

GENERAL TERMS

As part of the “Recommend to a Friend” program, registered IQOS and lil users are invited to earn a “Credit” by inviting their friends, adult smokers or users of other nicotine-containing products, to purchase a product from the IQOS and lil special offer at well-defined IQOS Points of Sale. The General Terms of the “Recommend to a Friend” program stated herein apply to both the person who makes the recommendation (hereinafter referred to as “Person making a recommendation”) and the person who is recommended (hereinafter referred to as “Recommended person”), hereinafter collectively referred to as “Participants”.

Philip Morris Tutunski Kombinat Prilep doo Skopje (“Philip Morris TKP”) has the right to suspend, discontinue or change the General Terms of the “Recommend to a Friend” program at any time and for any reason. The Credit earned in accordance with the General Terms until the moment of the change, suspension or discontinuance shall be valid.

1. Right to participation

The Participants must be over the age of 18 and must be smokers or users of other nicotine-containing products, that is, IQOS or lil users. The Participants must be residents of the Republic of North Macedonia, which they shall prove by showing an ID card to the sales staff, if requested. The Participants must be real people.

The persons who are eligible to participate as Persons making a recommendation must be registered IQOS or lil users.

In addition, Philip Morris TKP can select a special consumer groups that it wishes to include in the program.

2. Credit

Credit can be earned in the following manner:

- The Person making a recommendation shares their unique Recommendation Code, which they received from the team organizing the program, with their friends, adult smokers or users of other nicotine-containing products
- The person receiving the code (Recommended person) is obliged to show the code when purchasing products from the IQOS or lil special offer
- The Recommended person is not an already registered IQOS or lil user
- The Recommended person is registered at the moment of purchase, in accordance with the applicable rules for purchasing products from the IQOS/lil special offer
- The Recommendation Code shown by the Recommended person is a valid code, which shall be determined by checking the system at the time when the code is shown
- The Recommended person and the Person making a recommendation must always be different persons

A successful recommendation shall be considered the recommendation that meets all the above conditions and that is followed by a purchase. The Recommended person shall earn a reduction of the price of the product from the IQOS/lil special offer as follows:

- If the Referee chooses IQOS 3 Duo device for his/her first device, he/she will receive the lowest possible market price for IQOS 3 Duo – 2,100 MKD.
- If the Referee chooses lil Solid 2.0 device for his/her first device, he/she will receive the lowest possible market price for lil Solid 2.0 – 990 MKD.

The Person making a recommendation shall earn a Credit in the amount of MKD 450 on their account, which shall be confirmed by SMS.

The Recommendation Code does not have a fix validity period.

The "Recommend to a Friend" program can only be used for personal, non-commercial purposes.

The products purchased with a Credit cannot be returned in exchange for money. The Credit cannot be exchanged for cash, transferred to another person or used outside the IQOS Points of Sale. When spending the Credit, the Person making a recommendation can use the Credit in amounts of MKD 450 and it is not possible to get change if the Person making a recommendation wishes to purchase products in an amount lower than the foreseen rounded value of the Credit. Misuse of the Credit is a cause for exclusion from the program and possible further legal consequences.

The Company Philip Morris TKP shall, if it has independently determined that the Participants meet the General Terms, confirm that the Participants have earned the Credit provided by the terms of the Program. The Person making a recommendation shall automatically receive the Credit, which shall be saved on their virtual account created for the needs of the "Recommend to a Friend" program. Philip Morris TKP may send an SMS or e-mail to any of the Participants if it is necessary to submit a notification on the status of the Credit or the Recommendation code.

All taxes or fees that may arise as a result of the use or earning of the Credit or discount shall be borne by the Participants.

The catalog of products that can be purchased with a Credit is defined by the retailer and is subject to change.

The calculation of the amount of the Credit is an automatic process, based on the use of the Recommendation Codes and the purchase of products from the IQOS special offer in the IQOS Points of Sale. Philip Morris TKP reserves the right, at its sole discretion, to investigate the compliance with the General Terms.

3. Sharing the Recommendation Code

The Person making a recommendation shall not share or publish the Recommendation Code in a manner or place where there is no reasonable basis that the audience consists of adult smokers, users of other nicotine-containing products or IQOS or lil users to whom the Recommendation Code applies. The Person making a recommendation may share their Recommendation Code in any manner they wish as long as that type of communication can be characterized as personal communication. The advertising or mass promotion of the Recommendation Code is strictly

prohibited and shall result in immediate exclusion from the Program, without the possibility of using the previously earned Credit. The Person making a recommendation shall exempt and shall not hold Philip Morris TKP, its directors, shareholders, employees, agents and associates accountable in the event of any claims arising from the illegal sharing of the Recommendation Code.

4. Protection against corruption

By sharing the Recommendation Code purchasing a product from the IQOS/lil special offer and qualifying for earning a Credit, each participant agrees to and accepts the following terms regarding protection against corruption: You are not a government official, which term includes any employee in the civil service, candidate for public office or employees in legal entities that are partially or wholly owned or controlled by the state, public international organizations or political parties. Government officials are not authorized to earn Credits. You shall immediately inform us if you are a government official. In relation to activities concerning recommendations or bonuses (i) you shall not directly or indirectly offer, promise to any third party, including a government official, or request, receive or obtain promises given to you or another person, regarding any gift, payment, reward, compensation or other benefit that could be considered a bribe or illegal corrupt practice and (ii) you shall comply with all laws governing the area of protection against corruption, including the U.S. Foreign Corrupt Practices Act and the United Kingdom Bribery Act.

5. Miscellaneous

- Philip Morris TKP reserves the right to investigate the participation in the Program in order to detect any misuse and to undertake all necessary measures to prevent or eliminate thereof. These measures may include Philip Morris TKP making a decision to suspend the sale of products from the IQOS special offer at a reduced price. The Credit earned through misuse or non-compliance with the General Terms shall equal zero and a refund may be requested by Philip Morris TKP.
- Philip Morris TKP reserves the right to contact all Participants who earn a Credit in an amount higher than MKD 450 and request their personal identification number (PIN) for the purpose of regulating the obligations to the state and the payment of the income tax by the company PMTKP. The Participants who refuse to submit their PIN shall not be able to use the Credit in the amount above the specified threshold.
- Philip Morris TKP reserves the right to investigate the participation of any of the Participants in the Program in order to detect possible misuse of the Recommendation Code for the purpose of gaining personal benefit. The investigation shall be triggered when one Recommendation Code is used more than 10 times. The company reserves the right to terminate the validity of the Code based on the results from the investigation.
- The “Recommend to a Friend” program is regulated by the Macedonian laws. In the event of a dispute, the Basic Court in Skopje shall have jurisdiction.
- The “Recommend to a Friend” Program is organized by Philip Morris TKP, Maxim Gorky, 13, Skopje, North Macedonia.