

YOUNG LIVING AUSTRALIA AND NEW ZEALAND

POLICIES AND PROCEDURES HIGHLIGHTS

Welcome to Young Living

To start you on your Young Living journey, we've compiled a brief overview of some of the more common policies you may encounter as a member. For more detailed information on each policy, refer to the applicable section found in the Young Living Policies and Procedures.

You can find the full version of the Young Living Policies and Procedures online at www.YoungLiving.com/en_AU/company/policies, www.YoungLiving.com/en_NZ/company/policies or email conduct.au@youngliving.com.au. It is your responsibility to read, understand, adhere to and ensure that you are operating under the most current version of the Policies and Procedures.

PURPOSE

The purpose of the Young Living Policies and Procedures is to set the standard of acceptable business behavior expected of you, define your relationship with Young Living, your customers, other members and to assist you in building and protecting your Young Living business. Young Living's aim is to ensure you have the best opportunity to create an environment to achieve a successful Young Living enterprise.

ETHICS – SECTION 1.4

You will follow the highest standards of honesty, professionalism and integrity in the development and operation of your sales organisation:

- You will not make negative or disparaging remarks about Young Living, Young Living founders, any Young Living competitor or their people, products or organisations.
- You will not make disparaging remarks or make unfounded claims about any business or organisations or their products in the marketplace.
- You will not engage in activities that may cause losses to Young Living or another Young Living member.
- You will perform all duties of a sponsor and a leader as you build your Young Living business, including providing the necessary training and support.
- You will respect the privacy of both your upline and downline members and customers.
- You will not recruit Young Living members to other business opportunities.
- You will abide by all rules, regulations, laws and ordinances that are applicable to the operation of your sales organisation as an independent member.

INDEPENDENT CONTRACTOR STATUS – SECTION 3.1

As a Young Living member, you are an independent sales contractor and are not a purchaser of a franchise or business opportunity. You will not be treated as an employee for your services or for tax purposes. You are responsible for paying all taxes due from compensation earned as a member.

You are encouraged to establish your own goals, hours and methods of sale, as long as you comply with applicable laws and the terms and conditions of this Agreement. Members purchase product from Young Living at the published wholesale price and have the potential of earning commissions and bonuses based on qualification and achievement rank, as outlined in the Compensation Plan.

BENEFICIAL INTEREST IN MORE THAN ONE ACCOUNT AND DUPLICATE ACCOUNTS – SECTION 3.3

A member may operate or have an interest, legal or equitable, in only one member account, unless expressly permitted in this section. See section 3.3 for more information regarding spouse accounts. You are specifically prohibited from creating duplicate accounts in an attempt to change lines of sponsorship or manipulate the Compensation Plan.

NON-SOLICITATION – SECTION 3.11.2

During the period that this Agreement is in force, you and all members of your immediate household are prohibited from directly, indirectly or through a third party, recruiting any Young Living retail customers or member to participate in a Competing Business Venture, regardless of who initiates the contact.

BUSINESS SEPARATION/NON-COMPETITION – SECTION 3.11.3

If, during the term of the Agreement, you engage in a non-Young Living direct selling program, you will ensure that you operate your Young Living sales organisation separately and apart from your non- Young Living program. the contact.

CROSS-LINE RECRUITING – SECTION 3.11.5

Cross-line recruiting is the enrolment of an individual who already has a current membership with Young Living or has had an agreement within the last six months within a different line of sponsorship. The use of another assumed name/alias to circumvent this Policy is strictly prohibited.

BONUS BUYING, FRONT-END LOADING AND STACKING – SECTION 3.11.6

The manipulation of Member Agreements for the purpose of maximising compensation is prohibited. Actions such as paying for other members orders, purchasing excessive inventory or the unauthorised enrollment of individuals or nonexistent individuals should be avoided.

REPACKAGING AND RELABELING – SECTION 3.13

You may not relabel, alter the labels of, repackage or refill any Young Living product. Young Living’s products must be sold in their original containers only. Young Living strongly recommends that you do not use Young Living products as ingredients in any product for resale.

SPONSOR RESPONSIBILITIES – SECTION 4

As a sponsor you are expected to train, supervise and communicate with your downline. You also agree to make your contact information (telephone number/email address) available to your downline for training and support purposes.

ADVERTISING – SECTION 5

To prevent inadvertent errors or illegal claims, you should use the current Young Living marketing materials and official claims when sharing Young Living’s product or programs. If you choose to use advertising materials that were not developed by Young Living, you must clearly identify that the material is from an “Independent Member” and include your member number.

PRODUCT CLAIMS – SECTION 5.3.1

You must not make any claim that Young Living products are intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease. You also must not diagnose any disease or disease condition or prescribe any Young Living product.

INCOME CLAIMS – SECTION 5.3.2 AND 5.3.3

You are prohibited from making any income projections to prospective members that may create false or misleading expectations. Members must not represent hypothetical income figures. When presenting or discussing the Compensation Plan, you must make it clear to prospective members that financial success with Young Living requires commitment, effort, and sales skill. Young Living has prepared an Income Disclosure Statement (IDS). Any time that you discuss the Compensation Plan or make any type of income or earning representation, you must provide a copy of the IDS.

INTERNET CLASSIFIED AD SITES, AUCTION SITES, SHOPPING SITES OR ORDER FULFILMENT STORES RESTRICTED – SECTION 5.8

Members may not sell or display Young Living products on any internet classified ad site, marketplace, auction site, shopping site or order fulfilment store (e.g. Gumtree, Facebook Marketplace, eBay, Amazon, TradeMe, etc.).

MEDIA INQUIRIES – SECTION 5.14

Young Living members must refer all media inquiries regarding Young Living, its products or services or their sales organisation to the Young Living Australia and New Zealand Compliance Manager.

PRODUCT SALES AND SALES RECEIPTS – SECTION 6

A minimum of 70% of you and your personally enrolled customers’ orders must be sold before you purchase additional products. By ordering product, you certify that you have sold or used at least 70% of all prior orders.

RETURN POLICY – SECTION 11

Young Living offers a 10-day cooling off period (section 1.7), this is in conjunction with the return policy which allows for product to be returned up to 90 days after purchase for a credit. To read about Young Living’s return policy in full, see section 11. If you sell product to non-members, you are required to provide the same return policy to the non-member.

SPONSOR CHANGES – SECTION 12

To protect the integrity of all marketing organisations and to safeguard the hard work of all members, Young Living strongly discourages changes in sponsorship. Young Living recognises, however, that there may exist extenuating circumstances that necessitate a change in sponsorship. See section 12.1.1 for more information of the approved sponsor change methods.

CANCELLATION – SECTION 14

You may cancel your Agreement at any time and for any reason. Written notice must be provided to Young Living through the completion of the termination form in the Virtual Office. Additionally, you may reapply to become a member under a new sponsor after six (6) months from your cancellation date.

