

THE PENALTIES FOR VIOLATIONS OF BUSINESS ETHICS AND CODE OF CONDUCT

1. It was recently found out that an online seller has been acting as a purchasing agent selling Nefful products sourced from Japan on online marketplace. The Company has taken legal actions towards this online seller due to violations of law. All partners of Nefful International are reminded not to purchase products of the Company from Japan on their own or through other sources and provide, transfer, sell, or distribute to others via sales channels that are not approved by the Company.
2. Selling products of the Company at a lower price, be it through offline selling or on any online marketplaces are strictly prohibited. Violators shall have his or her distributorship terminated and not allowed to become an independent distributor of the Company in future.
3. An Independent Distributor with the pin title of Area General Manager and above is not allowed to operate other direct selling businesses in his or her or other's names. If he or she violates this rule, the Company has the right to terminate his or her distributorship qualification.

The Violator and Actions Taken Against Violation –

Name of Distributor: Ling * Hoon

Distributor No. : 40933*

Actions Taken : Distributorship terminated on 16 November 2020

In the event the above rules are violated, the Company may take appropriate action in accordance with the provisions of this Business Handbook. The Company also reserves the rights to pursue legal actions against the Independent Distributor. Independent Distributors are to comply to the terms and conditions in the Business Handbook.

15.12.2020