EQOLOGY**

DOING BUSINESS IN ITALY FAQ

This guide provides you with important information about how to conduct your EQOLOGY business in Italy.

General Information

There are several provisions that differ from the way EQOLOGY business is conducted in Italy from most other markets. In short, these include:

- The retail sale of products is prohibited all consumer transactions take place between the company and the consumer (Customers or Premium Customers)
- All Distributors need to submit additional documentation during the enrolment process, detailed below:
 - A signed paper agreement, "Domanda di Nomina," must be provided to the company after the online signup is completed
 - All Distributors need to obtain an "ID card", called "Tesserino", which is specific to direct selling in Italy
- To comply with the tax scheme in Italy, EQOLOGY will withhold tax from Distributors' commission payments and pay the tax authorities on their behalf

Distributors as Demonstrators (Incaricato)

Due to Italian legislation, Distributors cannot sell products for cash, but need to enrol customers as either Customers or Premium Customers. Distributors in Italy are thus not "direct sellers" but are called "demonstrators". The Italian term for this is "Incaricato", according to Italian direct selling law 173/2005.

Incaricati Enrolment Procedure

To become an Independent Incaricato and obtain the required Identification Card, you will need to complete the Distributor Application Form ("Domanda di Nomina") and send one signed copy by post or PEC e-mail to EQOLOGY:

EQOLOGY ITALY S.R.L.

VIA SABATINI, N° 31/F 51010 MASSA E COZZILE (PT) - ITALY

Posta Elettronica Certificata (PEC): eqologyitaly@cgn.legalmail.it

To complete the registration of a new Incaricato, EQOLOGY needs to also receive a copy of a valid identity card or passport, or in the case of an Italian resident who is a citizen of a non-Schengen EU country, also a valid permit of residence. Without all the correct documentation the enrolment process as an Independent Incaricato cannot be completed.

Due to Italian Direct Selling law, EQOLOGY will regularly send a list of all new Incaricati to the Public Security office (Questura).

Q: Who can become an Italian EQOLOGY Incaricato?

A: To become an EQOLOGY Incaricato in Italy you should be 18+ years old, a resident in Italy, in possession of a personal fiscal code (codice fiscale) and hold valid identification documents.

Q: Where can I find the Application Form to become an EQOLOGY Incaricato?

A: The enrolment process can be completed online. There are two simple steps and instructions to guide you along the way. First, you will be required to fill out the online form and print the Application Form (Domanda di Nomina) that must be **signed** by you. The second step will be to send the signed Application Form via post or PEC e-mail to EQOLOGY ITALY S.R.L., Via Sabatini 31/F, 51010 Massa E Cozzile (PT), Italy or eqologyitaly@cgn.legalmail.it.

Q: What type of documents except the Application Form (Domanda di Nomina) are needed when enrolling a new Incaricato?

A: To enrol a new Incaricato, the signed Application Form (Domanda di Nomina) plus the following documents will be required:

Residents in Italy with Italian citizenship or with citizenship in another European country of the Schengen area:

- Valid identity card or passport

Residents in Italy with citizenship in a non-EU country or an EU country outside the Schengen:

- Valid passport
- Valid permit of residence (valid for at least three months from the date of submission)

IMPORTANT: residence permits considered valid are those required for reasons of work (paid employment).

Q: What will happen if someone applies to become Incaricato but doesn't send all of the required documentation?

A: It is important to note that all new Incaricati will have their commissions held until EQOLOGY receives both the signed application form and the identification document.

If the required documents are not received within 30 days of the enrolment date the request to become an Incaricato will be declined and the temporary position acquired in the group (the sponsor's downline) will be deleted.

We highly recommend you to send all of the required documentation at the time of or immediately after enrolment.

Q: What does an EQOLOGY Incaricato have to do to receive Commissions from EQOLOGY? A: An EQ Incaricato has to send the signed Application Form, a copy of their valid ID card or passport via post to EQOLOGY ITALY S.R.L., Via Sabatini 31/F, 51010 Massa E Cozzile (PT), Italy or to our PEC e-mail eqologyitaly@cgn.legalmail.it.

Additionally, the EQOLOGY Incaricato has to fill in the requested Bank Details, Fiscal Code (codice fiscale) and VAT ID (if applicable) in the Bank Data section of the EQ Business Back Office.

If all the above is fulfilled and the Application Form successfully processed by EQOLOGY, the Incaricato will be eligible to receive Commissions from EQOLOGY. EQOLOGY pays Commissions on monthly basis, usually on the 15th day of the following calendar month. The monthly payout includes both monthly bonuses and Live Bonuses approved during a specific commission month.

Q: How can I check if my request to become an EQOLOGY Incaricato has been approved?

A: You can check your status in your Business Back Office, in the Bank Data section. If your status states SUBMITTED this means that the Application Form together with other requested documents has been successfully processed by EQOLOGY.

EQOLOGY BUSINESS PARTNER AGREEMENT STATUS Abbiamo ricevuto il tuo Partner Agreement firmato, grazie!
Change status: Submitted O Not submitted SUBMIT

Q: Where can an EQOLOGY Incaricato find their "ID card", called "Tesserino"?

A: The card can be found after logging in to MY ACCOUNT > TESSERINO, directly under the EQOLOGY **Incaricato's contact and address details.**

IMPORTANT: Selling versus Promoting Products

Q: Can Incaricati in Italy sell EQOLOGY products?

A: Incaricati in Italy are not under any circumstances authorised to sell or resell products.

Q: How do Incaricati in Italy receive commission payments if they are not reselling EQOLOGY products?

A: Incaricati receive commissions on every product that is purchased as a result of their activities by collecting orders from customers and registering customers. The products are sold by EQOLOGY to customers who pay EQOLOGY directly for their orders. The Incarricati's commissions are defined by EQOLOGY's Compensation Plan.

Q: Can a customer try a product for a fee at a trade show, expo, or home party?

A: No. The Incaricato can only promote or demonstrate the products, place orders on behalf of customers using the customer order form or refer them to a website to order. The products must only be sold from EQOLOGY directly to each customer.

Q: Can Incaricati buy EQOLOGY products?

A: Yes, but they not should order more products than they can justifiably use for their own personal consumption and demonstration.

Legal and Tax

Q: What is the legal classification of the Italian EQOLOGY Incaricati?

A: EQOLOGY Independent Incaricati in Italy operate under legislation 173 from the 13 January, 2020.

Q: What are the tax obligations of EQOLOGY Incaricati in Italy?

A: The Italian taxation for an Incaricato is very simple. EQOLOGY will handle almost everything on your behalf. For more information about Italian taxations, **CLICK HERE.**