

MAI HEALTH

Madison AI (PTY) LTD REG No.: 2023/695529/07

Madison AI (PTY) LTD Trading as: MAI Health Registration No.: 2023/695529/07 Websites: <u>www.maihealth.shop</u> Contact: +27 69 830 4189 Location: Northern Suburbs, Cape Town, Western Cape, South Africa

MAI Health Outlet Agreement 2024

ADDENDUM TO THE AGENT CONTRACT Effective Date: 01 August 2024

Disclaimer

At MAI Health, we are committed to ensuring the accuracy and currency of our product information, prioritizing customer and environmental safety. However, due to potential human or technical errors, MAI Health accepts no responsibility for the accuracy or completeness of information provided by Independent Agents. Additionally, we do not accept liability for any adverse reactions caused by our products. Recommendations made by Independent Agents do not constitute medical advice. We advise consulting a medical practitioner with any concerns about using our products. For further assistance, please contact our office at +27 69 830 4189.

1. New Outlet Pricing

- Category A: VAT-registered businesses and/or outlets selling 50+ units per month.
- Category B: Non-VAT registered outlets/agents and/or those ordering fewer than 50 units per month.

2. Wholesale/Bulk Order Prices (Effective 01 August 2024, VAT included)

- Category A:
 - Calm (contains L-theanine): R280 (Recommended selling price: R449)
 - Energy (contains rhodiola salidroside): R270 (Recommended selling price: R449)
 - Sleep (contains GABA): R245 (Recommended selling price: R369)
 - Calm Gummies (contains L-theanine): R269 (Recommended selling price: R399)
- Category B:
 - CALM: R295 (Recommended selling price: R449)
 - Energy: R285 (Recommended selling price: R449)
 - Sleep: R270 (Recommended selling price: R369)
 - Calm Gummies (contains L-theanine): R279 (Recommended selling price: R399)
- 3. Minimum Orders per Month
 - Agents must order a minimum of 5 units per month.
 - The minimum order to qualify for wholesale prices is 5 units.
- 4. Website Listings
 - To qualify as an Outlet on our website, a minimum order of 20 units per month is required.
 - To qualify as an Agent on our website, a minimum order of 5 units per month is required.
- 5. Stock Requirements
 - All Outlets are required to maintain stock and order a minimum of 10 units per month, while agents must maintain stock and place orders of at least 5 units per month.
 - If an alternative arrangement has been selected, the minimum order requirement applies after a 3-month period, with a minimum of 5 units per month thereafter.
- 6. Minimum Growth Requiremen
 - All Category B outlets are required to achieve a 20% growth every month.
- 7. Introduction & Stock
 - Agents are required to subscribe to our seller's fee of R49.00 per month and purchase one of our products at wholesale prices. This allows them to either use the product themselves, enhancing their ability to sell with personal experience, or to resell the product.
 - New outlets or agents without a practice or VAT number must purchase at least one of our products at wholesale price. If agents are unable to afford stock, an alternative is available: the monthly seller fee will increase to R99.00, and a coupon code offering a 5% discount will be provided to help generate leads and sales. Sales made with this coupon code will be tracked by MAI Health. This option is available for 3 months. If no stock is purchased within that time, the agreement will be automatically terminated. Once stock is purchased, the seller's fee will reduce to R49.00.

Example Pricing and Profit:

- 1 unit of CALM @R295 each = R295. Recommended Selling Price: R449 (Profit = R154.00)
- 1 unit of Energy @R285 each = R285. Recommended Selling Price: R449 (Profit = R164.00)
- 1 unit of Sleep @R270 each = R270. Recommended Selling Price: R369 (Profit = R99.00)
- 1 unit of Calm Gummies @R279 each. Recommended Selling Price: R399 (Profit = R120.00)
- Shipping Costs Calculated at the time of purchasing the introduction package.
- A monthly seller fee of R49.00 is required to activate and maintain your agent profile. Agents opting for the alternative option will pay a monthly seller fee of R99.00 until stock is purchased.
- The seller fee ensures we attract genuine and committed individuals, saving time and resources in recruiting the best talent.
 - **Quality Control:** The seller fee helps attract serious and professional sellers, ensuring that only committed individuals represent our products.
 - **Brand Protection:** The fee maintains high standards among sellers, protecting the company's brand and ensuring a positive customer experience.
 - **Shared Responsibility:** The fee contributes to operational costs, providing mutual benefits through tools, support, and marketing initiatives.
 - **Accountability:** The fee encourages dedication and performance, reflecting the agent's investment in the business partnership.
- 8. Automatic Termination
 - Madison AI/MAI Health reserves the right to terminate the agreement at any time and for any reason, without explanation. Additionally, if there are no orders or fewer than 5 units are ordered per month for three consecutive months, or if the seller's fee is not paid on the due date each month, the agreement will be automatically terminated. To reactivate, a new signed contract will be required.

9. Shipping

- Products are released only after payment reflects in the company's bank account.
- All orders must be prepaid; no stock is supplied on credit or consignment.

10. Training and Marketing

- Every agent must attend the weekly meetings held every Monday at 19:00, as well as the product training sessions scheduled every Thursday at 19:00.
- Recruiters are required to attend the recruiter meetings held every Tuesday at 19:00.

- MAI Health provides assistance from 6:00 AM to 6:00 PM, Monday to Friday.
- MAI Health offers marketing materials, including videos, testimonies, and training files.
- Only company-approved marketing is allowed. Unauthorized personal websites or ecommerce activities related to MAI Health products are prohibited and may result in immediate contract termination.

11. Coupon Codes

- Coupon codes offer a discount on the company's website.
- Incorrectly entered coupon codes will not be recognized, and no agent can be linked to them.

12. Acknowledgement

- Agents must adhere to the Agent Guidelines and Compliance.
- By entering into this agreement, the Outlet agrees to follow the company's marketing, pricing, and training policies.
- Agents, Sales Heads, and their teams must thoroughly understand the company's product information and avoid making false claims.
- Agents must comply with the company's social media rules and avoid interfering with other agents' clients.
- Any behavior that negatively affects other agents, the company's products, or the company itself will result in automatic termination of the agreement.

13. Commissions

- MAI Health Calm: 22.27% Commission
- MAI Health Energy: 22.27% Commission
- MAI Health Sleep: 22.27% Commission
- MAI Health Calm Gummies: 25.06% Commission
- Content Platform Commission

Beginner = R30.00

Intermediate = R40.00

Advance = R50.00

- Commissions are paid to active agents meeting minimum order requirements.
- Commissions are calculated weekly and paid out every Thursday.
- If an agent wants immediate clearance, the associated bank fee will be deducted from the commission.
- Agents must ensure the company has correct banking details for commission payments.
- Commissions for new products will be communicated to agents once they are established.

- 14. Wholesale/Bulk Order Commissions
 - Agents can serve as direct liaisons between MAI Health and various outlets. Outlets are defined as any establishment or individual that stocks large quantities of products. Agents can establish agreements with these outlets or individuals to stock MAI Health products and, in return, earn a commission on each product purchased. The commission structure is as follows:

Category A Agent Wholesale/Bulk Order Commission:

- o CALM: R60.00
- Energy: R55.00
- o Sleep: R50.00

Category B Agent Wholesale/Bulk Order Commission:

- o CALM: R60.00
- o Energy: R55.00
- o Sleep: R50.00
- 15. Recruiters
 - Agents have the opportunity to become recruiters (Sales Heads) and build a team. Recruiters
 earn a commission based on the sales generated by their team members. At MAI Health, we
 emphasize legitimate business practices; therefore, recruiters do not earn income solely
 from recruiting new individuals but from driving product sales. Recruiters are highly trained,
 experienced professionals who have undergone specialized training to effectively manage
 and grow their teams.
 - Recruiters do not earn commissions from the monthly selling fee. Their earnings come solely from the sales generated by their team.
 - Recruiters are required to attend the recruiter meetings held every Tuesday at 19:00.

Recruiters Sales Commission:

- Category A Bulk Orders:
 - Calm: R20.00
 - Energy: R15.00
 - Sleep: R10.00
 - Calm Gummies: R10.00
- Category B Bulk Orders:
 - CALM: R20.00
 - Energy: R15.00
 - Sleep: R10.00

- Calm Gummies: R10.00
- Direct Sales:
 - CALM: R20.00
 - Energy: R15.00
 - Sleep: R10.00
 - Calm Gummies: R10.00

16. Agent Guidelines and Compliance

- MAI Health reserves the right to terminate agreements immediately and without prior notice if any agent engages in activities that do not meet the company's standards.
- Agents are required to maintain daily communication with their assigned heads. Failure to do so will result in a three-strike policy. Accumulating three strikes may result in suspension or immediate termination of the agreement.
- Agents must post daily marketing materials provided by MAI Health on their personal social media platforms.
- Male agents are responsible for onboarding men into the MAIH MENs group, promoting men's health and wellness, while female agents are tasked with onboarding women into the MAIH WOMENs group. This helps build communities that raise awareness about health and wellness while generating leads.
- By signing this agreement, agents agree to a non-disclosure clause, prohibiting the sharing of valuable or classified information.

Thank you for your attention to this matter. We look forward to working with you to achieve mutual success.

Wholesale Portal Access Code: EVOLVETHEHUMAN

MAI Health Team

Agent / Outlet Representative:

Witness:

CEO, MAI Health: