2500
		Basic	Rs.10500	Basic	Level 1	Rs.11000
					Level 2/3	Rs.2200
		Level 1	Rs.9200			
Jr II	Rs.150000	SP	Rs.7000	SP	Level 2/3	Rs.1300
		Basic	Rs.5600	Basic	Level 1	Rs.6000
					Level 2/3	Rs.1100
		Level 1	Rs.5000			
Super 501	Rs.385000	SP	Rs.18500	SP	Level 2/3	Rs.3500
		Basic	Rs.14800	Basic	Level 1	Rs.15600
					Level 2/3	Rs.3000
		Level 1	Rs.13000			
K8	Rs.333000	SP	Rs.16000	SP	Level 2/3	Rs.3000
		Basic	Rs.13000	Basic	Level 1	Rs.15000
					Level 2/3	Rs.2700
		Level 1	Rs.12000			
Anespa	Rs.150000	Basic	Rs.7000	SP	Level 2/3	Rs.1300
		SP	Rs.5600	Basic	Level 1	Rs.6000
					Level 2/3	Rs.1100
		Level 1	Rs.5000			



1) ANESPA



2) LevelLuk JR II



3) LevelLuk K8



4) LevelLuk SD501



5) LevelLuk SD501 PT



6) LevelLuk Super 501

COMMISSION PAY OUT POLICY

Distributors / Independent Sales Representatives dealing with the products of Enagic India Kangen Water Private Limited ("Company") have to take note of the following commission pay out policy of the Company from the angle of the Goods & Service Tax (GST).

- All Distributors / Independent Sales Representatives having an aggregate annual estimated turnover of Rs. 10 Lakhs, including all entitlements from the Company in form of commission, bonus, etc, in the Special Category States (please see Schedule below) and Rs. 20 Lakhs in other States, must register themselves with the GST Authorities and immediately provide their GST Registration Number to the Company.
- 80% of the entitlement of the Distributor / Independent Sales Representative from the Company, including all commission, bonus, etc, shall be paid to them on account by the Company as per the books accounts of the Company.
- For any further disbursements entitlement, the Distributors / Independent Sales Representatives must raise their tax invoice for their entitlement by charging necessary GST and also provide proof of having paid / deposited the GST amount charged in the invoice to the GST authorities from out of the 80% of the entitlement already paid by the Company on account or from any other source.
- Only on receipt of the tax invoice and the proof / evidence for having paid the GST amount included in the tax invoice, any further release of entitlement should be done by the Company.
- For all payments including the on account payment of 80% would be after deduction of tax at source as per the income tax rules.
- The entitlement shall be determined by the Company on annual basis only.
- Apart from the above, all Distributors / Independent Sales Representatives shall comply with all other requirements of GST laws and rules including filing of periodical returns, etc and submit the proof of the same to the Company.

- All matters shall be subject to the exclusive jurisdiction of courts at Bangalore only.
- All disputes shall be resolved through arbitration by a sole arbitrator to be appointed by the Director of the Company who may be authorized by the Board of Directors of the Company in this regard. The venue of arbitration shall be Bangalore.

Schedule

List of Special Category States

(As per Explanation (3) of Section 22 of CGST Act 2017)

1.Arunachal Pradesh 2. Assam 3. Jammu & Kashmir 4. Manipur 5.Meghalaya 6.Mizoram
7.Nagaland 8.Sikkim 9.Tripura 10.Himachal Pradesh 11.Uttarakhand

Machine Repair Instruction

CHECK LIST

1. Fill out the repair request form on the customer instruction (please print clearly) and return it with the machine. Please make sure that you are specific on the problem of the machine. The technicians will only go by what is written in this repair request form.
2. REMOVE the enhancer tank, diverter and adapter. (Enagic will not be responsible and will not replace these items. Enhancer damage occurs in the machine when you leave the electrolysis enhancer fluids inside the tank, inside the machine and move the machine around or travel with it. If mishandled, the fluids will leak inside the machine and cause damage to the inside. This is not covered under warranty.
3. Please give the technician approximately 3 – 5 business days to work on your machine. You are more than welcomed to call the company to check on the status of your machine.
Note: if the technicians check your machine and they determined the unit is not working properly due to calcium build up, a deep cleaning will be done without your permission. This service is not covered under warranty.

Machine	Deep Cleaning	Shipping machine for repair
SD501, JrII	Rs.2500	Shipping cost to Enagic office shall be paid by customers. Return of machine will be bear by Enagic.
K8, Super 501	Rs.2500	Shipping cost to Enagic office shall be paid by customers. Return of machine will be bear by Enagic.

- **Shipping machine for deep cleaning:** Shipping cost shall be paid by customers.
- **Shipping machine for repair:** Shipping cost to Enagic office shall be paid by customers. However, return of machine will be bear by Enagic which cover the shipment within India.
- **Item not covered by warranty:** Flexible pipe, hoses, accessories, printed materials, deep cleanings, enhancer damage, improper damage, misuse and abuse of units, machine alterations, damages caused by natural disasters, and shipping for products sent in for any services other than repair. For more information, please kindly contact the office / service-india@enagic.co.in

Policies and Procedures

For Enagic India Independent Sales Representatives

NOTE: IMPORTANT

Please read this Policies and Procedures carefully before executing the Independent Sales Representative Agreement to act as a Independent Sales Representative of Enagic India Kangen Water Private Limited.

Kindly be informed that Independent Sales Representatives are prohibited from selling bottled Kangen Water™ or any other water in any form produced from Enagic India Kangen Water Private Limited water purifying machines as stated in Clause 14 (Prohibition of Sales of Kangen Water) of this Policies and Procedures. All Independent Sales Representatives are also not permitted to carry out any acts which are prohibited by this Policies and Procedures. Independent Sales Representative who fails to adhere to this Policies and Procedures shall face disciplinary actions and shall indemnify and hold Enagic India Kangen Water Private Limited harmless from and against any claims, causes of action, administrative proceedings, losses and damages due to the said breach of the Policies and Procedures as stated in Clause 40 (Disciplinary Actions) and Clause 55 (Indemnification and Hold Harmless) of this Policies and Procedures. Enagic India Kangen Water Private Limited reserves the right to terminate the Independent Sales Representative ship of the Independent Sales Representative who fails to adhere to this Policies and Procedures with immediate effect without the need to provide any justification for such termination and the same shall be in addition to and reserving fully all other rights and entitlements that Enagic India Kangen water Private Limited may have against the Independent Sales Representative.

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1. The Company, Company Policies and Procedures and Independent Sales Representative's Handbook

1.1 Enagic India Kangen Water Private Limited (the "**Company**") is dealing in electrolysis water generator, water purifier and water processing machines of different models and capacity under the Brand "Enagic LeveLuk" ("Products") and makes the Products available to consumers through independent Independent Sales Representatives.

1.2 The Company Policies and Procedures (collectively the "**Company Policies**") herein are applicable to all independent Independent Sales Representatives of the Company. Further, the published Enagic Independent Sales Representative's Handbook (the "**Handbook**"), as amended and published from time to time, is incorporated as a part of the Company Policies and the Independent Sales Representative Agreement (collectively the "**Agreement**").

2. Independent Sales Representative Qualifications

2.1 A person(s) who has/have submitted an application for Independent Sales Representativeship and whose application has been accepted by the Company by way of a duly completed Agreement between the Company and the person(s) is a Independent Sales Representative. The Company does not charge any application fee or amount, whether refundable or non-refundable, from any of the applicants for their being a Independent Sales Representative of the Company.

2.2 The Company reserves the right and at its sole and entire discretion to accept or refuse all Independent Sales Representativeship applications or proposals or offers.

2.3 Only persons who have attained the age of majority in India **of eighteen (18) years may be appointed as Independent Sales Representatives** . Unless waived in writing by the Company upon application, the Company

will consider each married couple as a single Independent Sales Representative. Husband and wife may sponsor each other directly, but shall not be sponsored in different channels of distribution. If the Company finds that the second spouse was sponsored in a different distribution channels by any reason after the initial spouse was sponsored, the Company reserves the right to change the status of a spouse from a Independent Sales Representative into a user, or transfer the Independent Sales Representativenesship of a spouse into his or her immediate Independent Sales Representative. If a spouse is already a Independent Sales Representative, the non-participating spouse may elect to become a Independent Sales Representative, but must join the same Independent Sales Representativenesship as his or her spouse, or be directly sponsored by his or her spouse. The Company reserves the right to reject any applications for new Independent Sales Representativenesships. Should a husband/wife Independent Sales Representative divorce, they should notify the Company as to how the Independent Sales Representativenesship is to be managed thereafter. Otherwise, the Company will recognise the final judicial or adjudicatory disposition of the Independent Sales Representativenesship. When an existing Independent Sales Representative is willing to open the second or third Independent Sales Representativenesship, this account has to be opened under his existing account. Independent Sales Representatives are independent contractors on principal to principal basis and are not to be considered purchasers of a franchise. The agreement between the Company and its Independent Sales Representatives does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Independent Sales Representatives. Each Independent Sales Representative shall hold harmless, the Company from any claims, damages or liabilities arising out of Independent Sales Representative's business practices and actions. Company Independent Sales Representatives have no authority to bind the Company to any obligation. Each Independent Sales Representative is encouraged to set up his own business facility and to determine his/her own method of sale, so long as he/she complies with the policies and procedures of the Company, as set out in the Company Policies, Handbook and duly agreed to by the Independent Sales Representative in the Agreement.

2.4 Independent Independent Sales Representatives are fully responsible for properly paying all applicable taxes and fees as may be required by the laws of the India and comply with all laws, rules and regulations as are applicable to their Independent Sales Representativenesship business of the Company's Products. The Company does not perform any withholding services nor is the Company responsible for unpaid taxes on

behalf of independent Independent Sales Representatives. The company's programme is built upon retail sales to the ultimate consumer. The company also recognises that Independent Sales Representatives may wish to purchase product or service in reasonable amounts for their own personal or family use. For this reason, a retail sale for bonus purposes shall include sales to non-participants, as well as sales to Independent Sales Representatives for personal or family use which are not made for purposes of qualification or advancement. It is Company policy, however, to strictly prohibit the purchase of product or large quantities of inventory in unreasonable amounts solely for the purpose of qualifying for sales bonuses or advancement in the marketing programme. Independent Sales Representatives shall not inventory load nor encourage others in the distribution channel to load up on inventory. Independent Sales Representatives must fulfil published personal and sub-Independent Sales Representatives retail sales requirements, including but not limited to, requisite retail sales to non-participants, as well as supervisory responsibilities, to qualify for bonuses, overrides or advancements. Independent Sales Representatives shall not make statements or representations regarding the Company or its Products other than those approved and provided in writing by the Company; such as its Company Policies, Handbook and/or any other official Company printed literature and publications.

3. Transaction Submission Integrity

3.1 It is essential to the success of the Company, its Independent Sales Representatives and customers that all relevant transactions relating to and arising out of the Agreement between the Independent Sales Representative and the Company be submitted to the Company in order to maintain the integrity of communications between the Company and the Independent Sales Representative.

3.2 It is to be expected that all transactions submissions to the Company, including, but not limited to, Independent Sales Representative applications, Independent Sales Representative communication, Independent Sales Representative financial transactions and consumer transactions, be submitted by the individual or entity involved in the transaction – third party submissions of any and all transactions is prohibited.

3.3 A Independent Sales Representative should not communicate any transactions submissions on behalf of another Independent Sales Representative, Independent Sales Representativeship

applicant or customer. A Independent Sales Representative shall not use his or her credit card or bank account on behalf of another individual or Independent Sales Representative, except as expressly permitted by the Company in advance for an alternate payer. This rule is applicable to any and all forms of transactions submissions, including, but not limited to, online, telephone, fax, email, Etc..

4. Business Conduct

In the conduct of business, the Independent Sales Representative shall safeguard and promote the reputation of the products and services of the Company and shall refrain from all conduct which might be harmful to the reputation of the Company or to the marketing of such products and services or inconsistent with the public interest, and shall avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices or negative propaganda or adverse publicity. A Independent Sales Representative shall not interfere with, harass or undermine other Independent Sales Representatives and, at all times, shall respect the privacy and business interests of other Independent Sales Representatives. A Independent Sales Representative must not disparage the Company, other Company Independent Sales Representatives, Company products and/or services, the marketing and compensation plans, or Company employees. Violation of the above is grounds for termination of the Agreement.

5. Providing Sponsor Support

5.1 Any Independent Sales Representative, who sponsors other Independent Sales Representatives or sub-Independent Sales Representatives, must fulfil the obligation of performing a bona fide supervisory, distributing and selling function in the sale and/or delivery of product to the ultimate consumer and in the training of those sponsored. Independent Sales Representatives must have ongoing contact, communication and management supervision with their sales organisation(s). For the avoidance of doubt, potential Independent Sales Representatives shall not be required to provide any form of payment or benefit in order to be sponsored by the Independent Sales Representative. Examples of such supervision may include, but are not limited to: written correspondence, personal meetings, telephone contact, voice mail, electronic mail, training sessions, accompanying individuals to company training, Etc..

5.2 Independent Sales Representatives must also able to provide to the Company annually, proof of ongoing fulfilment of their sponsorship responsibilities.

6. Responsibility for Paying Taxes

All Independent Sales Representatives are personally responsible for compliance with all relevant taxation laws and regulations of India that may arise out of his earnings from distribution of the Products of the Company or any other earnings generated as a seller of Company products and services.

7. Advertising Correct Information

- 7.1 Company Independent Sales Representatives shall not advertise Company products and services and/or marketing plans except as specifically approved by the Company.
- 7.2 Company Independent Sales Representatives agree to make no false or fraudulent representations about the Company, the products, the Company compensation plan, or income potentials.
- 7.3 The Independent Sales Representative shall be basically selling and distributing the Products of the Company for incentives by way of Independent Sales Representative's margin. The Company's water treatment systems purchased by Independent Sales Representatives for personal, family or relatives use or otherwise are not for resale. All Company water treatment systems are sold at Company-specified prices. A Independent Sales Representative shall not advertise for sale or put up for sale a Company water treatment system that deviates from Company pricing. A Independent Sales Representative shall not advertise, offer or provide a customer with a rebate or other consideration to facilitate a lower customer price for a Company water treatment system.

8. Trademarks, Trade Names, Advertising

- 8.1 The name of the Company and other names as may be adopted by the Company are proprietary trade names and trademarks of the Company. As such, these marks are of great value to the Company and are supplied on permissive, non-exclusive and terminable license basis to Independent Sales Representatives for Independent Sales Representative use only in an expressly authorised manner exclusively in relation to the distribution of the Products of the Company. Independent Sales Representatives agree not to advertise Company products or services in any way other than the advertising or promotional materials made available to Independent Sales Representatives by the Company. Independent Sales Representatives agree not to use any written, printed, recorded or any other material in advertising, promoting or describing the products or services or the Company marketing program, or in any other manner, any material which has not been

copyrighted and supplied by the Company, unless such material has been submitted to the Company and approved in writing by the Company before being disseminated, published or displayed.

- 8.2 The Independent Sales Representative, as an independent contractor, is fully responsible for all of his/her verbal and written statements made regarding the products, services and/or marketing programmes which are not expressly contained in writing in the current Independent Sales Representative agreement, advertising or promotional materials supplied directly by the Company. The Independent Sales Representative agrees to indemnify the Company and hold it harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, lost business or claims including third party claims incurred by the Company as a result of Independent Sales Representative's unauthorized representations.
- 8.3 The Company will not permit the use of its copyrights, designs, logos, trade names, trademarks, Etc., without its prior written permission. Independent Sales Representatives shall not use the Company logo in marketing or sales materials, except upon approved business cards. The trademarked term Kangen Water™ or Trade Mark of the Products 'Enagic LeveLuk' must also be appropriately annotated. In addition to general prohibitions on use of the Company trademarks or logos, the Company specifically prohibits the use of Company trademarks or logos in conjunction with the sale of any other non-Company products.
- 8.4 All Company materials, whether printed, on film, produced by sound recording, or on the internet, are copyrighted and shall not be reproduced in whole or in part by Independent Sales Representatives or any other person except as authorized by the Company. Permission to reproduce any materials will be considered only in extreme circumstances. Therefore, a Independent Sales Representative should not anticipate that approval will be granted, even if the same is sought by the Independent Sales Representative in this regard.
- 8.5 A Company Independent Sales Representative shall not produce, use or distribute any information relative to the contents, characteristics or properties of Company product or service which has not been provided directly by the Company. This prohibition includes but is not limited to, print, audio or video media.
- 8.6 A Company Independent Sales Representative shall not produce, sell or distribute literature, films or sound recordings which are deceptively similar in nature to those produced, published and provided by the Company for its Independent Sales Representatives. Nor shall a Independent Sales Representative

purchase, sell or distribute non-company materials which imply or suggest that said materials originate from the Company or are in any manner similar to the Products of the Company in functionality, purpose, utility or otherwise.

- 8.7 Any display ads or institutional or trademark advertising copy, other than covered in the foregoing rules, must be submitted to the Company and be approved in writing by the Company prior to publication.
- 8.8 All advertising, direct mailing, and display must be approved in writing before being disseminated, published or displayed. Advertising on radio, TV, newspapers, magazines, and websites except through the permitted website under Clause 9.2 is strictly prohibited.
- 8.9 No claims as to the therapeutic or curative properties about the products shall be made. In particular, no Independent Sales Representative shall make any claim that the Company products are intended to diagnose, treat, cure or prevent any disease. Such statements can be perceived as medical claims and unsubstantiated claims such as these are strictly against general Company policies and shall also violate relevant laws in India Pursuant to the Company's general policies of prohibition of medical, curative or treatment claims, the Company enumerates the following specific policies which include but are not be limited to:
- A. Independent Sales Representatives are prohibited from making medical, curative or treatment claims, whether expressed or implied;
 - B. Independent Sales Representatives are prohibited from using in any and all of their marketing materials and promotion any descriptions that are regarded as health or medical claims stating that; Kangen Water™ produced by the Products of the Company under the brand name "Enagic LeveLuk" may alleviate, cure, diagnose, prevent, relieve, or treat any medical condition, disease, ailment or malady.
 - C. Any violation of these guidelines will constitute grounds for discipline, rights and entitlements suspension and/or termination of Agreement.

8.10 Sales of Marketing Materials and Trademark License Agreement – all Independent Sales

Representatives who plan to sell any additional products, including health and beauty related products, other than electrolysis water generator devices sold by the Company under the brand name “Enagic LeveLuk” must receive prior approval from the Compliance Department of the Company. Each approved item must be specified on the contract called Sales of Marketing Materials and Trademark License Agreement.

Productions and sales of any marketing materials including but not limited to, DVDs recorded at any seminars without prior authorisation from the Company are strictly prohibited in any circumstances.

Violation of this clause is grounds for suspension of the Independent Sales Representative’s rights under the Agreement and/or the termination of the Agreement.

9. Internet and Website Policy

9.1 The Products of the Company cannot be sold in e-commerce mode and any such selling through Internet in e-commerce mode is strictly prohibited. The internet website is created and used by the Company strictly for the purpose of advertisement, publicity and public awareness about the Products of the Company.

9.2 Independent Sales Representatives are prohibited from creating any independently-designed website relating to the Company Business or the Products, or using any non-EWS current websites. All Independent Sales Representatives must receive prior authorisation from the Company by submitting all promotional products such as DVDs, CDs, Brochures, flyers Etc., prior to their use. Violation of this clause will subject the Independent Sales Representative to rights suspension and/or termination of the Agreement.

9.3 Independent Sales Representatives are allowed to advertise on the internet through an approved Company Web System (www.enagicwebsystem.com) site (the “System”). All Independent Sales Representatives who are newly subscribed to the System will be offered a free 21-day trial. The System allows Independent Sales Representatives to choose from among Company’s homepage designs that can be personalized with the Independent Sales Representative’s message and the Independent Sales Representative’s contact information. These websites link directly to the Company website giving the Independent Sales Representative a professional and Company-approved presence on the internet. Only these approved websites shall be used by Independent Sales Representatives. No Independent Sales Representative shall independently design a website that uses the names, logos, product or service descriptions of the

Company, nor shall a Independent Sales Representative use "blind" ads on the internet making product or income claims which are ultimately associated with Company products, services or the Company's compensation plan. Any person using Company names, logos, trademarks, Etc., on the internet or any other advertising medium, except as permitted and approved by the Company, shall be subject to immediate disciplinary action which may include termination of the Agreement.

10. Prohibition of Sales on Internet Sites

A Independent Sales Representative is strictly prohibited from selling or promoting Company products on internet shopping sites, internet auction sites, and internet classified listings including, but not limited to, eBay, amazon.com, and craigslist.com. Any violation of this article will constitute grounds for rights suspension and/or termination of the Agreement. All warranties on Company products are limited and non-transferable. The Company disclaims all statutory and implied warranties to the extent as permitted by law. The product warranty is limited to the express terms of the Consumer Limited Warranty and the Extended Consumer Limited Warranty.

11. No Spam Policy

It is specific Company policy to prohibit unsolicited email (spamming) or information by facsimile relating to the Company's opportunity and products and services. The Company has a zero tolerance policy of spamming practices. Independent Sales Representatives who violate the Company's "no spam policy" are subject to disciplinary action which may include termination of the Agreement.

12. Retail Establishments

12.1 Company products or services may only be displayed and sold in retail establishments where the nature of the business is to make appointments with customers (such as salons, doctor's offices, and health clubs where appointments are made for personal training or classes are scheduled).

12.2 The sale of such products or services within such retail facilities must be conducted by a Independent Sales Representative and must be preceded by a discussion where the Independent Sales Representative introduces the Company's products or services and opportunities just as they would if they had met outside

of the retail facility. Company produced literature, banners, or signage only shall be displayed on a shelf, counter, or wall and must be displayed by itself.

12.3 Company products or services shall not be sold from a shelf or taken from a display for purchase by a customer.

12.4 Company products or services shall not be sold in any retail establishment, even by appointment, if competitive products or services are sold in the establishment.

12.5 From time to time, the Company may announce policies and rules that expand or contract restrictions on sales in retail establishments.

13. Prohibition on Affiliation with Other Water Treatment Marketing Companies

13.1 It would undermine the basic Independent Sales Representative relationship if Independent Sales Representatives marketed competing water treatment, water filtration or alkaline water conversion products. Therefore, so long as a Independent Sales Representative desires to maintain his Independent Sales Representativeship status, he shall not sell or market any water treatment, water filtration or alkaline water conversion products that are similar to the products sold by the Company.

14. Prohibition of Sales of Kangen Water™.

14.1 Sales of bottled Kangen Water™ or any other water in any form produced from a Company machine is strictly prohibited, to include all sales of Kangen Water™ in which a person receives water, bottled or otherwise from a Company machine. No “donations” or other sums shall be collected for the distribution of Kangen Water™.

14.2 Charging customers due to the use of electricity or the general usage of the machine is prohibited. These are considered to be business expenses, and therefore should be paid by the Independent Sales Representative, and not by the customer.

14.3 Any violation of this clause will constitute grounds for termination of Agreement.

14.4 Providing bottled Kangen Water™ to a prospective buyer as test / trial sample is authorised; However, any labelling on the bottle or attached to the bottle is strictly prohibited, as it may create a confusion that the sample water is “bottled” or “for sale”, rather than a mere sample provided to person or prospective buyer at no charge.

15. Trade Shows

- 15.1 Company products or services and opportunity shall be displayed at trade shows by Independent Sales Representatives only with written authorisation from the Company.
- 15.2 Request(s) for participation in trade shows must be received in writing by the Company at least two weeks prior to the show. Written authorisation from the Company must be received before the Independent Sales Representative participating in the trade show.
- 15.3 Unless written authorisation is secured from the Company, Company products or services and opportunity are the only products or services and/or opportunity(ies) that may be offered in the trade show booth.
- 15.4 Only Company produced marketing materials shall be displayed or distributed. No Independent Sales Representative shall sell or promote the Company products or services or business opportunity at flea markets, swap meets, or garage sales.

16. Assigned Territory

Independent Sales Representatives are not assigned exclusive territories for marketing purposes, nor shall any Independent Sales Representatives imply or state that he does have an exclusive territory. There are no geographic limitations on sponsoring Independent Sales Representatives or selling product within the India and any approved countries in which the Company is registered to do business.

17. International Sales

- 17.1 No independent Independent Sales Representative shall export or sell directly or indirectly to others who export the Company's products, literature, sales aids or promotional material relating to the Company, its products or services or the Company's programme from India to any other country. Independent Independent Sales Representatives who choose to sponsor internationally may do so only in countries in which the Company or its parent company has registered to operate its business and must comply fully with the Rules of Operation of a Company Independent Sales Representativeship in that country.
- 17.2 Any violation of this clause constitutes a material breach of this Agreement and is grounds for immediate termination.

18. Cancellation of Independent Sales Representativeship

18.1 The independent Independent Sales Representative agreement may be cancelled / terminated at any time and for any reason by a Independent Sales Representative notifying the Company in writing of his election to cancel, by way of a 60 days' advance notice. Similarly, the Company may also cancel / terminate the independent Independent Sales Representative agreement without cause and without assigning any reason by giving 60 days' advance notice to the Independent Sales Representative to that effect.

18.2 All cancellations are accepted and effective as stated. As of the effective cancellation date, the independent Independent Sales Representative loses all privileges of leadership and in relation to his/her sub-Independent Sales Representatives, and is no longer eligible for any rights, bonuses or Independent Sales Representative Margins. He cannot advertise, sell or promote the Company products or purchase product from the Company. The cancelling Independent Sales Representative's sub-Independent Sales Representativeships automatically transfers to his immediate main Independent Sales Representative. The resigning / terminated Independent Sales Representative must wait six (6) months before he is eligible again to be sponsored again as a Company Independent Sales Representative, either as an individual or a corporation.

18.3 The Company will consider an application to reinstate a "resigned / terminated Independent Sales Representative" one year after the resignation / termination date. As part of the application, the former Independent Sales Representative must pledge to adhere to the existing requirements of the Company Policies, Handbook and Agreement. Acceptance of the application is at the discretion of the Company and the Company shall also have the discretion to reinstate the former Independent Sales Representative in the sales organisation at his or her former position or to require a lesser placement as a condition to reinstatement. The Company reserves the right to, at its sole and entire discretion, accept or reject such application.

19. Change to Product of Service Prices

The Company shall be entitled to change product or service prices at any time and without notice, and to make changes in the statement of policy and procedures.

20. Taxes and Regulations

Each Independent Sales Representative shall comply with all local taxes and regulations governing the sale of Company products or services.

21. Cooling Off

Notwithstanding the Company's longer retail customer guarantee policy, all retail sales must comply with the Ten (10) days Cooling-off Rule which requires statutory language and notice of cancellation on the retail sales receipt. The 10-days right of cancellation must be orally explained to the customer and customer must receive a copy of the notice of cancellation form.

22. Company's Signature Products

The signature product of the Company is one which involves water treatment relating to purification and adjustment of

alkaline content. This signature product is fundamental to the branding and image of the Company. Therefore, although Independent Sales Representatives are free to sell, within the guidelines of the Company's policies, products of third party vendors, a Company Independent Sales Representative shall not, during the term of the Independent Sales Representativeship, sell products which involve the Company's signature products, namely, products that involve water treatment relating to purification and adjustment of alkaline content. Violation of this provision may result in termination of the Agreement.

23. Prohibition on Raiding and Cross-Solicitation of Products or Other Business Opportunities.

23.1 The Company takes seriously its responsibility to protect the livelihood of its sales forces and the hard work invested to build a sales organisation. Raiding and solicitation actions in which Independent Sales Representatives seek to raid and solicit other Independent Sales Representatives in the sales organisation to non-company products and services and to other business opportunities, severely undermines the marketing programme of the Company, interferes with the relationship between the Company and its sales force and destroys the livelihood of other Independent Sales Representatives who have worked hard to build their own business, the business of their sales and benefits they have earned by helping to build a sales organisation. Therefore, Independent Sales Representatives shall not directly or indirectly sell to, nor solicit from, other Company Independent Sales Representatives, non-company products or services, or in any way promote to other Company Independent Sales Representatives business opportunities in marketing programmes of other business opportunity companies at any time.

23.2 A Company Independent Sales Representative shall not engage in any recruiting or promotion activity that targets Company Independent Sales Representatives for opportunities or products of other direct selling companies or business opportunities, either directly or indirectly, by themselves or in conjunction with others, nor shall a Independent Sales Representative participate, directly or indirectly, in interference, raiding or solicitation activity of Company Independent Sales Representative for other direct selling companies or business opportunities. Unless approved in writing by the Company, this general prohibition includes sales or solicitation of non-company products or services at meetings organised for Company sales, promotion, training recruitment, demonstration, Etc.. This prohibition on targeting, interference, soliciting and raiding shall be in effect during the term of the Independent Sales Representative agreement and for a period of three (3) years after the termination of the Independent Sales Representative agreement. For the term of this agreement and for three (3) years after termination hereof, a Independent Sales Representative shall not, directly or indirectly, recruit any of Company's Independent Sales Representatives to join other direct sales or network marketing companies nor solicit, directly or indirectly, Company's Independent Sales Representatives to purchase services or products, or in any other way interfere with the contractual relationships between Company and its Independent Sales Representatives. Because of the unique nature and signature characteristic and association with the field of water treatment with Enagic, and because of the inherent confusion and conflict that may occur, Enagic Independent Sales Representatives shall not engage in the representation or sale of water treatment systems offered by any company other than Enagic.

24. Purchases for Inventory of Mandatory Sales Aids

If the Independent Sales Representative has purchased products for inventory purposes or mandatory sales aids while the

Independent Sales Representative agreement was in effect, all products in a resalable condition then in possession of the Independent Sales Representative, which have been purchased within 90 days of cancellation, shall be repurchased. The repurchase shall be at a price of not less than ninety per cent (90%) of the original net cost to the participant returning such goods, taking into account any sales made by or through such participant prior to notification to the Company of the election to cancel.

25. Vendor Confidentiality

The Company's business relationship with its vendors, manufacturers and suppliers is confidential. A Independent Sales Representative shall not contact directly or indirectly, or speak to or communicate with any representative of any supplier or manufacturers of the Company except at a company sponsored event at which the representative is present at the request of the Company. Violation of this clause may result in termination of the Agreement and possible claims for damages if the vendor/manufacturer's association is compromised by the Independent Sales Representative contact.

26. Independent Sales Representative Margin Recuperation

The Company shall be entitled to return and repayment by the Independent Sales Representative of any Independent Sales Representative Margin or other entitlement previously paid on a sale of product/service if the product/service purchase is cancelled or reversed or a refund paid for a terminated purchase. The Company shall recover the Independent Sales Representative Margin by adjustment on the Independent Sales Representative's next cheque payment. In the event that no Independent Sales Representative Margin is available for adjustment, the Independent Sales Representative who has received the Margins shall repay the Independent Sales Representative Margin paid on the "reversed sale" within 30 days of the Company's notice to repay.

27. Information Confidentiality

On a periodic basis, the Company will supply data processing information and reports to the Independent Sales Representative, which will provide information concerning the Independent Sales Representative's sub-Independent Sales Representative's sales organisation, product purchases and product mix. The Independent Sales Representative agrees that such information is proprietary and confidential to the Company and is transmitted to the Independent Sales Representative in confidence. The Independent Sales Representative agrees that he will not disclose such information to any third party directly or indirectly, nor use the information to compete with the

Company directly or indirectly during or after the term of the Agreement. The Independent Sales Representative and the Company agree that, except as provided for by the confidentiality and nondisclosure provisions of the Agreement, the Company would not provide the above confidential information to the Independent Sales Representative. A Independent Sales Representative seeking to sell his Independent Sales Representativeship must acknowledge and agree to this provision prior to the finalisation of the sale of their Independent Sales Representativeship.

28. Change in Status

28.1 Marriage – two Company Independent Sales Representatives who marry after having established their own individual Independent Sales Representativeships may continue to operate their existing Independent Sales Representativeships.

28.2 Divorce – should a married couple become divorced, they agree to notify the Company as to who will assume responsibility for the Independent Sales Representativeship in one of the following manners:

A. Written agreement signed by both parties in the presence of witnesses (which may be an advocate and solicitor or commissioner or oaths or a notary public) indicating who will retain the Independent Sales Representativeship; B. Court order delineating who receives custody over the Independent Sales Representativeship; or

C. Both parties may choose to retain their joint Independent Sales Representativeship and operate it as a partnership.

The divorced Independent Sales Representative may apply for a new Independent Sales Representativeship without having to wait 6 months.

28.3 Death – Unless there is a valid nomination already having been made by a Independent Sales Representative in place, upon the death of a Independent Sales Representative, the rights and responsibilities of the Independent Sales Representativeship may be passed on to the rightful, legally-documented heir as long as that person has filled out a new Independent Sales Representative application, together with a copy of death certificate.

29. Disability – should a Independent Sales Representative become disabled to the extent that he can no longer fulfil the required duties of the Company Independent Sales Representative, such disabled consultant's legal representative or conservator or nominee notified to the Company shall:

- A. Contact the Company within thirty (30) days of the disability and advise the Company of the Independent Sales Representative's status and the plans for future management or cancellation of the Independent Sales Representative ship;

- B. Provide a notarised or court-confirmed copy of appointment as legal representative or conservator; and
- C. Provide a notarised or court-confirmed copy of document establishing right to administer the Company business.

Should the legal representative or conservator plan to continue the business of the Independent Sales Representative ship, then he/ shall fill out a new Independent Sales Representative application, return policy and receive the required training consistent with the disabled Independent Sales Representative's level at the time of disability. These requirements shall be satisfied within a deadline of six months. In case of any dispute between the legal heirs of the deceased Independent Sales Representative or disabled Independent Sales Representative, giving rise to multiple or contradictory claims for succession of Independent Sales Representative ship, then the decision of the Company shall be final and binding.

30. Upgrades of Products

All upgrades on Products need to be authorized by the regional sales manager in charge of the respective sales area. The Company reserves the right to refuse Products upgrades at its discretion.

- 30.1 Upgrades of unused, new Products are allowed within Two months of purchase. All requests must be accompanied by an **INR** upgrade fee on actual basis of that moment.
- 30.2 Product will not be held with the company.
- 30.3 Upgrade facility will be applicable in case only when customer not used machine and not opened it.
- 30.4 From purchase date, it will be applicable for 2 months only. After 2 months of upgrade cannot be applicable.
- 30.5 Company will not give any reminder to upgrade machine.
- 30.6 Upgrade facility will be void automatically in case customer not upgrade the machine within 2 months of purchase date.
- 30.7 Upgrade facility is not applicable in case any damages inside the machine, even if its unused and not opened.

31. Sale or Transfer

- 31.1 Third parties who buy any Enagic products do not automatically qualify to be Enagic Independent Sales Representatives.
- 31.2 Independent Sales Representatives agree to inform all third parties to whom they sell Enagic products of the facts above and further agree not to promise any possibility of transferring Independent Sales Representative rights. A Independent Sales Representative shall not sell, assign or otherwise transfer his Independent Sales Representativeship, marketing position or other Independent Sales Representative rights without written application to and approval from the Company. This clause is also applicable to the transfer of any interest in an entity that owns a Independent Sales Representativeship, including but not limited to a corporation, partnership, trust or other non-individual entity.
- 31.3 The potential buyer must be of similar standing as the selling Independent Sales Representative to become eligible to apply for Independent Sales Representativeship. The Independent Sales Representativeship must be offered in writing first to the Independent Sales Representative's sponsor. If the sponsor declines the offer, the Independent Sales Representative may offer the Independent Sales Representativeship for sale to main Independent Sales Representatives of the sponsor within the same group. A Independent Sales Representative who sells his or her Independent Sales Representativeship shall not be eligible to re-qualify as a Independent Sales Representative for a period of at least six (6) months after the sale.
- 31.4 The Company reserves the right to review the sale agreement and to verify waiver from the sponsor in the event the sponsor declines to purchase the Independent Sales Representativeship. A Independent Sales Representative shall not add a co-applicant to their Independent Sales Representativeship and thereafter, remove their name from the Independent Sales Representativeship, as an effort to circumvent the Company's sale, assignment, delegation or merger procedures. The primary Independent Sales Representative must wait twelve (12) months after adding a co-applicant to the Independent Sales Representativeship before they are allowed to remove their name from the Independent Sales Representativeship.
- 31.5 It is prohibited to use a sale or transfer to attempt to circumvent Company policy on raiding, soliciting, cross-sponsoring or interference. A Independent Sales Representative seeking to sell or transfer his

Independent Sales Representativeship must acknowledge and agree to Clause 59 prior to the finalisation of the sale or transfer of his Independent Sales Representativeship.

32. Rights of the Company

32.1 The Company expressly reserves the right to alter, modify or amend prices, Rules and Regulations, Policies and Procedures, product availability and the compensation plan. Upon notification in writing, such amendments are automatically incorporated as part of the Agreement between the Company and Independent Sales Representative. Company communication of changes may include, but shall not be limited to mail, email, fax, posting on the Company website, publication in company newsletters or magazines, Etc..

32.2 The Company reserves the right to make all final decisions as to the interpretation of the articles stated in this document. The final Company decision based on the interpretation of the articles stated herein is effective immediately. All Independent Sales Representatives are obliged to follow the Company's decision as to the interpretation of the articles herein.

33. Individual Independent Sales Representativeship

An individual can have up to three (3) Independent Sales Representativeships in the Company. He shall not own any other Independent Sales Representativeship, either individually or jointly, nor shall he participate as a partner, owner, stockholder, trustee, director, or association member, outside his sponsorship.

34. Members of Same Household

34.1 Responsibility – members of a Independent Sales Representative's household may operate together as under a single Independent Sales Representativeship and may not become separate Company Independent Sales Representatives. A Household is defined as husband, wife, and dependents. It is important to note that children who have attained the age of majority of eighteen (18) years will not be considered to be a part of their parents' household for the purposes of the Independent Sales Representativeship.

34.2 The Company recognises that members of the same household may belong to competing direct selling opportunities. Although the actions of the parties are assumed to be taken in good faith, in some circumstances, there might be an abuse of relationships in which the non-company household member is engaged in recruitment, solicitation or raiding of the Company sales organisation. Since the household member that has an ownership interest in the Company Independent Sales Representativeship is in the best position to prevent the raiding or

cross-sponsoring activities by their members of their household (as defined in clause 37.1), any cross-recruiting activity of the non-Company household member shall be attributed to the household Independent Sales Representative and will accordingly subject the Independent Sales Representative to possible disciplinary action or the termination of the agreement

35. Foreign Independent Sales Representatives

A foreign Independent Sales Representative will be solely responsible for all applicable taxes, duties, and other fees associated with his Independent Sales Representativeship. The foreign Independent Sales Representativeship is subject to all applicable laws and regulations of his country of residence. The Company is not responsible for any failure by the foreign Independent Sales Representative to abide by the laws of his country of residence or other controlling jurisdiction. While the Company does attempt to provide notice whenever possible, it may not always be possible to do so. Change in Company policy or other actions such as termination may occur without notice to the foreign Independent Sales Representative.

36. Default in Payment

A Independent Sales Representativeship will be terminated if a Independent Sales Representative defaults in payment of product purchases from the Company. For the avoidance of doubt, potential Independent Sales Representatives shall not be required to provide any form of payment or benefit in order to be, other than where payment or benefit is made in relation to demonstration equipment and materials, accepted as a Independent Sales Representative by the Company. In the event where a Independent Sales Representativeship purchases products, either in the capacity of a consumer or Independent Sales Representative of the Company, and subsequently defaults on payment, the Independent Sales Representativeship is subject to immediate termination of the Agreement. The preceding rule is applicable to a Independent Sales Representative who is either an individual or to a corporation or partnership Independent Sales Representative where one of the principal owners defaults in payment.

37. Disciplinary Actions

A Independent Sales Representative's violation of any policies and procedures, the agreement, terms and conditions or any illegal, fraudulent, deceptive, or unethical business conduct may result, at the Company sole and entire discretion, in one or more of the following disciplinary actions:

37.1 Issuance of a written warning or admonition; and/or

37.2 Imposition of liquidated damages (being 200% of the gross Independent Sales Representative Margin entitlements, etc received by the Independent Sales Representative in the immediately preceding year and in case

the Independent Sales Representative has not completed a full year, the entire immediately preceding period), which may be recovered immediately or withheld from future entitlements checks; and/or

37.3 Reassignment of all or part of a Independent Sales Representative's organisation; and/or

37.4 Freezing of Independent Sales Representative Margins/entitlements for an indefinite period; and/or

37.5 Suspension, which may result in termination or reinstatement with conditions or restriction.

37.6 Termination of the Independent Sales Representativeship.

38. Right to Terminate

The Company reserves the right, at its sole and entire discretion, to terminate any Independent Sales Representativeship at any time if the Company determines that the Independent Sales Representative has violated the provisions of the Agreement including the Policies and Procedures of the Company, including the provisions of the clauses contained in this document herein, including as and when these clauses may be amended by the provisions of applicable laws and standards of fair dealings and the said violation(s) has not been cured by the Independent Sales Representative concerned in spite of a 30 days' notice from the Company to that effect. In the event of termination, the Company shall notify the Independent Sales Representative by mail at the most current address of the Independent Sales Representative lodged with the Company. In the event of a termination, the terminated Independent Sales Representative agrees to immediately cease representing himself as a Independent Sales Representative.

39. Termination

39.1 When a decision is made to terminate a Independent Sales Representativeship, the Company will inform the Independent Sales Representative in writing that the Independent Sales Representativeship is terminated immediately, effective as of the date of the written notification. The termination notice will be sent by registered mail to Independent Sales Representative's most current address on file with the Company.

39.2 The Independent Sales Representative will have fifteen (15) days from the date of mailing of the registered letter in which to review the termination in writing for the Company to reconsider the said termination, and provide written response as to the findings of violations by the Company of the Company Policies, Handbook and/or Agreement. The Independent Sales Representative's review appeal and/or response correspondence must be received by the Company within twenty (20) days of the Company's termination letter. If the appeal is not received within the 20-day period, the termination will automatically deemed to be final.

39.3 If a Independent Sales Representative files a review appeal in accordance with the stipulated procedures and time period, the Company will review and consider the Independent Sales Representative's review appeal. In addition, the Company will also consider any other appropriate action, and notify the Independent Sales Representative of its decision in due course.

39.3 The decision of the Company will be final and subject to no further review. In the event the termination is deemed to be final, the termination will be effective as of the date of the Company's original termination notice. The terminated Independent Sales Representative shall not be sponsored as a Company Independent Sales Representative again.

39.4 While pending consideration of the review appeal made by the Independent Sales Representative by the Company, all rights of the Independent Sales Representative under this Agreement shall stand suspended. Upon confirmation of termination of a Independent Sales Representativeship in spite of the review of the Company, all rights under the Agreement cease. The terminated ex-Independent Sales Representative will no longer be eligible for any rights, bonuses or Independent Sales Representative Margins. The terminated ex-Independent Sales Representative can also no longer advertise, sell or promote the Company products or purchase products from the Company and any violation of this clause will be sufficient grounds for the Company, at its sole and entire discretion, commence whatever action including but not limited to, legal action, against the terminated ex-Independent Sales Representative.

40. Sponsorship

40.1 All Independent Sales Representatives have the right to sponsor others. In addition, every person has the ultimate right to choose his own sponsor. If two Independent Sales Representatives should claim to be the sponsors of the same new Independent Sales Representative, the Company shall regard the first application received by the corporate home office as controlling.

40.2 As a general rule, it is good practice to regard the first Independent Sales Representative who has meaningfully worked with a prospective Independent Sales Representative as having the first claim to sponsorship though this is not necessarily the sole factor of consideration. Other factors of consideration such as common sense and equitable principles should also be utilized.

40.3 The Company may provide the Independent Sales Representatives with various methods of registration or information of newly sponsored Independent Sales Representatives, including but not limited to, facsimile registration and online registration for the convenience of the Independent Sales Representatives. The Company. Until such time as the Company receives a duly completed application, containing all appropriate and required information as well as the signature of the proposed new Independent Sales Representative, the Company will only consider any application as one which is merely a non-binding expression of interest. Although the Company is attempting to create convenience for its sponsoring Independent Sales Representatives, it is the responsibility of

each sponsoring Independent Sales Representative to cause delivery to the Company of a completed and signed Independent Sales Representative agreement if the sponsor is expected to be recognized as the official sponsoring Independent Sales Representative. For the avoidance of doubt, , potential Independent Sales Representatives shall not be required to provide any form of payment or benefit in order to be sponsored.

40.4 There is no “magic” involved in the Company or in any business. Those who sponsor widely but who do not help new Independent Sales Representatives develop their business meet will be met with limited success. Therefore, it is the Independent Sales Representative’s responsibility to follow through and make sure the new Independent Sales Representative is properly informed and trained in the areas of product knowledge, the compensation plan, the professional guidelines of the network marketing industry, the Company Policies, Handbook and Agreement. Besides, any and all investments that may be made by the Independent Sales Representative for the distribution of the Products of the Company or otherwise in relation to the Company or its Products shall be at the sole risks and costs of the Independent Sales Representative. The Independent Sales Representative shall not be entitled to make any claim of whatsoever nature against the Company based on the alleged investments or otherwise, even if the Independent Sales Representativeship is terminated by the Company for any reason whatsoever as per the termination rights provided to the Company under the Agreement.

40.5 When soliciting a prospective Independent Sales Representative to join the Company’s network programme, the Independent Sales Representative must clearly explain the following:

- A. Products: type, performance and quality of each product;
- B. Compensation plan;
- C. Policies and Procedures;
- D. Independent Sales Representative’s rights and duties; and
- E. Other important items that will affect the judgment of the prospective Independent Sales Representative.

40.6 Independent Sales Representatives should never provide false and/or misleading information in order to encourage the conclusion of a sales agreement or to prevent the buyer from cancelling the agreement.

40.7 Retail sales are a requirement of the Company’s network programme.

40.8 Each Independent Sales Representative must identify himself by name and company ID number to the prospective buyer.

40.9 The Company offers no sales discounts or other concessions and the Independent Sales Representative shall not offer either. Any discounts offered by Independent Sales Representatives may be grounds for termination.

41. Transfer of Sponsorship

41.1 Transfer is rarely permitted and is actively discouraged. Maintaining the integrity of sponsorship is absolutely crucial for the success of the overall organization.

41.2 Transfers will generally be approved in the following two (2) circumstances:

- A. In the case of unethical sponsoring by the original sponsor – in such cases, the Company will be the final authority; or
- B. Resigning from the Company entirely – waiting six (6) months to reapply under the new sponsor.

41.3 In cases of unethical sponsoring, the individual may be transferred with any sub-Independent Sales Representatives intact; in all other events, the individual alone is transferred without any sub-Independent Sales Representatives being removed from the original sponsorship.

42 Income Claims

No income claims, income projections, income representation, or showing of Independent Sales Representative Margin checks (“check waving”) shall be made to prospective Independent Sales Representatives. Any false, deceptive or misleading claims regarding the opportunity or product/service are prohibited. In their enthusiasm, Independent Sales Representatives are occasionally tempted to represent hypothetical income figures based upon the inherent power of network marketing as actual income projections. This is counter-productive, since new Independent Sales Representatives may be quickly disappointed if their results are not as extensive or as rapid as a hypothetical model would suggest. The Company believes firmly that the income potential is good enough to be reasonably attractive in reality without resorting to artificial and unrealistic projections.

43 Representation of Status

In all cases, any reference the Independent Sales Representative makes to him must clearly set forth the Independent Sales Representative’s independent status. For example, if the Independent Sales Representative has a business telephone, the telephone shall not be listed under the Company’s name or in any other manner which does not disclose the independent contractor status of the Independent Sales Representative.

44 Judgment and Tax Lien

The Company will comply fully with any court order or instruction/demand by any Indian Government taxation authority, in relation to a Independent Sales Representative’s earnings as a result of his Independent Sales

Representativeship relationship with the company. Besides any and all payments by the Company to the Independent Sales Representative towards Independent Sales Representative's entitlements of whatsoever nature shall be always subject to applicable withholding tax (TDS) and a Independent Sales Representative must possess Income Tax Permanent Account Number (PAN) under the provisions of Indian Income Tax Act 1961 and provide a copy of the PAN card issued to the Independent Sales Representative by the income tax department, to the Company.

45. Subpoenas Duces Tecum (Demands for Records)

Assuming proper jurisdiction, the Company will comply with all subpoenas duces tecum demanding financial compensation records of a Independent Sales Representative in his capacity as an independent contractor with the Company.

46. Request for Records

The Company will comply fully with all requests for records accompanied by a properly prepared and signed authorization by the person whose records are being sought. The Company will comply fully with all requests for records by India Government agencies with the authority to request such records and accompanied by the requisite legal documentation.

47. Newspaper Advertisement

Some Independent Representatives use classified advertising in the newspapers to find prospective Independent Sales Representatives. While any such advertisement shall be subject to prior approval of the Company, the following rules apply – no advertisement shall imply that a “job” or “position” is available. No specific income can be promised and advertisements must contain no misleading facts or distortions of the Company opportunity or product line.

48. Business Cards and Stationery

Any printed materials, including business Cards and stationery, must be approved by the Company in advance. The criteria for approving these materials will include an assessment of the quality of the materials submitted as well as properly the adequacy of establishing the independent status of the Independent Sales Representative.

49. Telephone Solicitation

The use of the Company's name or copyrighted materials shall not be made with automatic calling devices or “boiler room” operations either to solicit Independent Sales Representatives or retail customers. The use of these methods in

ways that are legal and the equivalent of the “blind ads” alluded to above cannot be regulated by the Company.

50. Press Inquiries.

Any inquiries by the media are to be referred immediately to the Company. This policy is to assure accuracy and a consistent public image.

51. Endorsement

Independent Sales Representatives shall not represent that the Company’s programme has been approved or endorsed by any Indian Government agency.

52. Indemnification and Hold Harmless

The independent Independent Sales Representative hereby indemnifies and releases the Company, its officers, directors, agents and assigns and holds harmless from and against the full amount of any and all claims, causes of action, judicial and administrative proceedings suits, charges, liabilities, losses, damages, costs and expenses, including without limitation court costs and reasonable fees and expenses of attorneys and consultants, which are or may be made, filed or assessed against Company at any time arising out of Independent Sales Representative’s business operations and representations made by the Independent Sales Representative in the operation of his business whether during the term of this Agreement or after its expiry or termination, arising from the following:

- A. Violation and/or lack of compliance with terms of the Independent Sales Representative agreement, policies and procedures, rules and regulations, marketing programme manual or guidelines or any other directive from the Company as to the method and manner of operation of the independent Independent Sales Representative business; and/or
- B. Engaging in any conduct not authorized by the Company in the Company marketing programme; and/or
- C. Any fraud, negligence or willful misconduct in the operation of the independent Independent Sales Representative business; and/or
- D. Misrepresentation or unauthorized representation regarding the Company’s product or service, marketing opportunity or potential or the Company’s marketing program; and/or
- E. Failure to adhere to the relevant laws of India; and/or
- F. Engaging in any action which exceeds the scope of authority granted to the Independent Sales Representative by the Company; and/or

- G. Engaging in any activity over which Company has no effective control as to the actions of the Independent Sales Representative; and/or
- H. Any claim or demand by the customers of the Independent Sales Representative for which the Company is not responsible in relation to its Products; and/or
- I. Any other cause or reason attributable to the Independent Sales Representative or anybody connected to the Independent Sales Representative.

53. Waiver

The Company never gives up its right to insist on compliance with these rules or with the applicable laws governing the conduct of a business. This is true in all cases, both specifically expressed and implied, unless an officer of the Company who is authorized to bind the Company in contracts or agreements specifies in writing that the Company waives any of these provisions. In addition, any time the Company gives permission for a breach of the rules, that permission does not extend to future breaches. This clause deals with the concept of “waiver,” and the parties agree that the Company does not waive any of its rights under any circumstances short of the written confirmation alluded to above.

54. Arbitration, Governing Law & Jurisdiction

Any dispute arising out of this Agreement or in any manner touching upon it, the same shall be settled through arbitration under Arbitration and Conciliation Act 1996 with all statutory amendments, by a sole arbitrator to be appointed by a Director of the Company, who may be specifically authorized by the Board of Directors of the Company in this regard. The venue of arbitration shall be Chennai.

These rules are reasonably related to the laws of the India and shall be governed in all respects thereby. The parties agree that courts at Chennai alone shall have exclusive jurisdiction. Provided however, in case the Company shifts its registered office from City of Chennai to any other city in a different State, the courts at that city where the registered office of the Company is situated alone shall have exclusive jurisdiction.

55. Partial Validity

If any article/section/clause or any part thereof of this document shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality and enforceability of the remaining articles shall not in any

way be affected or impaired thereby.

56. Non-Competition

For a term of one (1) year after sale, transfer or termination of the Independent Sales Representativeship, a Independent Sales Representative agrees that he shall not, directly or indirectly, disrupt, damage, impair or interfere with the business of the Company within India, whether by way of interfering with, or raiding its employees or Independent Sales Representatives, disrupting its relationship with customers, agents, representatives, Independent Sales Representatives, suppliers, vendors or manufacturers or otherwise. “Disrupting” or “interfering” include, but are not limited to, direct or indirect solicitation or recruitment for other direct selling business opportunities or products or services of other direct selling companies, spreading of unfounded rumors about the Company and/or its Products, engaging in negative propaganda in any forum or media in any manner, in relation to the Company and/or its Products and similar other acts and deeds of the Independent Sales Representative or anybody connected the Independent Sales Representative.

57. Product Handling and Independent Sales Representative’s Responsibility

57.1 The prospective Independent Sales Representative shall fulfill stated personal sales volume requirements to be recognized and registered as an active Company Independent Sales Representative.

57.2 Special favorable payment plans are available to Independent Sales Representatives who wish to purchase Company products.

57.3 The Independent Sales Representative may sell products through the Company-contracted credit companies.

57.4 The Independent Sales Representative shall take full responsibility for any of the following issues arising in connection with his own customer(s).

57.5 The Independent Sales Representative shall take the following actions without delay in case of cancellation of a sales agreement during the Cooling-off Period:

- A.** Refund the Independent Sales Representative Margin and other applicable fees/charges to the Company;
- B.** Substitute the cancelled account with another account;
- C.** Any actions other than A and B above will be taken after discussions involving the Independent Sales Representative, the Company and the referrer.
- D.** Provide such information as the Company may request from time to time in connection with the Company’s collection of money payable for the products
- E.** Provide such information as the Company may request from time to time in connection with the Company’s handling of sales-related claims other than the above;

- F. The Independent Sales Representative Margin shall be paid by cheque issued by the Company in favor of the Independent Sales Representative Or through Online Net Banking promptly after the expiration of the cooling-off period.

Guidelines for Direct Selling – Kerla

These guidelines are issued to regulate the sale of the goods and services outside of retails establishments otherwise known as “Direct selling” and to provide for the protection of the consumers who purchase goods and services from direct sellers.

These guidelines will remain in force till an appropriate legislation is enacted for the said purpose.

Definitions:

1. Direct selling:

Direct selling means marketing of consumer products/services directly to the consumers generally in their homes or homes of others, at their workplace and other places away from the permanent retails locations, usually through explanation or demonstration of the products by Direct seller or by mail order sales.

2. Direct selling entity:

Direct selling Entity means a business entity which sells or markets products with its trademark or services mark or any other identifying mark through a direct selling individual or organization.

3. Direct seller:

Direct seller means a person who is a member of the Independent Sales Representative system of the direct selling entity engaged in direct selling.

4. Mail order sales:

Mail order sales means sale of goods and services which a person conducts either by himself or through any person authorized by him, by receiving an offer for the sale contract by mail.

5. Pyramid scheme/money chain scheme:

Pyramid scheme/money change scheme is a scheme or arrangement which also includes any money circulation scheme as defined within the meaning of the section 2(c) and 2(e) of the prize chits and money circulations scheme (banning) Act, 1978, involving sales of goods and services, where a person for a consideration acquires the opportunity to receive a pecuniary benefit which is not dependent on the volume of goods or services sold or distributed but is based wholly or partly upon the inducement of additional persons to participate in such a scheme or arrangement.

6. Consumer:

Consumer means any person who buys or agrees to buy goods from direct seller for a consideration.

I. Conditions for valid direct selling:

The following conditions are to be complied with by direct selling and direct sellers.

- a) The Direct selling entity should be a legal entity authorized to conduct business in India and which files all returns as mandated by law.
- b) The Direct selling entity should be a valid licensee or a permitted user of a registered trademark which identifies the promoter, goods or services distributed.
- c) The Direct selling entities should maintain websites with complete details of their products/services, terms and conditions price details direct seller and all relevant information about the company and business. The websites shall be updated regularly and shall furnish all necessary information required by the district industries center.
- d) The Direct selling Entity shall not require direct seller to purchase any product or collect any membership fee as a condition precedent for enrollment.
- e) The compensation to direct sellers shall be based on the quantum of sale of goods and services.
- f) The Direct selling entity should ensure that a consumer purchasing goods or services from a direct seller shall have at least thirty days from the date of delivery of such goods and services to return the same and to receive full refund.
- g) The Direct selling Entity shall require direct sellers to provide the following information to the consumers at the sales.
 - i. Name, address and telephone number of the direct seller and direct selling entity.

- ii. The direct selling entity shall display details of their direct sellers on their websites.
- iii. The Direct seller entity/direct seller or their representatives shall at all times carry identity proof of their respective companies along with any photo ids issued by any government agency.
- iv. A description of the goods or services to be supplied.
- v. The order date, the total amount to be paid by the consumer along with the bill and receipt.
- vi. Time and place for the inspection of the sample and delivery of goods.
- vii. A notice to the consumer of the consumer's rights to cancel the order and to receive a full refund of sums paid.
- viii. Details regarding the complaint redressal mechanism of the direct selling entity.

h) The direct seller/direct selling entities who call at any premises of the customers for the purpose of negotiating direct sales shall take prior permission or appointment, immediately indicate the purpose of the visit before entering the premises identify himself/herself with credentials and shall leave the premises at the request of the occupier of the premises or any person acting with the actual or implied authority of the occupier.

II. The sale activities not following the above guidelines shall not be considered as direct selling/multilevel marketing and would be dealt appropriately under relevant provisions.

RAJASTHAN GAZETTE

INDUSTRIES (Gr.I) DEPARTMENT

NOTIFICATION

Jaipur, October 5, 2012

No. F5 (2) Ind/1/2012:- To regulate the sale of goods and service outside of retail establishments otherwise known as "Direct Selling (Multi-Level Marketing)" and to provide for consumers who purchase good and service from direct sellers, following guidelines are issued with the approval of the Competent Authority. These Guidelines will come into force from the date of publication in official Gazette and will remain in force till an appropriate legislation is enacted for the said purpose: -

1. Definitions

(i) Direct Selling

Means marketing or sales of goods directly to the end user consumers using word of mouth publicity, display and/or demonstrations of the goods/products, and/or distribution of pamphlets.

Explanation: Companies can open pick up points and delivery points for maintaining effective delivery system.

(ii) Direct Selling Entity

Means a business entity as recognized by law for the time being in force including but not limited to a Company duly incorporated under the Indian Companies. Act, a registered Partnership Firm constituted under the Indian Partnership Act.

(iii) Direct Seller

Means a person who is authorized by the Direct Selling Entity to engage into the business of Direct Selling.

(iv) Consumer

An individual who buys goods or services for personal use and not for manufacture or resale and shall have the same meaning as provided under the Consumer Protection Act, 1986.

(v) Goods/products

Goods/Products shall have the same meaning as defined in the Sale of Goods Act and section 3(26) of the General Clauses Act, 1897, that is, it shall include every kind of movable property other than actionable claims and money.

(vi) Sales Incentive

Sale incentive means share of profit payable to the Direct Seller for effecting sale of goods/products as stipulated in the contract between the Direct Seller and the Direct Selling Entity.

2. Conditions for Permissible Direct Selling

- I. Should be a Direct Selling Entity, having sales tax/Vat, Income Tax, TDS and the other license as may be required as per the law/regulations of its principle place of business.
- II. Should have bank account with at least one nationalized bank.
- III. Partnership Deed or Memorandum of Association should clearly state their nature of business. (those who do not have such specific clauses should get their memorandum of Association or Partnership Deed, as the case may be, amended within 2 months from the date of publication of these Guidelines).
- IV. Pay sales incentive at the agreed rate within the agreed period.
- V. Shall display names and Identification numbers of their authorized Direct Sellers in the official websites.
- VI. Should have a consumers grievance cell that should ensure redressal of consumer grievances within 7 days from the date of making such complaints.
- VII. Website should provide spaces for registering consumer complaints hassle free.

3. Appointments/Authorizations

- I. Direct Selling Entity shall appoint/authorize Direct Sellers upon receipt and scrutiny of application in a prescribed format.
- II. An agreement recording terms of such appointment should be executed between the Direct Selling Entity and Direct Seller.
- III. No application should be considered unless such applicant is eligible to enter into a contract under the Indian Contract Act.
- IV. Each Direct Seller shall be allotted Unique Identification Numbers before granting license/permission to start Direct selling.
- V. Direct Selling Entity should not give incentive to any persons for joining of Direct Seller.

4. Prohibition

- I. Payment of incentive by whatever name it is called unrelated to their respective sales volume.

- II. Supply/Distribution of goods with the knowledge that such goods/products are inferior or exceeded its validity period as per the manufacture.
- III. Direct Selling Entity/Direct Seller will not indulge in money circulation scheme or any act barred by the Prize Chits and Money Circulation Scheme (Banning) Act, 1978.

5. General Conditions

- I. MRP of the goods should be visibly displayed on the package.
- II. Accounts of individual Direct Sellers shall be maintained properly and should be made available through World Wide Web.
- III. Sales incentive should be distributed to the respective Seller on or before the agreed due dates.
- IV. Goods sold by the Direct Selling entity should carry guarantee/warranty of the manufacture. However consumer should be given opportunity to exchange/return the goods if he finds any manufacturing defect or the product purchased is not useful for the purpose it was meant, within 30 days from the date of purchase, provided any seal/protection on the product is kept unbroken.

6. Information Readiness (Ready information file)

- I. Every Direct Selling Company should maintain a file with all relevant documents that include:
- II. Certificate issued by Register of Companies, MOA and MOM.
- III. Xerox copies of TIN, DIN of Directors, TAN, PAN.
- IV. Certificates of Sales Tax, Service Tax, CST Registrations.
- V. Copies of all Sales Tax Returns filed with the authorities.
- VI. Copies of Service Tax Returns filed with the authorities.
- VII. Copies of IT Returns of company filed with the authorities.
- VIII. TDS Statements of Independent Sales Representatives and respective challans paid.
- IX. Every Direct Selling Company should maintain KYC/KYDS (know Your Customers/Know Your Direct Sellers) as a mandatory process. Specific formats are to be provided on their websites to be available for all at any time.

7. Grievance Redressal Mechanism

Every Direct Selling Company must have a complaint redressal mechanism to address any problem of their customers/Direct Sellers.

8. Breach of Guidelines

The sale activities not following the above guidelines shall not be considered as Direct Selling and would be dealt appropriately under relevant provisions of existing laws.

Water Related Questions



Water Related Questions

1, Will the state of the water change when heated or refrigerated?

The state of the water does change when the water is heated or chilled. When heated, the ORP and pH changes. When chilled, the ORP will change but the pH will remain the same for up to a week based on the quality of water.

2, Why does Kangen Water® sometimes have an odor?

Unpurified water has minerals in it¹. LeveLuk is designed to handle a standard amount of minerals. When the amount of minerals or free carbon dioxide² is greater than usual, the minerals occasionally react with the anti-bacterial feature³ of the water supply hose, giving off a smell.

We have prepared a water supply hose for such cases. When running water through the appliance for the first time, please set it on purified water and let it run for two to three minutes longer than usual.

¹Minerals

Ca (calcium), Mg (Magnesium), Na (Sodium), Ka (Potassium) and other nutrients found in food and water. Minerals found in water are said to be especially good for the health in optimum amounts.

²Free carbon dioxide

Carbon Dioxide found in water. Some people prefer the taste of water with carbon dioxide, which tends to have lower pH levels. Water with less carbon dioxide is said to be better for the health. Japanese sake tastes better when there is a moderate amount of carbon dioxide in it.

³Anti-Bacterial feature

Appliances such as the LeveLuk that produce something for human consumption are given anti-bacterial treatment. These appliances often comprise many different parts, and it is especially important that the parts where water passes through are not contaminated.

3, What about differences in quality of raw water?

The type of original tap water used affects the quality of Kangen Water® and acidic water produced by electrolysis. Although water produced with municipal city water is not affected, the efficiency of electrolysis drops when well water is used since it tends to hold a lot of free carbon dioxide¹, as well as in cases where water comprising only a small amount of electrolytic minerals is used. Conversely, in cases where the water has excess minerals, the taste may be affected, or Kangen Water® produced may be too high in pH level. Since the water pressure of the faucet affects the production of water, it is important to confirm that genuine Kangen Water® is being produced by regularly checking that it is set at the correct pH level, and checking the bubbles. In order to take into account the differences in the quality of the original tap water, please run a check on a daily basis.

¹Free Carbon Dioxide

Carbon Dioxide found in water. Some people prefer the taste of water with carbon dioxide, which tends to have lower pH levels. Water with less carbon dioxide is said to be better for the health. Japanese sake tastes better when there is a moderate amount of carbon dioxide in it.

4, What are the benefits of consuming Kangen Water®?

The benefits of consuming Kangen Water® are the minerals it contains and the optimal hydration it offers.

5, What is Mengen Effect of consuming Kangen Water®?

Depending on how it is consumed, and on the individual's physical state, it is possible (although uncommon) to experience constipation or diarrhea a few days to a few weeks after first starting to drink it. In herbal terms this is known as the Mengen effect¹. The two conditions are particularly similar in that both cases, the remedy is so effective that it has a negative effect. If this occurs, the amount of intake should be reduced to half or a fourth of the previous amount until symptoms clear. Once symptoms have subsided, it is okay to resume intake. However, increasing the amount of intake will not alleviate the symptoms. Since halting intake completely may also affect the body, it is best to continue intake, but in lesser amounts. If there are no signs of improvement, please consult a doctor or pharmacist.

¹Mengen effect

Your body may start hurting several hours or a day after you receive chiropractic. The technical term for this is the Mengen effect. It is a natural physical response, where the body tries to go back to normal after muscles and bones have been adjusted.

6, What is beauty water (acidic water) and Strong Acidic Water?

Acidic water has a pH of around 5.5-6.5 and strong acidic water has a pH of lower than 2.7. The Japanese Ministry of Health, Labor and Welfare has certified acidic water as an astringent¹. Strong Acidic Water has excellent cleaning characteristics and can be used to clean household surfaces and to remove pesticides, dirt and other impurities from food.

¹Astringent

Acidic water works as an astringent for toning your skin. 'Astringent water' refers to acidic beauty water.

7, How do I use Kangen Water® for beauty care?

Because winter air is extremely cold and dry, skin care is especially important during this time. Without taking care of your skin properly, you will suffer from dry and rough skin. Bodily fluids play an important role in maintaining your body temperature and the health of your skin. Drinking alkaline Kangen Water® can help maintain glowing, smooth skin. Since it is important to maintain your skin's pH level between 5.0 and 6.0, we recommend spraying acidic water¹ on your skin at regular intervals throughout the day. During the winter, bathing in acidic water can help preserve the moisture of your skin. We also recommend that you eat foods and fruits that include high levels of vitamin C, A and E. Treating your skin with beauty water will let you enjoy life even more by giving you smooth and youthful skin.

¹Acidic water

Acidic ionized water produced by electrolysis with a pH between 4.0 and 6.5. Its astringent effect is certified by the Japanese Ministry of Health, Labor and Welfare. Excellent for skin care.

8, What is the proper method of Strong Kangen Water/Strong Acidic Water, and how long do they last?

Among the five types of water produced by LeveLuk, the two types for drinking (purified water/Kangen Water®)

must be used fresh. Please keep these two types of water in the refrigerator for no more than 4-5 days and replace the water in your take-out bottle everyday. For water used for domestic purposes, including Acidic Water, Strong Acidic Water and Strong Kangen Water, less care is required, but we recommend changing your supply once a week. To store, please place the water in a lightproof container¹, fill it to the very top to avoid unnecessary contact with air, and store it in a cool, dark place (the refrigerator is ideal).

¹Lightproof container

Container that keeps light out.

9, What is the proper amount/method of drinking Kangen Water®?

There are no set rules regarding how to drink Kangen Water® or how much to consume.

10, How do we begin drinking Kangen Water®?

It is most common to begin by setting a low pH¹ level (between pH8 and pH9.0), and gradually increasing the amount of intake. After continuing regular intake for about two weeks, gradually adjust the pH level and amount of intake (between pH9.0-pH9.5) based on your body needs and physical condition. The Kangen Water® should be as fresh as possible.

For children or seniors, set the pH level at an even lower level upon starting, and gradually increase it as the body adjusts to the current pH level.

In the case of infants (until about a year old), since breast milk or milk is the only thing they consume, the intestinal movement is generally different from adults, and the use of Kangen Water® is not encouraged until the infant begins to consume more sophisticated foods. In any case, Kangen Water® should not be used to make powdered milk for infants.

¹pH

The logarithm of the reciprocal of hydrogen-ion concentration in gram atoms per liter. It is used as a measure of the acidity or alkalinity of a solution on a scale of 0-14 (where 7 is neutral).

Machine Related Questions

1, Why is the appliance leaking?

It is most likely that the ring (stopper) on the cartridge came off during transportation, or that you have forgotten to take off the O-ring¹ when replacing the cartridge. It is highly unlikely that the leaking has been caused by a mechanical fault in the appliance.

¹O-ring

Small, round rubber gasket that prevents leakage when connecting the various pipes to the appliance.

2, How do I use the spout stand?

Two types of water run through the LeveLuk machine, and Kangen Water® will be produced only when the two run at a fixed ratio. If the discharge hose is bent, or the stand is positioned higher than the bottom tip of the flexible pipe, acidic water cannot be produced properly. In turn, stretching the hose below the sink to collect water in a separate container will result in loss of Kangen Water®. In this case, please do not pull the spout stand to the bottom, but prepare a separate hose to collect water in the container. Please make it a daily habit to check the water using the pH testing solution and hydrogen bubbles.

3, How do you use the reset switch?

There is a square switch situated under the black cover on the front-left of the appliance. Please make sure to push this button (it should make a beeping sound) when you first set up the LeveLuk or when replacing the filter. This allows for the correct display on the monitor (liquid crystal display) of all the information stored in the LeveLuk microcomputer. This reset button must be pushed in order for information to be displayed on the LCD screen. It notifies the user when there is too much or too little water, sets off an alarm when heated water passes through by mistake, and informs you to monitor the water flow. By using the reset switch correctly on the LeveLuk, you insure the delivery of safe and healthy water.

4, How many years does the electrolysis cell remain effective?

The electrode plate in LeveLuk's electrolysis cell is thicker and larger than other companies' products. The appliance is designed this way in order to increase electrolysis capacity and durability. Another important reason is to guarantee the production of maximum volumes of water. The electrode plates are made of the very highest-quality titanium, plated with platinum. Needless to say, due to this choice of materials, the electrode plates are completely rustproof. The electrolysis cell is to a water production appliance what the engine generator is to a car. We can recommend our products with the utmost confidence because we use only the best materials. Our electrolysis cell and control (PCB)¹ secures a high ORP², and produces safe, healthy and delicious water. The automatic cleaning mechanism ensures that the electrolysis cell is always clean, and it should last 15 years.

¹Control PCB (Print Circuit Board)

A board comprising print circuits that manage various data related to the appliance. Hi-tech components/condenser also built in.

²ORP (Oxidation Reduction Potential)

Electrical potential needed to reduce or slow down rusting and decay (oxidization). This process is also known as deoxidization. ORP is measured in terms of negative mVs. The ideal ORP level for the human body is said to be between -150mV and -400mV.

4, What should I do when I notice a built-up of clusters in my water?

Small amounts of minerals are found in unpurified water (tap water/sewage water). During electrolysis, minerals become concentrated on the minus side of the electrolysis circuit, causing clusters to attach to the electrode plate. LeveLuk can remove the clusters by reversing the voltage, but sometimes these clusters fall off naturally. When you

pour this water into a stainless container or glass, the clusters stick to the bottom and sides. It is difficult to remove these clusters by scraping with metallic objects, etc. Instead, please pour vinegar into the container and leave it for 12 to 15 hours. You could substitute citric acid¹ for vinegar if you like. These clusters are not harmful even if consumed, so please do not worry.

Furthermore, if you set the machine on beauty water (acidic water) , and let the water run for two to three minutes, you can decrease the amount of minerals significantly. Please clean containers that you put Kangen Water® in at least once every three months by the above mentioned method.

¹Citric acid

Citric acid is extracted from apples. It has the ability to dissolve clusters of minerals such as Ca and Mg. An ideal and safe way of cleaning water production appliances is to circulate citric acid through the appliance.

5, How is the machine cleaned?

Leveluk has an automatic cleaning system. The amount of minerals in the supply water, such as Ca and Mg can vary greatly, and mineral¹ clusters inevitably stick to the electrode plates. They can be broken off, however, easily by reversing the electric current (switching the +,-polarity). Mineral clusters attached to the electrode plate decrease the electrolysis capacity of the appliance, resulting in a failure to produce primary Kangen Water®. The amount of minerals attached to the electrolysis cell varies according to the quantity of minerals in the tap water.

Leveluk's automatic cleaning mechanism is activated for 20 seconds when continual electrolysis reaches 15 minutes. When using Leveluk in areas where the water has a high mineral content, change the setting to "beauty water" (2nd from bottom) and turn on the tap slightly so the water is running gently. This will reverse the electric current and remove the crystals in the electrolysis cell after 2-3 minutes. Changing the setting to "beauty water" once a day for 30 seconds is another way to clean the electrolysis cell. The cleaning function is necessary to maximize the life span of the electrolysis cell.

¹Minerals

Ca (calcium), Mg (Magnesium), Na (Sodium), K (Potassium) and other nutrients found in food and water. Minerals found in water are said to be especially good for the health in optimum amounts.

6, The upper flexible pipe leaks acidic water when set on beauty care water. How can I stop the leaking?

Before pouring water through the flexible pipe, you need to take off the scales¹ (mineral clusters) stuck to the electrode plate² by reversing the voltage³, that is, changing the plus and minus of the electric current. This is necessary for producing proper acidic water. By removing the scales and running acidic water through the flexible pipes even when you are not using acidic water, you can keep the electrode plate clean and increase its durability. Moreover, using the upper flexible pipe makes the appliance easier to use especially when washing your face or pouring water into a plastic bottle.

¹**Scales**

Ca, Mg, Na, Ka and other mineral clusters are produced when water is electrolyzed. These clusters are called scales and are not harmful even if consumed.

²**Electrode plate**

A metal board that conducts electricity during electrolysis. It is made of titanium and plated in platinum. It has superb electrolysis capacity and high durability.

³**Reversing the voltage**

In order to electrolyze water, the plus and minus of the direct currents must be clear. When mineral clusters get attached to the electrode plate, there is a need to reverse the plus and minus of the current to remove the clusters. This basically sets the appliance on a cleaning function, similar to when it is placed on the "beauty water" setting.

7, What if there's no cartridge replacement notice even after a year?

The display screen on the LeveLuk will notify you when the total volume of water produced reaches 1,500 gallons. The microcomputer controls this notification mechanism, please make sure to press the reset switch to activate the microcomputer when you put in a new filter. The reset switch is located on the top right of the cartridge section (inside the black cover on the left). Please press it until it beeps. The microcomputer controls other information for the LeveLuk as well, which is why it is critical to remember to press the reset button.

8, What optional purification parts are available for the LeveLuk?

We provide a variety of optional accessories to maximize the benefits of LeveLuk DX.

- **Hoses for supplying and discharging water** - Although any length of your choice is available (in 40 inch units), shorter hoses are easier to use for this purpose. The hose offered by our company has special anti-bacterial¹ properties that distinguish them from general products.
- **Pre-filter** - Useful in the removal of foreign substances such as iron rust, dirt, and sand, especially when the original water supply is from a well. It can also clear lime and helps protect the appliance.

¹**Anti-bacterial coating**

All the parts in the LeveLuk, but especially those that come in contact with the water in the process of filtering, have had anti-bacterial treatment to avoid any kind of contamination.

9, What is the difference between LeveLuk's electrolysis cell and those of other companies?

Electrolysis of water requires high quality electrolysis plates, and the size, thickness, and number of the plates becomes crucial in maintaining durability. The "double cross line" method¹ used by other companies has the appliance's overall durability in mind. In these appliances, two small electrolysis cells are used in turn to provide resting time, but this limits the volume of water than can be produced at one time. LeveLuk on the other hand, has five or seven electrolysis plates, the largest number in the industry, and while maintaining durability via their large surface

area and thickness, they allow the appliance to produce large volumes of water (maximum Kangen Water®: 0.8-2.0 gallons/minute).

Every function, such as supplying voltage according to switching of the pH setting and producing highly acidic water in the same electrolysis cell, is carefully monitored by the microcomputer. It ensures that the appliance can be used safely for a long period of time. We recommend that you produce "beauty water" once a day for at least three minutes to improve the appliance's durability.

¹Double cross line method

Also referred to as the auto cross changer method. An electrolysis system where the appliance is equipped with two small electrolysis cells in order to enhance durability by alternating the cells with each water flow.

10,How does the automatic draining system work?

LeveLuk is equipped with an automatic water-draining system that prevents contamination and proliferation of germs in residue water. The automatic water draining system is activated once the water stops. It takes approximately 30 seconds for all water in the electrolysis cell, water purification cartridge, and all channels to be drained through the hose (grey). Please note that the automatic water draining system is activated when the water level drops, and positioning the spout higher than the base of the appliance for any reason (pooling of acidic water in the tank, hanging the hose from a rack because of its length) may result in a failure to discharge residue water. Leaving water behind may cause problems with taste and smell. Please be sure to have the spout hose lower than the appliance before turning the tap off.

11, The flexible pipe is not allowing for the smooth flow of water. What should I do?

When the original tap water supply is high in minerals (most often seen with well water), a large amount of crystals are formed in the electrolysis cell. If this progresses, chunks of crystals can become stuck in the net before the flexible pipe, obstructing the water outflow. In order to remove this clog, poke the area with a piece of wire and blow air into the LeveLuk from the spout. Please remove the flexible pipe from LeveLuk when cleaning in this manner.

12, What is special about LeveLuk's strong acidic water production system?

Traditionally, strong acidic water could only be produced with large devices for institutional use (at the time, strong acidic water was called hyper acidic water). We thought that it would be highly beneficial for people's hygiene if they could produce and use strong acidic water in their homes. The LeveLuk makes it possible to produce fairly large quantities of strong acidic water and strong Kangen Water® at home.

Misc Questions

1, What is the oxidation-reduction potential (ORP)?

The oxidation reduction potential¹ is the electrical potential needed to reduce or slow down oxidation such as rusting. Kangen Water® must have a negative ORP in order to be considered good, especially for drinking.

ORP is the strength to bond with active oxygen² reducing power, and can be measured through electronic designs in the hardware. Although a negative value is desirable for deoxidization power, the actual value varies from region to

region. For example, in Osaka city, tap water records an ORP of +580-600mV, but after using LeveLuk, the ORP becomes pH9.5 and records the ideal from -150mV to -400mV. When the original water supply's ORP increases, the ORP of Kangen Water® moves in direct proportion. On the Japanese archipelago, LeveLuk is capable of producing water with negative levels of ORP at pH9.5 even where original water supply marks the highest positive levels of ORP.

¹Oxidation-reduction potential (ORP)

Electrical potential needed to reduce or slow down rusting and decay (oxidization). This process is also known as deoxidization. ODR is measures in terms of negative mVs. The ideal ODR level for the human body is said to be between -150mV and -400mV.

²Active oxygen

Also known as free radicals. Medically it is known to enter the body when one's daily rhythm of life or diet goes astray when under stress. It is the type of oxygen that causes illness and aging. Maintaining a daily rhythm will help keep this oxygen from entering your body!

2, What is "calcium addition"?

In ancient times, the Japanese archipelago was connected to what is now China, but over the years it broke off and drifted toward the Pacific Ocean. Japan's soil was acidic back then, and since there are many volcanoes along the Sea of Japan, the soil has remained acidic, and has not become neutral or alkaline. As a result, the water in areas toward the Sea of Japan is more acidic than in areas closer to the Pacific Ocean. Although acidic water, which has an astringent effect¹, is good for the skin if used for everyday chores and facial treatment, it is not suitable for drinking. Even when this water is electrolyzed, it does not produce water with standard pH levels. This water is much better for consumption than unpurified water. The ORP measuring device is the best way to see this for your self, in which case there is a need to add calcium glycerophosphate² to the water. By doing so, pH levels can be increased in intervals of 0.5. We recommend that people living in regions on the side of the Sea of Japan add calcium to their water.

¹Astringent effect

Acidic water contains a small amount of chlorine ions and has an astringent effect. This water is good for toning your skin.

²Calcium glycerophosphate (Calcium powder)

If the pH level does not increase even after electrolyzing water (especially when using well water or tap water in areas toward the Sea of Japan), adding calcium powder will increases the pH level.

3, Why doesn't Kangen Water® turn the pH testing solution blue (purple)?

Kangen Water® produces a yellow/green color (neutral reading) in pH testing solutions even if it made on the setting for pH 9.5. This phenomenon is often observed in areas where well water is used. Even water that tests neutral has been through the electrolytic process and has the benefits. This is caused by the carbon dioxide in well water, which is produced from decomposing organic matter. Carbon dioxide readily dissolves in water, making it acidic. Water with carbon dioxide can be electrolyzed, however, the carbon dioxide is neutralized during the process. Therefore the water tests neutral on the pH scale. Driving out the carbon dioxide from Kangen Water® will result in the Kangen Water® expressing blue in pH test liquid.

When measuring the pH using a pH testing solution, place a few drops in the flask before pouring in freshly made Kangen Water®. There is carbon dioxide in your Kangen Water® if the color turns blue initially, but eventually turns yellow.

4, Some white bits are floating in the Kangen Water®. What are they?

Your original tap water supply always contains some minerals. Especially on the pacific side of Japan, including Okinawa, the land is more alkaline and minerals crystallize readily onto the electrolysis plates and some break off into the water. Although they look like foreign substances, there is no harm in drinking these mineral clusters. In order to prevent the mineral clusters from falling into the water, we recommend changing the setting to "acidic water mode" (run reverse voltage) and increase the pressure and quantity of water once or twice a day for 3-4 minutes to clean out the appliance. Because of the caustic lime¹ situation in Okinawa, we recommend people living in this area to use the pre-filter² (sold separately).

Depending on the situation, it may be appropriate to use both of filters together. When mineral clusters stick to aluminum or anodized aluminum³, it turns brown and becomes difficult to take off. Please refrain from using aluminum or anodized aluminum pans and pots as much as possible.

¹Caustic lime

Okinawa is said to exist on top of coral. As a result, the water in Okinawa has a high mineral content.

²Pre-filter

A filter used in situations where the original water supply contains a high percentage of well water or chemical substance. The transparent filter makes it easy to tell when the cartridge needs changing.

³Anodized aluminum

An aluminum alloy often used in household pots.

5, What is the relationship between the oxidation-reduction potential (ORP) and pH?

The oxidization reduction potential is the electrical potential needed to reduce or slow down rusting and decay (oxidization.) The ORP¹ also represents the reduction capacity to attract active oxygen. The optimum levels for the human body is between -150– -400mV. The ORP is also closely related to pH levels. When the pH increases, the ORP also increases. It is also possible to increase ORP through electrolysis. The value depends greatly on the original water supply. An ideal ORP may not be achieved if the original water has a pH lower than 7.0. Please make sure to examine the properties of your original water, for failure to do so may lead to inexplicable errors.

¹ORP (Oxidation-Reduction Potential)

Electrical potential needed to reduce or slow down rusting and decay (oxidization). This process is also known as deoxidization. ODR is measures in terms of negative mVs. The ideal ODR level for the human body is said to be between -150mV and -400mV.

6, What is the white foginess in Kangen Water®?

The white foginess apparent in Kangen Water® is simply a result of hydrogen gas being released through electrolysis, and does not pose a problem. If you rest the glass for a while the white foginess should disappear.

Research focused on dissolved hydrogen released through electrolysis of water was presented at The Japan Functional Water Association Meeting¹ in late December of 2002. It reported that Kangen Water® is effective in controlling the oxidation of lipids in the body. It also reported that dissolved hydrogen² present in the colloidal³ state has a higher activity level than active hydrogen⁴ produced at the instance of reaction. Based on this report, the need for broader data collection and further scientific analysis was recognized.

¹The Japan Functional Water Association Meeting

The Japan Functional Water Association Workshop was established on September 13, 2002. In December of the same year, the first Japan Functional Water Association Academic Convention was held in Tokyo.

²Dissolved hydrogen

Most commonly measured using a diaphragm polarograph-type dissolved hydrogen electrode. The solubility of dissolved hydrogen is about 1.5mg/L.

³Colloidal

Low molecular weight (colloidal) particles dispersed in liquid. Each particle is between 1m and 0.1. The majority of substances that make up organisms are colloidal and have complex movements.

⁴Active hydrogen

Professor Sanetaka SHIRAHATA of Kyushu University announced the "active hydrogen deoxidized water theory" on removing the active hydrogen in Kangen water. Related academic circles are debating whether or not active hydrogen exists in a stable state, given that it is an unstable free radical.

7, Can Leveluk be used overseas?

When using Leveluk in other countries, it must be adjusted to the particular voltage (110V-240V) and water quality of the country. Since there are few countries where you can drink tap water straight from the tap, and many countries where the water has extremely high calcium content, we recommend selecting a filter that suits the country. Many laws must be taken into consideration for exporting goods, but individual use overseas is not a problem.

8, Are there any cautions regarding the use of Leveluk in cold regions?

Leveluk is designed for use anywhere, but cold districts especially must be aware how to freeze-proof the device during the winter. When you turn off the water, the Leveluk activates the automatic water draining system and drains the remaining water through the gray hose, thereby ensuring that no water is left in the appliance. Although there have not yet been any reports of accidents or breakdowns caused by freezing, if acidic water is left in the tank intentionally by lifting the hose or if the hose is positioned higher than the bottom of the Leveluk due to space constraints, the automatic water draining system will not operate, and the remaining water may freeze, leading to accidents. Be sure to keep the hose lower than the base of the Leveluk when turning off the water flow.

Note:

Independent Sales Representative Handbook is subject to update as per amendments of India Government Regulations /Changes in Policy Procedure of Enagic. Enagic do publish updated Handbook on www.enagic.co.in as per amendments.

THANK YOU



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