

# YOUNG LIVING PHILIPPINES POLICIES AND PROCEDURES



*Effective January 11, 2025*

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## 1. INTRODUCTION

### 1.1 PURPOSE

This Young Living Brand Partner Philippines Policies and Procedures document outlines policies and procedures entered into by Brand Partners upon their application and agreement (and acceptance by Young Living) to become independent contractors “Brand Partners.” Brand Partners may have been formerly known as “members” or distributors or YL Partners. The purpose of this document is:

- To set standards of acceptable business behavior expected of Brand Partners in their effort to market and sell Young Living® products and services to end consumers.
- To define Brand Partners’ relationship with Young Living.
- To assist Brand Partners in marketing and selling Young Living products to Customers and to motivate, train, and lead others to market and sell to Customers.

### 1.2 TERMS

In this document, Young Living Philippines LLC, is referred to as “Young Living.” The individual or entity entering the Agreement (as defined below), is referred to as “Brand Partner.” The terms “Enroller,” “Sponsor,” “Customer,” “Business Organization,” and “Support Team” shall have the respective meanings set forth herein and in the Young Living Compensation Plan (“Sales Compensation Plan”). The term “Member” may be used to collectively describe Young Living product users.

The term “sponsor” refers to a Brand Partner’s immediate upline Brand Partner. A Brand Partner account is referred to as being “active” if the Brand Partner purchased product within the previous 12 months and is “inactive” if they did not. The term “enroller” is the Brand Partner who enrolls a new Brand Partner into Young Living. An individual can be enrolled only once in 12 months. “Customers,” including retail Customers, are individuals who are not Brand Partners and who can purchase products directly from Young Living for personal consumption but are not authorized to enroll Brand Partners, earn commissions under the Compensation Plan, or resell Young Living’s products. A Customer may become a Brand Partner at any time by meeting the requirements of the Become a Brand Partner section below.

### 1.3 DOCUMENTS INCORPORATED INTO THE AGREEMENT

Throughout these Young Living Brand Partner Philippines Policies and Procedures, whenever the term “Agreement” is used, it refers collectively to the Young Living Brand Partner Agreement (or “Brand Partner Agreement”), these Young Living Brand Partner. Policies and Procedures (“Policies and Procedures”), the Young Living Privacy Policy (“Privacy Policy”), and the Young Living Sales Compensation Plan (“Sales Compensation Plan”).

The Agreement constitutes the final, exclusive, and complete agreement between you and Young Living regarding the subject matter hereof and supersedes all agreements, communications, understandings, and course of dealings between you and Young Living. You agree that Young Living has not made and is not making any representations or warranties whatsoever regarding the subject matter of the Agreement, express or implied, except as explicitly stated in the Agreement, and that you are not relying and have not relied on any representations or warranties whatsoever regarding the subject matter of this Agreement, express or implied, except for the representations and warranties in the Agreement.

Notwithstanding anything to the contrary contained herein, nothing in the Agreement prohibits a Brand Partner from reporting possible violations to any governmental agency, or making other disclosures to, communicating directly with, responding to an inquiry from, or providing testimony before such governmental agency, regarding possible violations. A Brand Partner is not required to contact Young Living regarding the subject matter of any such communications before engaging in such communications. Further, nothing in the Agreement shall bar or impede in any way a Brand Partner’s

ability to seek or accept any monetary award from any governmental agency.

Applicable laws differ from country to country. Therefore, Brand Partners must always abide by applicable Philippine laws, as well as the laws and Young Living policies applicable to each country in which the Brand Partners conduct business. Young Living's policies for each market in which Brand Partners conduct business are incorporated by reference into the Agreement and will govern Brand Partners' efforts in those countries and with citizens of those countries.

#### 1.3.1 INDIVIDUAL ARBITRATION AND CLASS ACTION WAIVER NOTICE:

THE AGREEMENT CONTAINS A MANDATORY INDIVIDUAL ARBITRATION AGREEMENT AND CLASS ACTION WAIVER IN SECTION 10.2.2. BY AGREEING TO THE AGREEMENT, YOU EXPRESSLY ACKNOWLEDGE THAT YOU HAVE READ, CAREFULLY CONSIDERED, AND UNDERSTAND ALL OF THE PROVISIONS OF THE INDIVIDUAL ARBITRATION AGREEMENT AND CLASS ACTION WAIVER, AND THAT YOU EXPRESSLY AGREE TO BE BOUND THEREBY.

#### 1.4 AMENDMENTS/ACCEPTANCE

A Brand Partner's compensation is based on sales of Young Living® products to end consumers. Young Living has always reserved the right to change its Sales Compensation Plan from time to time. Young Living has long endeavored to establish sales measurements and qualifications to compensate those who play an ongoing role in the sales of products to Customers by engaging in activities such as finding new sales to Customers and motivating, training, and leading others to sell to Customers.

Young Living may amend the Agreement (including all the documents that form part of the Agreement) from time to time. The changes will become effective 30 days after first published by Young Living through official Young Living publications distributed to all active Brand Partners (e.g., email newsletter), posted on an official Young Living website, or sent to the primary email address listed on your account. Notwithstanding the foregoing, amendments to the Privacy Policy will be effective immediately upon its publication. Amendments will not apply retroactively to conduct that occurred prior to the effective date of the amendment unless expressly accepted.

Brand Partner who are not willing to accept any amendments or modifications, may voluntarily terminate his or her contract with Young Living by providing notice to Young Living prior to the effective date of an amendment or modification. Any continued business, ordering, acceptance of a commission or bonus payout, or any other benefit by a Brand Partner after the effective date of any amendments or modifications to this Agreement constitutes acceptance of this Agreement in whole with any and all amendments or modifications.

#### 1.5 BRAND PARTNER COMPLIANCE

Brand Partners will abide by all rules, regulations, laws, and ordinances that are applicable to the operation of their business organization as an independent Brand Partner.

Young Living may take all compliance efforts necessary, including but not limited to, termination of the Brand Partner account if Brand Partners are in violation of any laws, regulations, these Policies and Procedures, or the Agreement.

#### 1.6 INCLUSION AND ANTI-DISCRIMINATION

Young Living offers its products to consumers regardless of race, religion, language, gender, cultural or

other personal differences, and expects and encourages Brand Partners to treat others with respect, kindness, and consideration in carrying out business related to Young Living or its products, even where there may be differences of opinion or outlook.

## 2. BECOMING A BRAND PARTNER

### 2.1 REQUIREMENTS TO BECOME A BRAND PARTNER:

To become a Brand Partner, you must meet the following requirements:

- Read, complete, sign, and submit a Brand Partner Agreement to Young Living within 30 days of your enrollment.
- If you are an individual, be at least 18 years old and/or competent to enter into a legally binding agreement in your jurisdiction.
- If you are a business entity, provide a Tax Identification Number
- Purchase any required non-commissionable Young Living Starter Kit
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Young Living may reject your Brand Partner Agreement for any reason to the extent permitted by law.

Brand Partner Agreements may be submitted through mail, fax, email, or the Young Living website (Youngliving.com). When enrolling by mail, or over the phone, your application and Brand Partner Agreement must be received within 30 days of your enrollment and accepted by Young Living for any Brand Partner benefits to be extended. If the Brand Partner Agreement is not received within 30 days, your Brand Partner account will be placed on hold until the signed agreement is received.

A Brand Partner applicant may have a co-applicant and/or co-owner on the Brand Partner account. Once accepted by Young Living, a joint account will be treated as a joint tenancy with rights of survivorship.

## 3. OPERATING YOUR BRAND PARTNER BUSINESS

### 3.1 INDEPENDENT CONTRACTOR STATUS

Brand Partners are independent contractors who individually decide how, when, and where they will sell Young Living® products in accord with the Agreement. Brand Partners are not purchasers of a franchise or business opportunity. The Agreement with Young Living does not create an employer/employee relationship, agency, partnership, or joint venture. Brand Partners are not and will not be treated as employees for their services or for federal or state tax purposes. Brand Partners are responsible as independent contractors for paying local, state, and federal taxes due from all compensation earned as a Brand Partner. Brand Partners have no authority (expressed or implied) to bind Young Living to any obligation.

Young Living's primary business is in the formulation, testing, and production of Young Living®'s products. Brand Partners are provided the opportunity to sell, promote, and market Young Living products to consumers. Brand Partners are not involved in the formulation, testing, or production of Young Living's products.

Except to the extent necessary to comply with legal requirements and/or to protect Young Living's intellectual property and brand integrity, Young Living does not exercise control over the manner or means by which Brand Partners sell Young Living products, enroll customers and/or other Brand Partners in their business organizations, or operate their business, provided that Brand Partners comply with the Agreement. Brand Partners may individually engage helpers or assistants without seeking approval from Young Living, but any Brand Partner who engages others remains fully responsible for the activities of

such helpers or assistants, such that any breaches of the Agreement by any such person will be deemed to have been committed by the Brand Partner who engaged such person.

### 3.2 MULTIPLE BRAND PARTNER ACCOUNTS PROHIBITED

A Brand Partner may have a legal or equitable interest in only one Brand Partner account. If Young Living finds that a Brand Partner has an unpermitted interest in multiple accounts, including any Customer accounts, Young Living may terminate the latter-created account(s) or take other disciplinary action against the Brand Partner.

However, Brand Partners may have a beneficial interest in more than one Brand Partner account if they receive an interest in another account as an inheritance (either through a direct inheritance or as a beneficiary of a trust) from another Brand Partner. Young Living must be notified of the inheritance in writing (as specified in section 3.7), and Young Living must approve of the transfer in writing.

Young Living will work with the inheriting Brand Partner to compliantly integrate the inherited position into the Young Living organization for the Brand Partner and any other family members and/or the existing Brand Partner organizations.

A Brand Partner and a Brand Partner's spouse/domestic partner may have separate accounts, only when and if the second account (whether a Brand Partner account or a Customer account) is sponsored in the other spouse's/domestic partner's Business Organization. Young Living may periodically audit accounts such as these and may terminate any latter-created accounts if Young Living determines that the latter-created accounts are not in compliance with the Agreement.

### 3.3 ACTIONS OF HOUSEHOLD BRAND PARTNERS OR AFFILIATED PARTIES

When actions by a household member or affiliated party of a Business Partner entity, violates the Agreement that results in damage to Young Living or the Business Organization, the Agreement may be enforced against the Brand Partner

### 3.4 BRAND PARTNERS' PROHIBITED ACTIONS

Any Brand Partner that encourages, aids, or supports or teaches (including through informal coaching or formal paid instruction) another Brand Partner to violate any provision of the Agreement (including to manipulate the Sales Compensation Plan or participate in any unethical practices) is itself in violation of the Agreement, and Young Living may terminate such Brand Partner account or take any action Young Living deems appropriate for that behavior.

### 3.5 CORPORATIONS, PARTNERSHIPS, LIMITED LIABILITY COMPANIES, AND TRUSTS

A partnership, corporation, limited liability company, or trust may become a Brand Partner by demonstrating an ability and desire to actively build a Business Organization by an individual entity manager and by submitting to Young Living a partnership agreement, certificate of incorporation, articles/certificate of organization, or trust agreement along with a copy of the state registration form for the entity or a certificate of good standing for the entity issued by the state of incorporation or organization that the names of all shareholders, officers, Brand Partners, managers, partners, or trustees of the entity ("Affiliated Parties"), the Brand Partner must certify in writing that no participant within the entity has an interest in another Brand Partner account. A Brand Partner may change status under the same sponsor from individual to partnership or corporation by providing Young Living such appropriate documentation.

Young Living may terminate a Brand Partner's account or take any other action Young Living deems appropriate if Young Living, in its sole discretion, does not approve any change of business names, formation of partnerships, corporations, and trusts for tax, estate planning, and limited liability purposes. In addition, by submitting a copy of the certificate of partnership or incorporation or other substantiating documentation for the entity, the new business entity applying to become a Brand Partner certifies that no Affiliate Party with an interest in the new business entity has had an interest in another business organization within six months of the submission of the certificate (unless it is the continuation of an existing business organization that is changing its form of doing business). Brand Partners should contact [accountupdates@youngliving.com](mailto:accountupdates@youngliving.com) for any name changes or other changes in the Brand Partner's ownership.

### 3.6 SALE, TRANSFER, OR ASSIGNMENT

Young Living may assign or transfer this Agreement to another Young Living affiliate at any time. Brand Partners may sell, transfer, or assign (collectively "Transfer") the account and Agreement, or any rights or duties thereunder after providing Young Living an option to purchase the account for fair market value, which is agreed by the parties to be cumulative commission payments received over the past 12 months,

- A transferring Brand Partner and the receiving party must notify Young Living in writing of their intent to sell or transfer the Agreement and account, including the associated Brand Partner's business organization, by sending [resolutions@youngliving.com](mailto:resolutions@youngliving.com) their intent to transfer and giving Young Living 30 days to elect to purchase the account for the fair market value.
- A transferring Brand Partner with a paid rank of Platinum or above will be presented for Young Living executive approval to ensure such transfer is legally compliant and executed in such a way to further the mutual beneficial interests of Young Living, the transferring Brand Partner and the receiving party and their respective organizations.

Any receiving Brand Partner is responsible for any violations of the Agreement committed by the transferring Brand Partner and agrees that Young Living may take disciplinary actions against the receiving Brand Partner.

### 3.7 INHERITANCE & SUCCESSION

A Brand Partner's account and associated Business Organization may be passed to the Brand Partner's legal heir(s) or legal representative(s) Once accepted by Young Living, a joint account will be treated as a joint tenancy with rights or survivorship.

Appropriate legal documents for approval of inheritance or succession may also depend on the nature of the deceased Brand Partner's estate planning documents, or lack thereof. If the deceased Brand Partner had a will that transferred the account ownership, a copy of the will must be provided. Similarly, if the Brand Partner account is held in a trust, the trust documents must be provided. If the estate goes through probate proceedings to determine the Brand Partner account ownership, the probate court order determining ownership must be provided. In some cases, a notarized affidavit will be accepted as evidencing facts that are not clear from a will, trust, or other document.

The process of reviewing and making determinations about proposed inheritance and succession of a Brand Partner account may take some time, particularly if a probate court is involved or the Brand Partner account ownership is being disputed. Young Living may either place a hold on the Brand Partner account and its earnings/commissions or allow heirs or legal representatives to temporarily operate a Brand Partner account during periods of temporary incapacity or while any proposed inheritance or succession is reviewed.



If temporary operation by or the passing of a Brand Partner account to heirs or representatives is approved, Young Living reserves the right to transfer or re-assign any or all of a Brand Partner's Business Organization to other Brand Partners in good standing, if the heir(s) or representative(s) fail to demonstrate to Young Living's satisfaction the capability and commitment to actively operate that Brand Partner's account. Young Living reserves the right, in its sole and absolute discretion and for any reason and at any time, to deny a Brand Partner the option of owning an interest in that Brand Partner's original account and an inherited account, including if Young Living determines that the Brand Partner has not demonstrated the ability to operate two Brand Accounts and associated Business Organizations. If Young Living denies the right to have a beneficial interest in a second Brand Partner account that passed through inheritance, Young Living may allow a short grace period for the Brand Partner to sell the interest in one of the Brand Partner accounts. After that grace period, the inherited Brand Partner account will be placed on hold or terminated, unless transferred to Young Living's satisfaction.

### 3.8 DIVORCE, BRAND PARTNER BUSINESS CHANGES, AND/OR DISSOLUTION

Brand Partners may, with others, operate a single Brand Partner account as a husband-wife partnership, regular partnership, corporation, or trust (the latter three entities are collectively referred to herein as "Entity (ies)"). If a marriage ends in divorce or the applicable Entity dissolves, arrangements must immediately be made to ensure that any division of the Brand Partner account assets is accomplished so as not to adversely affect the interests of Young Living and/or any of the Support Team Business Partner accounts.

During the proceedings of a divorce or Entity dissolution, the divorcing spouses or a dissolving Entity must adopt one of the following methods of operation:

- One of the parties may, with consent of the other(s), operate the Brand Partner account pursuant to a notarized agreement whereby the relinquishing party(ies) authorize(s) Young Living to deal directly and solely with the other party(ies). A notarized request from any person being removed from a Brand Partner account is required, as well as a new signed Brand Partner Agreement.
- The parties may continue to operate the Brand Partner account jointly on a "business as usual" basis, whereupon all compensation paid by Young Living will continue to be paid in the joint names of the Brand Partners or in the name of the entity to be divided, as the parties may independently agree among themselves.
- The parties may operate the Brand Partner account pursuant to a court order.

Young Living will not divide any Brand Partner business organizations with a divorcing spouse or with affiliate parties of a dissolving business. Similarly, Young Living will not split earned commission or bonus checks between divorcing spouses or parties affiliated with a dissolving entity. Young Living will recognize only one Brand Partner account for a Brand Partner and will issue only one commission check per commission cycle. Commission checks will always be issued to the same Brand Partner account owner(s) individual or Entity, until all parties to a Brand Partner account agree that commissions will be due and paid to another party, subject to Young Living approval or Young Living is ordered to do otherwise by a court of competent jurisdiction.

Former spouses or a former affiliate of a Brand Partner account who have completely relinquished rights associated with any prior Brand Partner account may re-enroll as a new Brand Partner under any sponsor but will have no rights to any Brand Partners or Customers associated with the former spouse's or affiliate's Brand Partner account. Such re-enrolling Brand Partners must develop the new Brand Partner Business Organization in the same manner as would any other new Brand Partner.

### 3.9 ACCOUNT TERMINATION

When a Brand Partner account is terminated for any reason, that account position in the Business Organization genealogy is evaluated by Young Living for future use. Any terminated Brand Partner account may be sold by Young Living to any qualified candidate, determined by Young Living.

Further, any Brand Partner terminated account position may be used to place an existing Brand Partner, in good standing, who in the sole discretion of Young Living demonstrates strong sales leadership, loyalty to the Young Living brand, and a commitment to grow the business within the prior terminated account position of the Business Organization genealogy and if such placement is in the best interests of Young Living and the Brand Partner Business Organization as a whole.

Any Brand Partner placement into a terminated account position under this policy cannot change the structural integrity of the existing Business Organization genealogy, and the Upline Business Organization of the terminated account position into which the existing Brand Partner account will be placed must consent to such placement.

Alternatively, Young Living may also decide, in its sole discretion, to allow each Brand Partner and/or Customer account in the first level immediately below the terminated Brand Partner or Customer account position to “roll up”, which means to remove the terminated account from the genealogy and to move the prior front line accounts up to be under the same Sponsor as the terminated account.

### 3.10 TAXES

#### 3.10.1 INCOME TAXES

Brand Partners are responsible for complying with the tax laws in the Philippines. Brand Partners are responsible for paying taxes, local and national, due on your income generated as an independent contractor. Young Living may, if applicable, withhold the appropriate amount of withholding tax in accordance with prevailing tax rules and regulations, and shall deduct the same from your bonuses and commissions. Young Living shall remit such withholding tax to the relevant tax authorities in a timely manner. If requested by Young Living, you shall execute and timely submit to Young Living the documentary requirements required by Philippine tax laws and regulations, including, but not limited to, sworn declarations, sworn statements, and certifications. If you fail to submit the required documentary requirements required by Philippine tax laws and regulations within 30 days after your enrollment, Young Living will withhold the highest amount required by law.

#### 3.10.2 VALUE-ADDED TAXES

Young Living will remit value-added taxes based on the gross selling price of the products, according to applicable tax laws and regulations. Any member purchasing products at wholesale pricing and selling them at a higher price will be responsible for reporting and remitting any applicable value-added tax / percentage tax due.

### 3.11 PROHIBITED BUSINESS PRACTICES

#### 3.11.1 NON-SOLICITATION AND RECRUITMENT

Young Living and its Brand Partners have made a large investment in building their businesses and the Young Living Brand Partner and customer lists are proprietary and confidential information owned by Young Living. Brand Partners benefit from authorized use of the Young Living proprietary and confidential list. To protect this value, and as a condition of their Agreement with Young Living, Brand Partners understand and agree that the following restrictions are reasonable and necessary to protect the legitimate business interests of Young Living and other Brand Partners, and that such restrictions do not

prevent Brand Partners from working other employments or business opportunities or otherwise earning a living. In particular:

- Brand Partners are prohibited during the term of their Agreement from directly, indirectly, or through a third party, soliciting and/or recruiting any Young Living Brand Partner or Customer to participate in any Network Marketing business venture offering similar or alternative products or services or business opportunity to those offered by Young Living, regardless of who initiates the contact.
- Brand Partners are prohibited during the term of this Agreement and for a period of twelve months after termination of this Agreement from soliciting and/or offering any non-Young Living products, services, or Competing Business Ventures either in conjunction with the offering of Young Living products, services or business opportunity, or at any Young Living meeting, seminar, launch, convention, or other Young Living function.

The terms “solicit”, “recruit” or “recruiting” mean: (i) to Enroll, Sponsor, enlist, or invite an individual or entity to join or participate in a business, program, or organization, or attempt to do so; (ii) to promote, influence, or encourage an individual or entity to evaluate, join, or participate in a business, program, or organization, or attempt to do so; or (iii) to present, or participate or assist in the presentation of, a business, program, organization, or its products to an individual or entity. Activity that constitutes solicitation and/or recruitment violates this section regardless of whether the solicited and/or recruited individual or entity terminates or changes their relationship with Young Living and regardless of whether the solicited and/or recruited individual or entity agrees to join or evaluate any non-Young Living products, business, program or organization. Activity constitutes soliciting and/or recruiting whether performed directly through personal contact (including, but not limited to, direct electronic messages or personal conversation) or indirectly through a third party or any other means. It is a violation of the Agreement to solicit and/or recruit any Young Living Brand Partner or Customer regardless of whether the individual or entity is known to be a Brand Partner or Customer.

A Brand Partner (i) voluntarily terminates that Brand Partner’s account by violating any provision of this Non-Solicitation and Recruitment Section, effective as of the date of the violation, and (ii) forfeits any earnings, commissions and/or bonuses payable for any period in which the violation(s) occurred. If Young Living pays a Brand Partner any compensation after the date of the violation, all compensation paid after the violation occurred shall be refunded to Young Living.

Additionally, any Brand Partner that violates this Section shall provide an accounting to Young Living of any solicitation and recruitment activities and any profits, compensation, commissions, remunerations, or other benefits directly or indirectly resulting from or related to those activities. Any Brand Partner that violates this Section shall disgorge to Young Living any such profits, compensation, commissions, remunerations, or other benefits, and will also be responsible to any other Brand Partners for any adverse financial impact such activities caused to those Brand Partners.

Young Living may enforce this Section through both injunctive relief and by seeking damages and other monetary relief, and all such remedies will be cumulative and not exclusive of one another.

Notwithstanding any other provision of the Agreement, Young Living may, at its option, enforce this Section by lawsuit in a court of competent jurisdiction in Utah, by mediation or arbitration, or any combination thereof.

### 3.11.2 LEADERSHIP NON-COMPETITION

To protect Young Living's brand identity and integrity and as a condition of the Agreement, Brand Partners who have achieved the leadership rank of Diamond or higher understand and agree to not engage in any other Network Marketing business.

However, any Brand Partner including Diamond or higher may freely participate in affiliate programs as long as such affiliate products are not essential oils or nutritional supplement products competitive with Young Living products and where such affiliate products are sold to single customers through referral based marketing or selling and do not involve multiple levels of sales compensation.

Additionally, any Brand Partner to include Diamond-ranking or above Brand Partners may purchase products from other multi-level marketing, party planning, or other direct sales companies solely for their personal use.

Brand Partners with the leadership rank of Diamond or higher may also operate any non-Networking Marketing businesses activity separately and apart from their Young Living Brand Partner account and business and shall not violate the above Non-Solicitation and Recruitment section 3.11.1.

Specifically, during the term of the Agreement Brand Partners who have achieved the leadership ranks of Diamond or above:

- May not display non-Young Living promotional materials, sales aids, products, or services ("Promotional Materials") with or in the same physical or electronic/online location as any Young Living promotional materials or in any manner or format that enables a viewer to contemporaneously view non-Young Living Promotional Material and Young Living promotional material, such as on or in the same social media account;
- May not offer non-Young Living programs, opportunities, products, or services to prospective or existing Young Living Brand Partners or Customers in conjunction with any Young Living programs, opportunities, products, or services; and
- May not offer any non-Young Living programs, opportunities, products, or services at any Young Living-related meeting, seminar, convention, webinar, teleconference, or other event.

Reaching the rank of Diamond and above is very prestigious and provides these elite level Brand Partners access to additional Young Living confidential and trade secret information, support, and compensation. Accordingly, once a Brand Partner has achieved the rank of Diamond or above, for the remainder of the Brand Partner's Agreement and for a period of six months thereafter the Young Living Brand Partner may not directly or indirectly serve as a consultant, employee, agent, partner, seller, distributor, or owner of or with any other multilevel marketing, party planning, or other direct sales company, regardless of the type of products or services offered by that entity. This restriction applies to any geographic market the Brand Partner (or the Brand Partner's Business Organization) serviced or within which the Brand Partner (or the Brand Partner's Business Organization) physically worked during the term of this Agreement.

Brand Partners at the rank of Associate up through Platinum may join and operate other network marketings companies and/or any other business opportunity that does not have essential oil products or nutritional supplements products that directly compete with the nutritional supplement products of Young Living provided that they shall not violate the Non-Solicitation and Recruitment sections 3.11.1

### 3.11.3 TARGETING OTHER DIRECT SELLERS

Young Living does not condone Brand Partners specifically or consciously targeting the sales force of another direct sales company to sell Young Living products or to become Brand Partners for Young Living. Nor does Young Living condone the solicitation or enticement of Brand Partners of the sales force of another direct sales company to violate any terms of their agreement with such other company.

### 3.11.4 CROSS-LINE RECRUITING

Cross recruiting or sponsoring is strictly prohibited. “Cross-line recruiting” is defined as (a) the solicitation and/or enrollment, indirect or otherwise, of a Brand Partner or Customer that already has a current Brand Partnership with Young Living or who has had an Agreement with Young Living within the preceding six calendar months; (b) training current Brand Partners from different lines of sponsorship how to change sponsors or Enrollers in a non-permitted way in order to facilitate their move to another Brand Partner’s organization; or (c) aiding, encouraging, or facilitating the actions outlined in (a) or (b) of this definition. The use of spouse or other relative name, trade names, DBAs (Doing Business As), assumed name, corporations, trusts, Tax Identification Numbers, or fictitious identification numbers to circumvent this section and Agreement is strictly prohibited.

### 3.11.5 BONUS BUYING AND STACKING

The Young Living Sales Compensation Plan operates on the principle that all Young Living sales are made for sale to and/or consumption by end consumers who are purchasing Young Living products solely on the merits of the products themselves. Any device or scheme whereby a Brand Partner directly, indirectly, or through a third party causes Young Living products to be purchased solely for the purpose of qualifying for sales bonuses or commissions constitutes fraud on the part of the Brand Partner and is a violation of this Agreement. The following activities are strictly and absolutely prohibited and may result in the termination of your Agreement:

- Enrolling Brand Partners without their knowledge
- Signing a Brand Partner Agreement for another person or Entity without their knowledge
- Fraudulently enrolling another person or entity as a Brand Partner or Customer
- Enrolling fake individuals or entities as Brand Partner or Customers
- Seeking to increase commissions, bonuses, or other compensation by (i) providing financial assistance to Brand Partners of your Business Organization, (ii) buying products through the account of another Brand Partner, or (iii) drop shipping through another Brand Partner’s account
- Improperly or without permission using a credit card, PayPal account, or other payment method for or on behalf of another Brand Partner when that Brand Partner is not the account holder of such credit card, PayPal account, or other payment method for bonus buying or commission qualification purposes.
- Purchasing more product than the Brand Partner can reasonably consume or re-sell in the pursuit of sales commissions, bonuses, or other compensation
- Instructing other Brand Partners to purchase products solely in order to cause someone to meet any qualifications requirements on the Sales Compensation Plan

### 3.12 INTERNATIONAL

Compliance with foreign laws regarding intellectual property, data privacy and protection, customs, economic sanctions, export controls, taxation, literature content, and other direct selling guidelines is critical to successful international business and expansion of Young Living into new markets. Consequently, Brand Partners are authorized to sell and enroll other Brand Partners only in countries or jurisdictions in which Young Living is authorized to conduct business, as listed in official Young Living literature, and only when following this Agreement and the Policies and Procedures of those countries and other applicable law. Unauthorized premarket opening activity may jeopardize Young Living’s ability to

enter a new market and may result in loss of opportunity for many other Brand Partners. Young Living may terminate this Agreement or take any other action Young Living deems appropriate with Brand Partners who engage in unauthorized premarket opening activity. Brand Partners are not authorized to register product, trade names, trademarks, patents, web domains, or IP addresses in any country for or on behalf of Young Living. Brand Partners agree to indemnify Young Living for any such activity of yours that damages Young Living, including, but not limited to, loss of profit, loss of goodwill, any damages, and reasonable attorneys' fees.

Young Living Brand Partners will not place orders for shipments to or otherwise transfer, resell, or reexport Young Living products to any countries or jurisdictions that are subject to a comprehensive embargo under U.S. law, or which are otherwise not approved by Young Living. Young Living reserves the right to terminate its agreement with Young Living Brand Partners that violate these terms, without advance notice and without liability to the Young Living Brand Partner.

Brand Partners that want to sell products and sponsor new individuals in a country officially recognized as open by Young Living must do all the following:

- Be in good standing in the Brand Partner's country of residence
- Read, understand, and agree to follow the Agreement in place for that country
- Agree to follow all applicable laws of that country
- Agree to any tax withholdings that may be required for that country

Only products that have been registered for sale in the United States may be promoted and sold in the United States.

Brand Partners may sell to and sponsor and/or enroll new Brand Partners globally but only in countries where Young Living has previously approved in writing. For open markets, only Young Living products that have been registered for sale in that same country may be promoted and sold, and such sales must comply with any authorizations by Young Living and terms or policies related to sales in those countries. Brand Partners may not import products into any country that are not legally importable or saleable. Brand Partners must follow all laws in any country in which they sponsor Brand Partners, including, but not limited to, all direct selling laws, all solicitation laws, all advertising laws, all claims laws, all tax laws, and any other laws that apply to operating a business organization in a foreign country.

Each Brand Partner that is not a resident of the United States understands and agrees that all services performed in connection with that Brand Partner's Young Living business are performed outside the United States. Brand Partners that perform services within the United States in connection with their Young Living business must contact Young Living at [usbusinessstrips@youngliving.com](mailto:usbusinessstrips@youngliving.com) within 30 days of performing such services to report the time they spent in the United States on business activities in connection with their Brand Partner account.

### 3.13 NOT FOR RESALE (NFR) PRODUCTS AND LOCATION WHERE SERVICES ARE PERFORMED

In some countries, Brand Partners or customers may purchase Young Living products on a not-for-resale (NFR) basis. If you purchase NFR products, it is against the law for you to resell them.

NFR product availability may be different in each country.

### 3.14 ANTI-BRIBERY

Brand Partners and their agents, employees, or consultants must not pay or give, or offer or promise to pay or give, any money or anything of value to any government official or employee, political party, or candidate for political office (collectively referred to as “government recipient”) or to any person, while knowing or having reason to know that all or a portion of such money or thing of value will be paid or given to, or offered or promised to, directly or indirectly, any government recipient—for purposes of obtaining an unfair advantage or influencing any act or decision of a government recipient or inducing a government recipient to use his, her, or its influence with the government or instrumentality thereof to affect or influence any act or decision of such government. Brand Partner must cause their employees, officers, agents, and subconsultants to do likewise.

### 3.15 REPACKAGING, RELABELING, AND QUALITY CONTROLS

Brand Partners may not relabel, alter the labels of, repackage, or refill any Young Living® products. Young Living’s products must be sold in their original containers only. Brand Partners will not remove, deface, or modify any serial number, UPC code, batch or lot code, or other identifying information on products or packaging. Brand Partners will cooperate with Young Living in the investigation and resolution of any quality or customer service issues related to sales of Young Living products, including disclosing information regarding product sources, shipment, and handling. Brand Partners will not remove, translate, or modify the contents of any label or literature on or accompanying the products, unless directed to do so by Young Living. Brand Partners will comply with all instructions provided by Young Living regarding the proper care, storage, and handling of the products. Specifically, all Young Living products must be stored in a cool, dry place, away from direct sunlight. Brand Partners will regularly inspect Young Living inventory for products that are expired or that will expire within 60 days and will not sell such products. Brand Partners will provide current contact information to customers and make it known to customers that you are available to answer questions, provide advice, and respond to customer concerns both before and after the sale of products. Brand Partners will respond to any questions or concerns from their customers relating to product information, proper usage, or other inquiries. When responding to customer questions or concerns, Young Living recommends that Brand Partners consult Young Living materials, refer to and use available educational tools, or contact Young Living directly. Brand Partners will cooperate with Young Living with respect to any product recall or other consumer safety information dissemination efforts.

Young Living strongly recommends that Brand Partners do not use Young Living products as ingredients in or components of any product for resale. If a Brand Partner uses Young Living products as an ingredient of any product for resale, the Brand Partner is strictly prohibited from using Young Living trademarks or logos in conjunction with selling such product. Such relabeling or repackaging could result in severe criminal penalties. Young Living may terminate the account or take any other action Young Living deems appropriate with any Brand Partner who violates this section.

Additionally, Brand Partners agree to indemnify Young Living against any harm resulting from a violation of this section, including but not limited to the use of Young Living products as an ingredient and the repackaging or relabeling of any of its products.

### 3.16 CONFIDENTIALITY AGREEMENT

Brand Partners may be supplied with information that is of a confidential or proprietary nature such as genealogical and organization reports, Customer lists, Customer information developed by Young Living or developed for and in behalf of Young Living by Brand Partners (including, but not limited to, Customer and Brand Partner profiles, personally identifiable information, and product purchase information), Brand Partner lists, manufacturer and supplier information, business reports, commission or sales reports, marketing strategies and plans, product formulas, product information, promotional information, and other financial and business information (“Confidential Information”).

Young Living does not guarantee that the confidential information is complete, accurate, of satisfactory quality or fit for any purpose and agrees to accept Young Living's confidential information "as is." In disclosing the confidential information, Young Living does not undertake to provide any additional information to update or correct any inaccuracies in the confidential information.

All confidential information (whether in written, oral, or electronic form) is transmitted to Brand Partners in strictest confidence on a need-to-know basis for use solely in Brand Partner's Young Living business for Young Living products and in accord with the Agreement. Brand Partners may use and disclose the confidential information only in strict accordance with the conditions and restrictions that Young Living may require from time to time, including restricting disclosure of promotional information until Young Living makes such information generally available to all Brand Partners. Brand Partners must not use or disclose confidential information to compete with Young Living or for any purpose other than for promoting Young Living products and services. Brand Partners must adopt and maintain reasonable safeguards to protect the Confidential Information and must not disclose to a third party directly or indirectly unless such disclosure is expressly unauthorized by Young Living in writing or required by law. Each Brand Partner agrees to indemnify Young Living against damages incurred for any and all such unauthorized Confidential Information disclosures.

Upon termination by either party, for any reason, each Brand partner must discontinue the use of such confidential information and destroy or promptly return to Young Living any confidential information in their possession. Without limiting Brand Partner's obligations as set forth in this section Young Living may further require a signed nondisclosure agreement before releasing any business information to Brand Partners and may require Brand Partners to certify that they have returned or destroyed all confidential information upon termination of their accounts.

The obligations contained in this section survive and are subject to legal enforcement by injunction, damages, and all other available remedies. Brand Partners further understand and agree that if Young Living prevails in any legal action to enforce its rights under this section, Young Living will be entitled to all costs and reasonable attorneys' fees incurred in enforcing its rights under this section.

### 3.17 AUTHORIZATION TO TAKE AND USE YOUR PHOTO OR VIDEO

Brand Partners consent to having their image captured in photographs or videos at various Young Living-sponsored events by Young Living staff and to have those images used by Young Living as it sees fit in advertising and marketing materials. Brand Partners will not be compensated for this usage. Brand Partners that have a religious or moral objection to having their picture taken or appearing in a video must notify a member of Young Living's staff at the event where photographs and videos are being taken. The provisions of this section will permanently survive the term of the Agreement.

### 3.18 RANK RECOGNITION

The Young Living Sales Compensation Plan pays compensation based on different ranks and the criteria set forth therein. Each month Brand Partners may qualify for sales commission payments according to the rank in which they qualify. Brand Partners are recognized by Young Living in various ways and at various times as they achieve certain ranks. To be recognized at and enjoy the benefits of a rank (as defined by Young Living), Brand Partners must meet the minimum requirements to qualify for that rank (or above) within the monthly time frame and must have their account in active and good standing.

Requirements to qualify for and to be invited to recognition retreats and/or qualify for unique rewards, incentives, or events are published at *Youngliving.com*.



### 3.19 NON-EXCLUSIVITY

Young Living does not grant any Brand Partner, individually or as a group, an exclusive territory or exclusive right to any sales channel for Young Living's products or services. Brand Partners are also not required to pay franchise fees. Young Living reserves the right to offer its products and services through any sales channel and territory, including, but not limited to, its digital commerce website, and other companies (e.g., e-commerce platform) or other distribution channels.

### 3.20 NON-DISPARAGEMENT, ANTI-HARRASMENT, AND EMPLOYEE PRIVACY

Brand Partners must not disparage, slander, or defame Young Living, other Brand Partners, Young Living employees, or Young Living founders. They may, however, give honest reviews of Young Living products and services, including negative reviews, either verbally or in writing without violating this clause so long as the reviews are accurate, honest, and not misleading. Reviews of Young Living products or services by Young Living Brand Partners must also not be libelous, harassing, abusive, obscene, vulgar, sexually explicit, or inappropriate with respect to race, gender, ethnicity, or other intrinsic characteristics.

Young Living does not tolerate any harassment, cyber-stalking, or other abuse of its employees (to include Young Living's corporate officers). Young Living asks its Brand Partners to remember that Young Living employees have personal lives, personal opinions, and privacy outside the bounds of their employment at the company. Employees do not speak for Young Living when communicating via their personal emails, social media pages, phone calls, etc. Even when an employee is speaking in his or her capacity as a Young Living employee, every employee is only human and may at times misspeak or speak imperfectly. Young Living expects Brand Partners to exhibit grace not only in their dealings with one another, but also when dealing with corporate employees. Brand Partners who personally attack or verbally abuse Young Living employees may face disciplinary action under the Agreement. In addition, Brand Partners of all ranks are expected to follow the appropriate corporate channels for resolving account issues or providing feedback (e.g., customer service teams, Diamond Support, etc.) rather than attempting to contact Young Living employees directly through improper channels.

Violations of this section constitutes a material breach of the Brand Partner Agreement and may result in Young Living terminating the account of the breaching Brand Partner.

The obligations contained in this Section survive termination of this Agreement and are subject to legal enforcement by injunction, damages, and all other available remedies. Brand Partners further understand and agree that if Young Living prevails in any legal action to enforce its rights under this Section, Young Living will be entitled to all costs and reasonable attorneys' fees incurred in enforcing its rights under this Section.

## 4. SPONSORING OTHER BRAND PARTNERS

### 4.1 SPONSORING

Brand Partners have the right to enroll and sponsor new individuals as Brand Partners and/or Customers. If two Brand Partners claim to be the sponsor and/or enroller of the same Brand Partner and/or Customer, such Brand Partner/Customer has the right to choose between the two claiming Brand Partners within the first 30 days of their enrollment.

### 4.2 SPONSORING ONLINE

When sponsoring a new Brand Partner through the online enrollment process, Brand Partner may assist the new applicant in filling out the enrollment materials. The applicant must personally review and sign to the online Agreement. Brand Partner may not fill out the online application and Agreement for the new Brand Partner.

### 4.3 PRIVACY

Brand Partners must safeguard and protect all private information provided by Brand Partners and Customers in the operation of the Brand Partner's business organization in accordance with the Young Living Privacy Policy. Brand Partner may not sell any of the private information or otherwise retain, use, or disclose the private information for purposes outside of the business relationship contemplated by this Agreement.

Additionally, Brand Partner agrees to use and store the private information according to the following data storage guidelines:

- Hard copies of the private information must be stored in a secure location where only the Brand Partner can access it, in a locked cabinet if possible.
- Electronic copies of the private information are only on password-protected computers, laptops, and devices to which Brand Partner has exclusive access.
- Brand Partners must take reasonable security precautions on devices on which private information is stored, including using virus protection and anti-malware software and up-to-date software patches.
- Where saving electronic documents is necessary, Brand Partners should save private information to password-protected computers, laptops, and devices to which only the Brand Partner has access, and not to unencrypted portable storage device such as memory sticks, external hard drives, etc.

## 5. ADVERTISING

### 5.1 USE OF YOUNG LIVING MATERIALS

To prevent inadvertent errors or improper claims, Brand Partners should strive to use the current Young Living marketing materials, literature, and official claims and text when advertising and describing Young Living's products or programs. The materials should be used in context so as not to be misleading.

### 5.2 EDUCATION AND REFERENCE MATERIALS

Young Living places a strong emphasis on education and encourages all our Brand Partners to expand their knowledge about the remarkable products we have developed. Our commitment to education extends to our own Young Living website, which containing substantiated science and approved claims for advertising and promoting Young Living Products.

Young Living Brand Partners are encouraged to research and educate themselves on our products through a wide array of resources, including books, websites, YouTube channels, blogs, and more. We believe that continuous learning is essential for understanding our products.

As part of this commitment to education, Young Living members are granted the freedom to use reference materials from third-party sources to promote Young Living and its products. However, we emphasize that brand partners are not permitted to use any inappropriate product claims when advertising/selling Young Living Products. Inappropriate product claims include statements that suggest Young Living products can be used to diagnose, treat, cure, or prevent diseases.

Young Living does not impose restrictions on the books, tools, or other reference materials you use for personal learning as long as you are not using these materials to advertise or sell Young Living products.

When advertising our products, we are regulated by "Commercial Speech" standards that restrict the claims we can make. These regulations are in place to safeguard consumers and ensure informed decision-making when purchasing products. As a brand partner, any marketing material you create is

considered as Young Living corporate's advertising material. We strongly encourage our distributors to promote Young Living products while adhering to both our Policies and federal regulations.

For guidance on how to effectively promote Young Living products within these boundaries, we recommend exploring the "Product Education" section available in your Virtual Office. This resource provides valuable information to help you educate others about our products while staying in compliance with our policies and legal regulations

### 5.3 BRAND PARTNER-DEVELOPED ADVERTISING MATERIALS AND PRODUCTS

Brand Partners that choose to produce or use advertising materials not developed by Young Living must clearly identify that the material is from an "Independent Brand Partner" and not Young Living and explicitly state that the materials have not been approved or endorsed by Young Living. Brand Partners are not permitted to use Young Living corporate letterhead or any other representation that the Brand Partner is an employee of Young Living.

Any use of advertising materials not produced by Young Living must be compliant with all applicable laws and the Agreement. Such material must be produced in a professional and tasteful manner to protect the Young Living brand. Material must not be used that reflects poorly upon Young Living. Brand Partners agree that Young Living may request the removal or discontinuation of use of Brand Partner-developed advertising materials, and Brand Partners agree to promptly comply with all such requests.

### 5.4 ADVERTISING CLAIMS AND REPRESENTATION

#### 5.4.1 PRODUCT CLAIMS

Brand Partners are prohibited from making inaccurate and impermissible claims about any Young Living products. Brand Partners must not make any claim that Young Living products are intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease, including in a personal testimonial. Brand Partners must also avoid making any statements and claims that are false or misleading concerning Young Living's products.

#### 5.4.2 EARNING CLAIMS

Brand Partners may not make any false, misleading, or potentially misleading claims of earnings, income or lifestyles.

Brand Partners are prohibited from making improper income claims, any testimonial, statement, or other representation, whether written or oral, that pertains to the following in connection with the Young Living business opportunity:

- Exaggerated or guaranteed incomes, earnings, or profits
- Hypothetical, potential, or estimated incomes, earnings, or profits that are in any way misleading
- Exaggerated or luxurious lifestyles
- Any other false, untruthful, incomplete, or otherwise misleading or potentially misleading information regarding income, earnings, or lifestyles

For example, Brand Partners may not state or imply that operating a Young Living business will lead to:

- Early retirement
- Income equivalent to a full-time career ("career-level income")
- A luxurious lifestyle
- A large home
- Luxury automobiles
- Exotic vacations

- A spouse no longer having to work
- Financial freedom
- Or anything similar thereto

Additionally, Brand Partners may not mention Young Living in a social media post near one suggesting a luxurious lifestyle.

Further, Brand Partners may not disclose images of any commission check or any images of bank accounts, balances, tax statements, or similar financial records.

Young Living Brand Partners must provide a clear and conspicuous disclaimer describing the typical outcome for that audience as follows: “Most Brand Partners only earn modest supplemental income. A Brand Partner’s income and earnings will depend on their individual diligence, work effort and market conditions. Young Living does not guarantee any earnings, income, or rank success”.

Additionally, if a Brand Partner makes an earning claim that implies an outcome that is not typical of his or her audience, then the Brand Partner must also provide a clear and conspicuous disclaimer describing the typical outcome for that audience For example, a claim made online that implies part-time income levels could be accompanied by a disclaimer that “Most Brand Partners only earn **modest** supplemental income. A Brand Partner’s income and earnings will depend on their individual diligence, work effort and market conditions. Young Living does not guarantee any earnings, income or rank success”.

If a Brand Partner discusses or implies full-time-level earnings, he or she must accompany this discussion with a disclaimer that states something to the effect of, “Most people only earn **modest** supplemental income. A Brand Partner’s income and earnings will depend on their individual diligence, work effort and market conditions. Young Living does not guarantee any earnings, income or rank success.

#### 5.4.3 SALES COMPENSATION PLAN CLAIMS

When presenting or discussing the Sales Compensation Plan, Brand Partners must provide any prospective Brand Partner with a copy of the IDS. Brand Partners must never represent that individuals can be successful without diligently applying themselves over an extended time period. Examples of misrepresentations include:

- Anyone can succeed with little or no effort.
- Failure to succeed is just a lack of effort.
- The system will do the work for you.
- Just get in and your Business Organization will build through spillover.
- Just join and I will build your Business Organization for you.
- The company does all the work for you.
- You don’t have to sell anything.
- All you must do is buy your products every month.

#### 5.4.4 INDEMNIFICATION FOR UNLAWFUL ADVERTISING STATEMENTS

Brand Partners are fully responsible for all verbal and written statements they make regarding Young Living products, services, and the Sales Compensation Plan that are not expressly contained in official Young Living materials. Brand Partners agree to indemnify Young Living and Young Living’s directors, officers, Brand Partners, shareholders, managers, employees, and agents, and hold them harmless from any and all liability, including judgments, civil penalties, refunds, attorneys’ fees, court costs, or lost business incurred by Young Living from any liability arising from or related to Brand Partners’ actions in the promotion of Young Living products, services, and business opportunity This provision will survive the termination of the Agreement.

## 5.5 YOUNG LIVING INTELLECTUAL PROPERTY

The name Young Living, Young Living Essential Oils, YL, YLEO, and all other names that may be adopted by Young Living or its subsidiary or affiliate companies or used by those entities as trade names, product brand names, trademarks, logos, slogans, hashtags, web addresses, or URLs, text, photographs, and video (“Intellectual Property or IP”) are herein referred to as “Young Living IP” and are owned by Young Living.

During the term of the Agreement, and only during that term, Brand Partners are authorized to (a) copy and use the photographs made readily accessible on Young Living’s free websites or services, the text of product and service descriptions provided by Young Living, and the videos posted to Young Living’s online video sites (e.g., Young Living’s Vimeo® and YouTube® pages) and (b) use, except as prohibited herein, Young Living’s IP (excluding Young Living’s company logos) solely in connection with the development of online and printed materials for use in building and managing their business organization.

Brand Partners may not, however, use this Young Living IP in connection with any activity outside the scope of the Brand Partner’s Agreement without Young Living’s written authorization. Brand Partners may not sell materials containing these properties (e.g., marketing materials, including physical or electronic), essential oil accessories, swag, software or mobile apps, branded merchandise, books, brochures, movies, or other products that they sell to others (including other Brand Partners), directly or indirectly. Upon termination of the Agreement, this license will automatically terminate, and Brand Partners must immediately cease all use of Young Living IP.

Brand Partners are prohibited from applying for, owning, or registering any Young Living trademark, in whole or in part, or any confusingly similar word, logo, or symbol as a trademark in any jurisdiction in the world. In the event Brand Partners do so or have done so, Brand Partners agree to assign, at no cost, the trademark registration or application to Young Living within 10 days of Young Living’s written request.

Brand Partners must use the phrase “Young Living Independent Brand Partner” in a legal and lawful manner in connection with any authorize Young Living IP for online paid marketing program or effort, including pay- pay-per-click online advertising, Google AdWords, paid social ads, video content, content syndication, and display marketing.

## 5.6 DOMAIN NAMES AND EMAIL ADDRESSES

Brand Partners may not use, register, or own any internet domain name, either in the U.S. or abroad, that includes any Young Living IP or any derivative thereof. Nor may Brand Partners incorporate or attempt to incorporate any Young Living IP or any derivative thereof into any email address. In accordance with this policy, all existing Brand Partner-owned domain names that violate this provision will be expected to be brought into conformance within 30 days of notification of a violation by Young Living. In limited circumstances, an infringing domain name or email address registration may be allowed to exist upon the signing of an annual trademark license agreement with Young Living, which will also carry a license fee. Such license agreements may be offered by Young Living at any time, and those Brand Partners with nonconforming domain name registrations who do not make such an agreement with Young Living will be expected to transfer those registrations to Young Living within the 30-day period noted above.

## 5.7 INTERNET POLICY

Brand Partners may use the internet to promote their Brand Partner accounts using websites, blogs, and social media. Any website or online application used to promote Young Living, Young Living® products, or Young Living events must display a current Young Living Independent Brand Partner logo in a prominent location so that visitors to the sites are not given the impression that it is an official Young Living corporate site. Additionally, any website or online application used to promote a Brand Partner’s

account must include the Brand Partner's account number.

Any use of the internet to promote a Brand Partner's account may include current product descriptions, photographs, videos, and other media made available to Brand Partners by Young Living. However, these internet sites may not (a) use Young Living's trade dress or IP; (b) make any improper product, income, or Sales Compensation Plan claims; (c) contain false or misleading information; (d) collect, store, process, or transmit any person's confidential information; (e) use old or outdated product descriptions, photographs, videos, and other media, or (f) have the appearance that it is operated by Young Living or any third party (meaning anyone other than the Brand Partner).

When using social media, Brand Partners may not use as their username, account name, or other identifier (collectively "username") any of Young Living's IP, company names, or any other name that may be confused with Young Living Essential Oils or suggest Young Living's sponsorship thereof. Usernames may, however, include the name "Young Living," if they also include "Independent Brand Partner" or a similar identifier that effectively distinguishes it from a Young Living account.

Brand Partners may use websites to also sell Young Living products (with the exception of sites prohibited by section 5.8 below), but only subject to the above and following conditions:

- Each website must be operated by the Brand Partner in his or her legal name or registered fictitious name, conspicuously state such name, mailing address, telephone number, and email address (collectively, "site holder information"), and such site holder information must be included with any shipment of products.
- The Brand Partner must register the website to be used for sales with Young Living. Registration is accomplished by emailing both the name of the URL and the Brand Partner's number to [conduct@youngliving.com](mailto:conduct@youngliving.com).
- Such site must display the Brand Partner, as well as the Independent Brand Partner logo.
- Such site must have a mechanism for receiving Customer feedback and the Brand Partner will (a) use all reasonable efforts to address all Customer feedback and inquiries received in a timely manner; (b) provide copies of any information related to Customer feedback (including any responses to Customers) to Young Living upon request; and (c) cooperate with Young Living in the investigation of any negative online review associated with the sale by the Brand Partner of Young Living products and use any reasonable efforts to resolve any such reviews.
- Notwithstanding the clause at (c) above in the Agreement, such site may collect, store, process, and transmit Brand Partner or Customer confidential information, provided that the site complies with all applicable privacy, accessibility, and data security laws; regulations; and industry standards.

Brand Partners are responsible to ensure that all those operating any internet site on behalf of the Brand Partner or Professional Account comply with all the requirements addressed throughout this section and the remainder of the Agreement.

Any website or online application that is used by a Brand Partner to promote the Brand Partner's Young Living account in any way may be monitored by Young Living. Failure to monitor any such site or online application for any time period does not waive Young Living's rights to ensure compliance with this section. At Young Living's request, the Brand Partner will reasonably cooperate in demonstrating and/or providing access to and copies of all web pages, social media posts, and any other online content and/or activity related to the Brand Partner's or promotions of Young Living on the internet. Young Living may terminate a Brand Partner's account or take any other action Young Living deems appropriate for violations of this section.

**5.8 INTERNET CLASSIFIED AD SITES, AUCTION SITES, SHOPPING SITES, OR ORDER FULFILLMENT STORES RESTRICTED** Notwithstanding the foregoing in section 5.6, in order to protect integrity and image of Young Living's brand and to protect the businesses that Young Living Brand Partners are building, Brand Partners may not sell or promote, in any fashion, Young Living products on any internet classified ad site (e.g., Craigslist), marketplace (e.g., Facebook® marketplace, Walmart® marketplace), auction site, shopping site, or order fulfillment store (e.g., eBay®, Amazon®, Lazada, Shopee, Mercado Libre, OrderDog™.com, Overstock®.com). Further, Brand Partners may not (a) enlist or knowingly allow a third party to sell Young Living products on any internet classified ad site, auction site, shopping site, or order fulfillment store or (b) sell products to a third party that Brand Partner has reason to believe will sell such products on any internet classified ad site, auction site, shopping site, or order fulfillment store.

Young Living will be entitled to all reasonable attorneys' fees and related costs incurred in enforcing its rights in any action in which it is found that Brand Partner violated the terms of this section. No Brand Partners sales are permitted via internet sites except for those permitted via section 5.6 and through the Young Living Personal Websites in accordance with section 5.9.

#### **5.9 TELEPHONE AND EMAIL SOLICITATION**

Any email messages distributed to solicit for a Brand Partner's business must conform to the CAN-SPAM Act and contain appropriate opt-out provisions for the recipient. Failure to opt respondents out of Brand Partner's email, phone calls, or text when requested may subject such Brand Partners to legal action, and Young Living may terminate their account or take any other action Young Living deems appropriate.

Brand Partners may not engage in telemarketing to promote Young Living products or the Young Living business opportunity or to solicit potential Brand Partners or Customers. For purposes of this section, telemarketing refers to placing of one or more outbound telephone calls or texts, directly or through a third party, to an individual without that individual's express prior permission or invitation to call.

Brand Partners will indemnify Young Living and Young Living's directors, officers, Brand Partners, shareholders, managers, employees, and agents and hold them harmless from any and all liability, including judgments, civil penalties, refunds, attorneys' fees, court costs, or lost business incurred by Young Living as a result of such prohibited telemarketing activities.

#### **5.10 YOUNG LIVING PROVIDED BRAND PARTNER WEBSITES**

Young Living offers Brand Partners a personalized website to assist in sales and marketing efforts. You should contact Member Services at 1-800-1118-0022 (SMART/PLDT) or 1-800-8976-3524 (GLOBE) for more details or log in to your Young Living Virtual Office (*YoungLiving.com*) for more information. Brand Partners should be advised that by using a Young Living website, the Brand Partner's contact information will become available to the public so that the public may contact the Brand Partner with questions. Young Living will not be held responsible for any unintended or adverse consequences of this service.

#### **5.11 SERVICE ESTABLISHMENTS**

Young Living products are allowed to be sold in Service Establishments, which are defined as personal service establishments such as offices of doctors, dentists, chiropractors, and other health professionals, health clubs, gymnasiums, barber shops, beauty shops, nail boutiques, counselling services, tanning centers, and other such businesses where the customers' use of the establishment is controlled by membership or appointment

## 5.12 MINIMUM ADVERTISED PRICE

Young Living has determined that certain advertising practices undermine Young Living's IP, trade reputation, brands, and premium image within the target consumer population and discourage consumers from investing in the products and services, preventing the best possible service and support to consumers. Accordingly, to protect the integrity of the Young Living brand, Young Living has adopted this unilateral Minimum Advertised Price Policy (the "Policy"), which applies to all authorized Brand Partners in the United States of America.

The Policy applies to advertisements of all Young Living products for which there is a current listed U.S. retail price (which is kept current on the official U.S. Young Living website) ("Covered Products"). The Minimum Advertised Price ("MAP") for each of the Covered Products may be amended by Young Living in its sole discretion at any time without providing separate notice of that change.

Young Living is solely responsible for establishing the MAP for each Covered Product and communicating the MAP to all Brand Partners. While Brand Partners remain free to advertise and sell all Young Living Products at any price they deem appropriate, it is a violation of this Policy for a Brand Partner to advertise any Covered Product at a price lower than the MAP. Such advertisements include, but are not limited to:

- i. Offering coupons, discounts, reseller rebates, or other inducements that, when applied, result in a price lower than the MAP, including through use of a general sale, promotional code, or other similar provision that can be applied to Covered Products.
- ii. Bundling Covered Products with other products or services (whether made by or provided by Young Living or another entity) in a manner that implies below-MAP pricing for the bundled Covered Product.
- iii. Strikeouts or strikethroughs of pricing information, "see price in cart," or other statements that suggest that a lower price for a Covered Product may be found at the final online checkout stage.
- iv. Permitting any third party to alter the advertised price for any Covered Product.

It is not a violation to advertise that a customer may "call for price," "text for price," or "email for price," as long as no price is listed and no automated call, text message, or "bounce-back" email is used in response.

The terms "advertise" and "advertisement" include all promotional or pricing information displayed via any type of media, including, but not limited to, newspapers, catalogs, magazines, flyers, brochures, television, radio ads, billboards, signage (except signs displayed within a Service Establishment), websites, blogs, social media, affiliate marketing networks/comparison shopping engines, Brand Partner-initiated text messages or emails to customers or prospective customers, mobile/smart phone applications, banner ads, online product ads, paid search ads, pay-per-click ads, display ads, mobile ads, product listing ads, sponsored links, ads in any other media in a digital format that is communicated or conveyed via the Internet, and any other marketing or promotional materials, whether displayed online or through broadcast or other media.

Notwithstanding the foregoing, pricing information displayed at the final online checkout stage (when Covered Product is put into a shopping cart that contains the Customer's name, shipping address, email information, and payment information) of a transaction is not considered "advertising" under this Policy. Pricing information in the "shopping cart" or "checkout" stages must be obscured technically so that it is not retrievable by shopping and pricing engines, and not displayed on search page results within the Brand Partner's own website.

It shall not be a violation of this Policy for Brand Partners to offer other incentives such as Young Living product credit, gift cards, or a gift, plus additional reference materials.



Further, the advertisement of free or reduced-price shipping is not a violation of this Policy as long as such offer applies to all or almost all other products offered by a Brand Partner in the same product category.

This Policy does not constitute an agreement between Young Living and any other entity. Young Living neither solicits nor will it accept any assurance of compliance with this Policy from any Brand Partner or other party. Each Brand Partner must independently choose whether to comply with the terms of this Policy. This Policy is not negotiable and will not be altered for any individual Brand Partner. This Policy applies only to advertised prices and does not affect the prices that a Brand Partner may charge for Young Living Products. Brand Partners have no right to enforce the Policy.

Young Living may update, revise, suspend, terminate, reinstitute, or modify this Policy at any time in its sole discretion. No Young Living employee or agent, including a Brand Partner's sales representative, is authorized to modify, interpret, or grant exceptions to this Policy; solicit or obtain the agreement of any person to this Policy; or otherwise discuss any aspect of this Policy with any Brand Partner. Any questions about this Policy should be submitted in writing and directed to Young Living's MAP Policy Administrator at [conduct@youngliving.com](mailto:conduct@youngliving.com).

#### 5.13 TRADE SHOWS AND EXPOSITIONS

Subject to the requirements in this Agreement, Brand Partners may display and sell Young Living products at trade shows and expositions. All literature displayed at the event must be official Young Living literature, and Brand Partners must clearly identify themselves as Independent Brand Partners.

#### 5.14 MEDIA INQUIRIES

Brand Partners must not respond to media inquiries regarding Young Living, its products or services, or their Business Organization. All inquiries by any type of media must be immediately referred to the Young Living Conduct Success team at [prinquiest@youngliving.com](mailto:prinquiest@youngliving.com). This will ensure that accurate and consistent information reaches the general public and all federal and state laws and regulations are complied with.

### 6. PRODUCT SALES

#### 6.1 SALES RECEIPTS

Brand Partners are required to document all retail sales. Brand Partners are required to furnish their Customers with copies of sales receipts, which specify the date of sale, the amount of sale, and the items purchased. Brand Partners must verbally inform their Customers of their cancellation rights. Additionally, if Brand Partners sell product inventory to other Brand Partners, a sales receipt must be provided to the buyer. The Brand Partner must maintain copies of all sales receipts for a period of two years and furnish them to Young Living upon request.

#### 6.2 EXCESSIVE PURCHASES OF INVENTORY AND 70% RULE

Young Living's business model operates on the principle that all sales by Young Living are made for sale to or consumption by end consumers who are purchasing Young Living products solely on the merits of the product themselves. Brand Partners will not make and will not encourage their Business Organization or any other Brand Partner to make unnecessary product purchases that could result in a large, stagnant inventory. This is called "front-end loading" or "inventory loading" and refers to the purchase of products that are stored, destroyed, or otherwise disposed of without being consumed. Brand Partners must consume their products or sell their products to people who will consume them. Brand Partners are expressly prohibited from collecting or otherwise storing excessive inventory, as described by this section. If any Brand Partner is found to be buying to meet qualifications within the Sales Compensation

Plan, Young Living may terminate the Brand Partner's account or take any other action Young Living deems appropriate.

To be eligible for sales commissions, Brand Partners must not stock excessive inventory and must consume and/or sell to end consumers at least 70% of the inventory that they purchased for resale (and not personal use) before they purchase additional products. By ordering product, Brand Partners certify that they have sold or used at least 70% of all product previously purchase for sale.

### 6.3 DAMAGED PRODUCT

Brand Partners must not sell any products that are damaged, defective, have broken seals, evidence of tampering or are non-conforming. Brand Partners should notify Young Living of any damaged product or shipping damage as soon as possible.

## 7. SALES COMMISSIONS AND BONUSES

### 7.1 SALES COMMISSIONS AND BONUS CHECKS

To qualify for sales commission compensation under the Sales Compensation Plan, Brand Partners must be active and in compliance with the Agreement with no holds on their account. Commissions will be paid in accordance with the Sales Compensation Plan. Brand Partners may elect to have sales commissions paid via the options below and may contact Customer Service for more information at 1-800-1118-0022 (SMART/PLDT) or 1-800-8976-3524 (GLOBE).

- Direct Deposit - Brand Partners may elect to have sales commissions paid via direct deposit to a local bank account. Direct deposits will be permitted based on policies determined by Young Living. Brand Partners must enroll in direct deposit within the Virtual Office.
- YL Pay Portal – Brand Partners that qualify for a sales commission payout who do not enroll in direct deposit will receive their payment via the YL Pay Portal (also referred to as Hyperwallet, a payment service powered by PayPal). This option will require the Brand Partner to agree to terms and conditions not controlled by Young Living and may involve additional fees for their chosen options. Please refer to the FAQs and Getting Started Guide within the Virtual Office.
- Credit on Account – Sales commission amounts may be retained as a credit on the Brand Partner account for future product purchases. Brand Partners may also elect to have all or a part of future commissions credited to their account by submitting a Commission Check Release Form to the Resolutions Department at Young Living Essential Oils, LC Attn: Resolutions, 1538 W. Sandalwood Drive, Lehi, Utah 84043; or via email at [resolutions@youngliving.com](mailto:resolutions@youngliving.com). This form must be received and approved by Young Living before the Brand Partner's sales compensation check can be issued as a credit on their account. All product credits expire before the end of 12 months and have no monetary value.

Brand Partners may access detailed sales commission reports from the Virtual Office at [YoungLiving.com](http://YoungLiving.com). Brand Partners who do not have Internet access may request that the report be mailed for a small fee. Brand Partners should review their Sales Commission and Bonus Recap statements and report any errors or discrepancies to Young Living within 45 days from the date of payment. Errors or discrepancies that are not brought to Young Living's attention within 45 days will be deemed waived.

### 7.2 SALE COMMISSIONS ADJUSTMENTS

Adjustments may be made to a Brand Partner's sales commission check and/or credits on their account for any fees, including any renewal fees or technology fees unpaid balances, or debt owed to Young Living. When a product is returned to Young Living for a refund or is repurchased by Young Living, the

bonuses and commissions attributable to the returned or repurchased product(s) will be deducted from any future commission checks, including those sales commissions paid to the purchaser's Support Team.

In addition, if a Brand Partner fails to properly provide their Social Security Number or Federal Tax Identification Number to Young Living, Young Living will deduct any necessary back-up withholdings from the Brand Partner's sales commission checks as required by law.

### 7.3 BUSINESS SUPPORT FEES

A monthly business support fee may be assessed each month and is used to cover accounting, processing, account maintenance, and other costs. The fee may be tax deductible, so Brand Partners should consult their own tax advisor for details.

Young Living may charge other fees including Account Inactivity or Dormancy Fees and Account Notification Fees. These fees are used to offset the costs involved for Young Living to maintain dormant accounts and provide notification to any Brand Partner with an account dormant for six months or more.

The current business support fee schedule and other fees such as Account Inactivity or Dormancy Fees and/or Account Notification Fees are posted on the Virtual Office, which Young Living may amend from time to time.

Young Living may deduct any Business Support Fee and/or Dormancy Fee and other listed fees herein from any owed sales commissions or deduct from any credits on account included but not limited to; sales commission credits, returned order credits, and canceled order credits.

### 7.4 RETURNED COMMISSIONS PAYMENTS

- Direct Deposit Returns – Any failed direct deposit payments will remain as a payment pending to allow the Brand Partner to update banking information within the Virtual Office for future direct deposit payments.
- YL Pay Portal Unclaimed Payments – Brand Partners that are paid via the YL Pay Portal must activate their YL Pay Portal account within six months of receiving a pending payment from Young Living. Any pending payments that are not claimed within six months will be converted to product credits that expire before the end of 12 months and returned to a Brand Partner's Young Living account.
- Returned Paper Check – Young Living sends checks to the address on record with Young Living. If, after 90 days from its issue, a sales compensation check is not cashed, it will be voided, and the amount will be credited to the Brand Partner's account as product credits that expire before the end of 12 months.

### 7.5 MONTH-END ORDER PROCESSING CUTOFF

All website and/or fax line orders must be received and accepted on or before the last day of the calendar month at 11:59 p.m., mountain time, in order to count for that month. Changes made to pending orders that have not yet shipped will keep the original date the order was entered. All mailed-in orders must be postmarked by the last day of the month and received within the next three business days of the following month. If not received within the following three business days, the orders will be credited to the following month. All days are considered business days except for Sunday and holidays when the mail is not delivered or when the Young Living office is closed. The fax line and the website are available 7 days a week, 24 hours a day, making it possible to place all orders by the end of the month. Only mail-in orders fall under the three-day business exception.

## 8. ORDERING & YOUNG LIVING RETURN AND REFUND POLICY

### 8.1 ORDERING METHODS

All Brand Partners may place orders by telephone, fax, website, live chat, or through the Young Living Loyalty Rewards Autoship Program.

#### 8.1.1 PHONE

When ordering, modifying account information, or accessing your account by phone, be prepared to present all information requested on the Young Living order form, including Brand Partner number and personal identification number (PIN). Live operators are available Monday through Friday from 10 a.m. to 7:00 pm PHT, and by live chat Sunday from 10:00 am – 7:00 pm PHT. Hours may be subject to change. For current hours, visit [YoungLiving.com](http://YoungLiving.com) and click on the “Contact Us” link., credit card, debit card, or e-wallet.

#### 8.1.2 YOUNG LIVING WEBSITE

The Young Living website makes ordering and accessing information online quick and easy. Available 24 hours a day, 7 days a week, the website allows you to place online orders. You will need your Brand Partner number and password (which should be kept confidential) to establish a login and security code (four-digit PIN) at [YoungLiving.com](http://YoungLiving.com). You must keep your PIN secure and order only on your own account.

#### 8.1.3 LIVE CHAT

Orders may be placed through the live chat service available through the Young Living website if available for each specific country.

### 8.2 LOYALTY REWARDS & SUBSCRIPTION PROGRAMS

The Young Living Loyalty Rewards Autoship Program enables Brand Partners to conveniently have Young Living products automatically shipped to them each month. Through this optional program Brand Partners can earn free products and qualify for specials. A Loyalty Rewards order is entirely optional

It is advised that a Brand Partner’s autoship order be set up to be processed between the 1st and 22nd of each month. No autoship ordered will be processed after the 24th of the month. The earlier the order, the easier it is to solve any disputes with the payment and/or out-of-stock products. Young Living cannot be held responsible for orders that are not processed due to Brand Partner payment obligation.

### 8.3 GENERAL ORDERING POLICIES

Orders with invalid or incorrect payment types, or anything else that may prevent Young Living from placing the order, Young Living will attempt to contact you by phone or email to correct the order. Young Living will make attempts to correct the order within 15 days, not to exceed the 4<sup>th</sup> day of the following month. If these attempts are unsuccessful, the order will be cancelled.

For orders to be counted in a given month, they must be received and accepted on or before the last day of the month. Changes made to pending orders that have not yet shipped will keep the original date the order was entered. This may affect commission qualification.

If an item ordered is out of stock or discontinued, Young Living will attempt to contact you by phone or email so that you may select an alternative item, if qualifications are negatively affected. If we are unable to contact you or do not receive a response from you within two business days, Young Living will remove the item and process the order. It is your responsibility to verify that the products in your order are available when shipped. No COD orders will be accepted.

Payment plans are not allowed when purchasing product. The balance may be paid with different credit cards but must be paid in full before the order will be shipped.

### 8.3.1 BACK ORDERS

Young Living may offer back orders. Back ordered products will be shipped with your next order after the product becomes available. Shipping is charged on all back orders.

## 9: SHIPPING

### 9.1 SHIPPING METHODS AND CHARGES

Domestic orders are generally shipped within two business days for Metro Manila and within seven business days for provincial areas (excluding weekends and holidays). A packing slip is included in each shipment. Package tracking is available through most major carriers.

### 9.2 SHIPPING DISCREPANCIES

When you receive an order, you should check the products against the packing slip to make certain there is no discrepancy or damage. Please notify Young Living of any shipping discrepancies or damage as soon as possible. Failure to notify Young Living of any shipping discrepancy or damage within five business days of receipt of shipment will forfeit your right to request a correction.

The Return Merchandise Authorization (RMA) number is required for the processing of all shipping discrepancies or damage claims. If the RMA number is not included, Young Living will not process shipping discrepancies, issue credits, or replace damaged products.

To correct any problems you may have encountered with your shipments, please contact Member Services. A Member Services representative will discuss the steps to rectify the situation and issue a Return Merchandise Authorization (RMA) number.

## 10. PAYMENT

### 10.1 METHODS OF PAYMENT

Young Living accepts the following payment methods:

Credit cards, debit cards, and e-wallet. Using someone else's credit card without their written permission is illegal and may be grounds for termination of your business organization as well as possible legal action.

The Automatic Clearing House (ACH) program authorizes Young Living to draft against a Brand Partner's bank account for the order. First-time ACH orders will be held for five days before being shipped.

### 10.2 INSUFFICIENT FUNDS

Brand Partners are responsible to ensure that sufficient funds are available in their account to cover regular orders and autoship orders. Any uncollected amount may be deducted from commissions.

### 10.3 COMMISSION CHECK RELEASE FORM

Brand Partners may choose to retain sales commissions and bonuses (all or in part) in the form of a credit on the Brand Partner's Young Living account. This credit would be used against future product purchases, in accordance with section 7. A Commission Check Release Form must be received and approved by Young Living before the compensation check can be issued as a credit on the account.

## 11. PRODUCT RETURNS POLICY

Young Living reserves the right to review each return or exchange on a case-by-case basis. Returns will

cause promotions, credits, commissions, and bonuses to be adjusted or reversed, both for the person making the return and for any support team members who received compensation on such purchases.

### 11.1 RETURN GUIDELINES

If you are dissatisfied with any Young Living product, you may return:

- Any unopened product within 30 days after shipment for a full refund in the same method of payment of the purchase price and applicable sales tax (less shipping charges).
- Any opened product within 30 days after shipment for a credit on your Young Living account of the purchase price and applicable sales tax (less shipping charges).
- Any opened or unopened product up to 90 days after shipment for a credit on your Young Living account of the purchase price and applicable sales tax (less shipping charges and a 10% handling fee). The credit applied for opened product will be based on the percentage of the product returned. For example, if you return 50% of a product, then a credit of 50% (less shipping charges and a 10% handling fee) will be applied to your Young Living account.

If you sell product to non-Brand Partners, you are required to provide the same return policy to the non-Brand Partners as outlined in this Section. Brand Partners are also responsible for returning the product to Young Living within 10 days of receiving the return from the non-member. Young Living will not provide refunds on or accept returns directly from non-Brand Partners. Excessive returns may be deemed an abuse of Young Living's return policy and may result in suspension of your return privileges and/or sales organization. Damaged or incorrect shipments of products will not be subject to fees. If you are returning NFR products bought for personal use, please refer to the return policy of the United States Policies and Procedures.

### 11.2 RETURNS OF INVENTORY BY BRAND PARTNERS

If a Brand Partner chooses to terminate the Agreement, the Brand Partner may return any product inventory or sales aids purchased in the preceding 12 months for a refund if the Brand Partner is unable to sell or use the merchandise.

Brand Partners may return only products and sales aids that are in resalable condition, unless otherwise required by law. Resalable condition is defined as the same unopened condition as it was purchased new.

Brand Partner must return the products to Young Living, prepay the shipping charges, and include a letter explaining that you wish to terminate the Agreement and receive a refund. Upon receipt of the products, you will be reimbursed 90% of the net cost of original purchase price, less shipping charges.

Young Living will deduct from the reimbursement any commissions, bonuses, or other incentives received by you as a result of the product you are returning. If the Brand Partner account is terminated, you have 90 days from the date of termination to make arrangements with Young Living regarding the repurchase of all returnable products. The Brand Partner acknowledges to be unable to return products more than 90 days from the date of termination.

### 11.3 PRODUCT KITS AND COLLECTIONS

All Young Living product bundles and product collections must be sold as a whole unit. Brand Partners are prohibited from selling individual items from product bundles and product collections separately and promoting such activity within the Brand Partner's business organization.

Any product bundle and/or collection returned to Young Living must be complete; otherwise, the bundle and/or collection will not be eligible for an exchange or refund. No individual items from a bundle and/or collection will be eligible for a refund.

#### 11.4 RETURN OF PROMOTIONAL PRODUCT(S)

For any complimentary item(s) received by the purchaser via a qualifying purchase or through the buy-one-get-one-free promotion or other promotion, returns will be handled as follows:

- If a qualifying purchase is returned in whole or in part and negates your qualification to receive the complimentary promotional item(s), the complimentary item(s) must also be returned, or you will be charged for the free product(s).
- If one of the promotional products is returned, Young Living will not credit the Brand Partner, as Young Living will assume the returned item(s) is the promotional product(s). If all promotional products are returned, Young Living will credit the Brand Partner for the product purchased.

#### 11.5 PROCEDURES FOR RETURNS

The following procedures apply to all returns for refund, repurchase, or exchange:

- The customer or Brand Partner who purchased it directly from Young Living must return the products.
- The product(s) must be returned in its original container.
- The return must have a Return Merchandise Authorization number (RMA) that may be obtained by calling Member Services at 1-800-1118-0022 (SMART/PLDT) or 1-800-8976-3524 (GLOBE), by emailing [custserv.ph@youngliving.com](mailto:custserv.ph@youngliving.com), or by submitting the request via Young Living's live chat services. The RMA number must be written on the outside of each package, or the shipment will be returned to the sender.
- All returns must be shipped prepaid to Young Living. Young Living does not accept COD packages.
- If returned product is not received by Young Living's distribution center, it is the responsibility of the Brand Partner to trace the shipment. Young Living is not liable for items lost or damaged in transit.
- Volume for exchanges will be counted in the month the exchange transaction was made.
- No refund will be made for subsequent returns of the same product, except when the product is damaged or defective. Credits will be issued when Young Living has processed the return.

### 12. BRAND PARTNER ACCOUNT MANAGEMENT

#### 12.1 CHANGES TO A BRAND PARTNER ACCOUNT

Brand Partners must immediately notify Young Living of changes to the information submitted in the Brand Partner's application. Brand Partners may update existing information by submitting a written request indicating the changes by email to [custserv@youngliving.com](mailto:custserv@youngliving.com), by Live Chat, or by making such changes online in the Virtual Office (*YoungLiving.org*). The modifications permitted within the scope of this paragraph do not include a change of sponsor or tax information.

Sponsors and enrollers are not allowed to request account changes on behalf of others or relay such requests.

#### 12.2 ENROLLER/SPONSOR CHANGES

To protect the integrity of all Business Organizations and to safeguard the hard work of all Brand Partners, Young Living strongly discourages changes in sponsorship. Young Living recognizes, however, that extenuating circumstances may exist that necessitate a change in sponsorship.

Therefore, a request for sponsorship change will be considered only under the following circumstances:

- Newly enrolled Brand Partners and Customers are allowed one free sponsor/enroller change within the first 30 calendar days of enrollment. Sponsor/ enroller change requests may be made

directly over the phone if within the first five calendar days of registration. After five calendar days, but within 30 days, the request must be submitted in writing via mail, email, fax, or other method or form required by Young Living. Requests submitted via email should be sent to [resolutions@youngliving.com](mailto:resolutions@youngliving.com). The email or form must come directly from the new Customer or the new Brand Partner or their enroller/sponsor and must be sent from the email address on file with Young Living. Requests cannot be submitted by any other Brand Partner, even in the form of a forwarded email.

- Sponsor changes must be made prior to the end of the last calendar day of each month to be recognized in that month. If the sponsor change is submitted after the last calendar day of the month but within the 30 days of enrollment, the sponsor change will not be recognized until the following month. Young Living will not be responsible for a delay in sponsor change due to the timeliness of the submission of a change request. If within the 30 days the Enroller and the newly enrolled Brand Partner, both submit a request for a sponsor/enroller change, the newly enrolled Customer and/or Brand Partner's request will always take precedence. Only newly enrolled Customers and/or Brand Partners are authorized to request any sponsor change for their individual accounts within 30 days of the enrollment. Sponsor changes cannot be made at the request of a support team or family members.
- Under exceptional, extenuating conditions, a Brand Partner or Customer may request a sponsor change after their initial 30 days of enrollment by completing a Three Active Upline Approved Sponsor Change Request Form and submitting a nonrefundable \$35 processing fee to Young Living via mail at Young Living Essential Oils, LC, Attn: Resolutions, 3125 W. Executive Parkway, Lehi, UT 84043; or via email at [resolutions@youngliving.com](mailto:resolutions@youngliving.com) or via fax at 1-801-418-8800. "Three active upline" is defined as the first three Brand Partners in the Brand Partner's upline that have met the 100 PV active requirement in the Young Living Sales Compensation Plan within the prior six consecutive months. The nonrefundable \$35 processing fee must be paid either by check or credit card and will not be refunded upon a denial of a sponsor change request. Young Living will not consider a sponsor change until it receives all documentation with the required signatures. If one of the Support Team Brand Partner does not respond within a period of 60 days, the Brand Partner may request to be moved under the sponsor of his or her choice. The Brand Partner must demonstrate that he or she has made a good-faith effort to contact all three Support Team Brand Partners with enough evidence submitted to the Conduct Success Team at [conduct@youngliving.com](mailto:conduct@youngliving.com) to prove they tried for a period of 60 days to contact the Support Team Brand Partner via email, certified mail, etc., and the Support Team Brand Partner has ignored or has been nonresponsive to the request. If the Brand Partner cannot provide evidence of a good-faith effort, Young Living may deny the request at its sole discretion. If a sponsor change is successful through the three active upline, the Brand Partner's original Business Organization will roll up to the next upline and remain in the original genealogy. If there is a dispute concerning a signature of one or more of the three active Support Team Brand Partners' approval, the Conduct Success Team will investigate the approvals, and Young Living may reject the sponsor change request and restore the Brand Partner to the original sponsor. No enroller changes will be allowed after 30 days of the initial enrollment. If after an investigation there is evidence to prove that a person used the sponsor change policy in violation of the Agreement, Young Living may, in its sole discretion, reverse the sponsor change regardless of when the violation was discovered.
- If a Brand Partner is unable to get approval from his or her three active Support Team, the Brand Partner may choose to go six months without placing an order to effect a change to a new sponsor and move without their Business Organization. At the end of six months, the Brand Partner may request a sponsor change by emailing [resolutions@youngliving.com](mailto:resolutions@youngliving.com) and paying a USD\$35 fee.



The new sponsor cannot become the enroller.

Sponsor change requests deemed to be intended to manipulate payment under the Sales Compensation Plan may be denied by Young Living. Any sponsor change that immediately causes the rank advancement for a Support Team Brand Partner will be denied.

If a Brand Partner enrolled in Young Living ordered products in the previous month and their sponsor or enroller changes during the first five business days of the month, that change may affect the previous month's rank, qualification, and payout.

### 12.3 WAIVER OF CLAIMS

BRAND PARTNERS THAT FAIL TO FOLLOW THE PROCEDURES OUTLINED IN THE ENROLLER AND/OR SPONSOR CHANGE SECTION FOR CHANGING ENROLLERS AND/OR SPONSORS ASSUME THE RISK THAT YOUNG LIVING MAY NOT APPROVE OF SUCH CHANGE. BRAND PARTNERS UNDERSTAND AND AGREE THAT TO THE EXTENT PERMITTED BY LAW, NEITHER YOUNG LIVING NOR ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, OR AGENTS WILL BE HELD RESPONSIBLE FOR ANY DAMAGES THAT RELATE TO OR ARISE FROM YOUNG LIVING'S DECISION REGARDING THE DISPOSITION OF ANY ENROLLMENT AND/OR SPONSORSHIP OF A BUSINESS ORGANIZATION THAT IS IMPLICATED BY NOT FOLLOWING THE PROCEDURES IN THE ENROLLER AND/OR SPONSOR CHANGE SECTION REGARDING CHANGING SPONSORS, AND BRAND PARTNERS WAIVE ANY AND ALL CLAIMS WITH RESPECT THERETO.

### 12.4 ENROLLER AND/OR SPONSOR PLACEMENT PROGRAM

When a new Brand Partner enrolls without a designated sponsor or enroller, they are deemed an orphan. If Young Living assigns the orphan a Sponsor or Enroller it may do so in its sole and absolute discretion.

### 12.5 BRAND PARTNER BUSINESS ORGANIZATION REPORTS

Business Organization genealogy reports ("Reports") are optional and may be ordered at any time. Brand partners with a Young Living-sponsored personal website may receive one free emailed downline report per month, upon request, with all additional email reports costing the posted amounts each. Brand Partners who do not have a Young Living-sponsored personal website will pay the posted amount for each report requested. Brand partners who wish to have the report faxed or mailed must pay the posted amount per page. Young Living reserves the right to modify the charges described in this section.

Business Organization genealogy reports constitute confidential information as set forth the Agreement. Without limiting those obligations, Brand Partners may not use reports for any purpose other than for developing and supporting their business organization. Specifically, during and after the termination by either party for any reason of the Agreement, Brand Partners may not:

- Disclose any information contained in the reports to any third party
- Use reports to compete with Young Living in violation of the Agreement
- Use reports to solicit or recruit any Brand Partner or customer listed on the reports or to engage in any conduct prohibited by the Agreement
- Use or disclose to any person, partnership, association, corporation, or other entity any information contained in any report
- Use reports to manipulate or attempt to manipulate the Compensation Plan, including in contravention of the Agreement.

Upon termination of their account or demand by Young Living, Brand Partners will (i) return the original and all copies of reports (including electronic files) to Young Living or (ii) destroy all copies in hardcopy,

electronic, or other format of any report in your possession and provide evidence of such destruction to Young Living. The obligations contained in this Section survive termination of this Agreement and are subject to legal enforcement by injunction, damages, and all other available remedies. Brand Partners further understand and agree that if Young Living prevails in any legal action to enforce its rights under this Section, Young Living will be entitled to all costs and reasonable attorneys' fees incurred in enforcing its rights under this Section.

### 13. DISPUTE RESOLUTION AND DISCIPLINARY ACTION

#### 13.1 DISPUTES WITH OTHER BRAND PARTNERS

If a Brand Partner has a grievance or complaint with another Brand Partner, it may be reported to the Young Living Member Conduct Success team in writing via mail, fax, or email at [conduct@youngliving.com](mailto:conduct@youngliving.com). The complaint should identify specific instances of alleged improper conduct and, to the extent possible, identify the relevant dates on which the event(s) complained of took place, the location(s) where they occurred, and all persons who have firsthand knowledge of the improper conduct.

Upon receipt of a written complaint, the Young Living Member Conduct Success team will investigate the matter, review the applicable policies, and render a decision on how the dispute will be resolved.

#### 13.2 INDIVIDUAL ARBITRATION AGREEMENT

The Individual Arbitration Agreement in this Section 13.2 will survive termination of the Agreement.

THIS INDIVIDUAL ARBITRATION AGREEMENT AFFECTS HOW ANY DISPUTE OF WHATEVER NATURE ARISING BETWEEN BRAND PARTNER, ON THE ONE HAND, AND YOUNG LIVING AND/OR THE RELATED PARTIES, ON THE OTHER, SHALL BE RESOLVED. EXCEPT AS EXPRESSLY PROVIDED HEREIN, TO PROMOTE TO THE FULLEST EXTENT REASONABLY POSSIBLE A MUTUALLY AMICABLE RESOLUTION OF DISPUTES IN A TIMELY, EFFICIENT, AND COST-EFFECTIVE MANNER, THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL OR ANY COURT.

Brand Partner and Young Living (each, together with, as applicable, each of the Related Parties, a "Party" and collectively, the "Parties") understand and agree that this Individual Arbitration Agreement operates as a separate and distinct agreement between the Parties that is severable from the remainder of the Agreement and is enforceable regardless of the enforceability of any other provision of the Agreement. The Parties further understand and agree that the unenforceability of the Agreement in whole or in part shall not support a finding that this Individual Arbitration Agreement is unenforceable. Consideration for this Individual Arbitration Agreement includes, without limitation, the Parties' mutual agreement to arbitrate Disputes.

Notwithstanding anything to the contrary in the Agreement, any amendment by Young Living to this Individual Arbitration Agreement shall take effect only upon a Brand Partner's express agreement to such amendment. A Brand Partner may indicate agreement to such proposed amendment by following the instructions accompanying the proposed amendment. Young Living may terminate the Agreement of any Brand Partner who does not agree to a proposed amendment to the Individual Arbitration Agreement within thirty (30) days after notice of the amendment is provided. Any such amendment shall apply to all claims or other Disputes brought by the Parties on or after the effective date of the amendment, regardless of the date of occurrence or accrual of any facts underlying such claims or Disputes.

Although the Agreement is made and entered into between Brand Partner and Young Living, Young Living's affiliates, owners, members, managers, directors, and employees (the "Related Parties") are intended third-party beneficiaries of the Agreement for purposes of the provisions of the Agreement

referring specifically to them, including but not limited to this Individual Arbitration Agreement. The Parties acknowledge that nothing contained herein is intended to create any involvement by, responsibility of, or liability for, the Related Parties with respect to any dealings between Brand Partner and Young Living, and the Parties further acknowledge that nothing contained herein shall be argued by any of them to constitute any waiver by the Related Parties of any defense that Related Parties may otherwise have concerning whether they can properly be made a party to any Dispute between the Parties.

If any provision of this Individual Arbitration Agreement, in its current form or as may be amended, is found to be invalid or unenforceable for any reason, such provision shall be severed, and the severed provision shall be reformed only to the extent necessary to make it enforceable. The balance of the Individual Arbitration Agreement will remain in full force and effect.

Except as otherwise provided herein, any controversy, claim or dispute of whatever nature arising between Brand Partner, on the one hand, and Young Living and/or the Related Parties, on the other, including but not limited to those arising out of or relating to the Agreement or the breach thereof; the sale, purchase or use of Young Living products or services; or the commercial, economic or other relationship of the Parties, whether such claim is based on rights, privileges or interests recognized by or based upon statute, contract, tort, civil law, common law or otherwise (“Dispute”) shall be settled through binding arbitration as provided herein.

Except as provided herein, all Disputes shall be submitted for resolution to binding arbitration in the state in which the Brand Partner resides, in accordance with the rules of the Judicial Arbitration and Media Services (JAMS) and this Individual Arbitration Agreement, which shall control in the event of any conflict, unless the laws of the state or province in which the Brand Partner resides expressly require otherwise. The JAMS rules and procedures are available at [jamsadr.com](http://jamsadr.com) and will be provided upon request to [conduct@youngliving.com](mailto:conduct@youngliving.com).

**TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES (INCLUDING THE RELATED PARTIES) AGREE THAT EACH PARTY MAY ASSERT A CLAIM OR COUNTERCLAIM IN THAT PARTY’S INDIVIDUAL CAPACITY ONLY AND NOT AS A CLAIMANT, PLAINTIFF, OR CLASS MEMBER IN ANY PURPORTED CLASS, COLLECTIVE, CONSOLIDATED, MASS, OR REPRESENTATIVE PROCEEDING.**

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE JAMS RULES, THE ARBITRATOR(S) SHALL HAVE NO AUTHORITY TO HEAR THE PARTIES’ DISPUTES ON A CLASS, COLLECTIVE, CONSOLIDATED, MASS, OR REPRESENTATIVE BASIS AND, ACCORDINLY, THE ARBITRATOR(S) MAY NOT CONSOLIDATE MORE THAN ONE PERSON’S DISPUTES AND MAY NOT OTHERWISE PRESIDE OVER ANY PROCEEDING ON A NON-INDIVIDUAL BASIS EXCEPT WITH THE WRITTEN CONSENT OF ALL PARTIES TO AN ARBITRATION PROCEEDING.

TO THE EXTENT THAT WAIVER OF THE RIGHT TO HAVE ANY CLAIM OR COUNTERCLAIM HEARD ON A REPRESENTATIVE BASIS IS NOT PERMITTED BY LAW, THE PARTIES AGREE THAT SUCH CLAIMS SHALL BE STAYED PENDING THE OUTCOME OF ANY INDIVIDUAL DISPUTES IN ARBITRATION. THE PARTIES FURTHER AGREE THAT IF SUCH A STAY IS LIFTED, UNLESS PROHIBITED BY APPLICABLE LAW, SUCH CLAIMS SHALL BE LITIGATED IN ACCORDANCE WITH THE GOVERNING LAW, JURISDICTION, AND VENUE PROVISION FOUND IN SECTION B.

**Arbitration Procedures:** Notwithstanding the rules of JAMS, the following will apply to all arbitration actions:

- The Parties agree that time is of the essence.
- The arbitration will be conducted in local language (with appropriate translators as may be necessary).
- The Parties will be allotted equal time to present their respective cases, including cross-examinations.
- The decision of the arbitrator will be final and binding on the Parties and may, if necessary, be reduced to a judgment in a court of law, except that a Party may choose to appeal certain arbitration awards as described below. Any motion or action to confirm, vacate, modify, or otherwise enter judgment on the award shall comply with Section 13.3 found herein. Further, to the fullest extent allowed by law, any Party seeking to enforce an award of an arbitrator(s) shall submit the award under seal to maintain protections of Confidential Information, and the Parties hereby agree and consent to the filing of such a submission, motion, or order under seal.
- The arbitrator(s) will have no authority to award punitive damages, except where an applicable law or statute expressly require otherwise.

Notwithstanding the rules of JAMS, certain procedures will apply depending on the amount in controversy. For Disputes in which the amount in controversy is less than USD\$1,000,000.00 (one million dollars), the following procedures will apply absent mutual agreement of the Parties to the contrary:

- The arbitration will occur within 180 days from the date on which the arbitrator is appointed, and the final hearing will last no more than five business days.
- There will be one arbitrator selected from the roster of JAMS neutrals, using the JAMS rules for arbitrator selection.
- The arbitrator shall institute discovery consistent with the goals of arbitration. Discovery and disclosure of information will be conducted under the rules provided by JAMS to achieve the usual goals of arbitration, including cost effective and efficient resolution of disputes between parties.
- For controversies and claims in which the amount in controversy is equal to or exceeds USD\$1,000,000.00, the following procedures will apply absent mutual agreement of the Parties to the contrary:
- There will be three arbitrators selected from the roster of JAMS neutrals, using the JAMS rules for arbitrator selection.
- The Parties will be entitled to appeal any arbitration award to an Appeal Panel under the JAMS Optional Arbitration Appeal Procedures. The Parties agree to request oral argument for any appeal filed under the Optional Arbitration Appeal Procedures.

Except as provided herein, the arbitrator(s) shall have the exclusive power to determine and rule upon challenges to the arbitrator's jurisdiction to preside over the Dispute, including any objections with respect to the existence, scope, or validity of this Individual Arbitration Agreement and/or to the arbitrability of any Dispute.

The Parties understand and agree that Young Living has valuable trade secrets and Confidential Information, as defined in the Agreement. The Parties agree to take all necessary steps to protect from public disclosure such trade secrets and Confidential Information in any proceeding brought pursuant to this Individual Arbitration Agreement.

**Costs of Arbitration:** Young Living shall reimburse Brand Partner for all filing, administration, and arbitrator fees associated with the arbitration proceedings commenced pursuant to the provisions of this Individual Arbitration Agreement. Notwithstanding the forgoing sentence, to the fullest extent permitted under the law, Brand Partner shall be responsible for all additional fees and costs incurred in the arbitration, including, without limitation, their attorney and expert witness fees and costs.

**Temporary Injunctive and Enforcement Relief:** Except as provided below, no Party shall be entitled to commence or maintain any action in a court of law upon any matter in dispute until such matter has been submitted and determined as provided here, and then only for the enforcement of such arbitration award. Notwithstanding this Individual Arbitration Agreement, any Party may apply to a court of competent jurisdiction as necessary to enforce an arbitration award, or to seek a temporary restraining order or temporary or preliminary injunction to ensure that the relief sought in arbitration is not rendered ineffectual during the pendency of, or after the rendition of, a decision in any arbitration proceeding. In particular, and without limitation, Brand Partner acknowledges that section 3.11.1 and 3.11.2 are reasonable and necessary to protect the legitimate interests of Young Living. Brand Partner further acknowledges that his or her breach of such provisions and covenants would cause Young Living irreparable harm, the amount and extent of which would be very difficult to estimate or ascertain, and for which Young Living may have no adequate remedy at law. Therefore, Brand Partner agrees that Young Living shall be entitled to obtain preliminary injunctive relief, a temporary restraining order, specific performance, or such other equitable relief as may be required to prevent the Brand Partner from breaching or threatening to breach such provisions and covenants. Furthermore, notwithstanding anything to the contrary herein, to the extent a Party contests the jurisdiction of a state or federal court to preside over claims for a temporary restraining order or temporary or preliminary injunctive relief as described above, the court in which such claim is made shall have exclusive jurisdiction to determine whether it has jurisdiction to preside and rule upon a Party's request for the court to issue a temporary restraining order or temporary or preliminary injunction. The institution of any action shall not constitute a waiver of the right or obligation of any Party to submit any claim seeking relief other than that provided in this paragraph to arbitration.

**Bellwether Arbitration Procedures:** Notwithstanding any provision of the JAMS Rules, these bellwether procedures shall be used when more than 10 arbitration cases pending at the same time present substantially similar or overlapping allegations of fact or law. Notwithstanding anything to the contrary provided herein, a court of competent jurisdiction, and not JAMS or an arbitrator, shall resolve any dispute over whether these bellwether procedures apply to any group of claims.

The Parties recognize and agree that a large number of arbitration cases with similar allegations will impose excessive transaction costs regardless of the cases' merit or lack of merit. The Parties also recognize and agree that it is logistically difficult or impossible to arbitrate simultaneously large numbers of substantially similar cases. The Parties therefore agree to use bellwether litigation procedures similar to those that courts use in mass-tort cases, based on the judiciary's experience that, after one or a few cases are tried to verdict, most or all of the other cases settle or otherwise resolve themselves.

The Parties thus agree that, to the maximum extent permitted by law, no more than 10 cases/arbitrations will be active at any one time. All remaining cases will be stayed, with the statute of limitations tolled. The Parties understand and agree that if these bellwether arbitration procedures apply, then adjudication of the Dispute may be delayed. Unless the Dispute resolves in advance, and notwithstanding anything to the contrary herein, the arbitrator(s) shall render their final and binding decision in any Dispute subject to these bellwether procedures within 180 days of the initial pre-hearing conference.

As soon as one of the original active cases is resolved (by decision, settlement, or otherwise), a stayed arbitration shall replace it on the list of 10 active cases/arbitrations. Except as provided below, cases shall

be placed on or moved to the active list in the order in which demands for arbitration are first received. Until a case is on or is moved to the list of 10 active cases, the sum any Party paid to initiate a case shall be refunded, and no Party shall have any obligation to pay any JAMS or arbitrator fees.

If Brand Partner claims exceptional hardship from any delay pursuant to this bellwether procedure, Brand Partner may petition Young Living to waive the 10-case limit for that case. If Young Living does not agree, Brand Partner may petition JAMS to place the case/arbitration on the list of 10 active cases, on the ground that delay will impose exceptional hardship. If JAMS finds exceptional hardship and grants the petition, JAMS shall (based on its determination of relative hardship) remove one other case from the list of 10 active cases/arbitrations and place it at the head of the list of stayed cases. Under no circumstances shall JAMS place more than 10 cases/arbitrations into active status. If more than 10 hardship applications are granted, JAMS shall determine which 10 cases/arbitrations shall proceed first, based on its determination of relative hardship.

**Opt Out:** Brand Partners who do not want to be subject to this Individual Arbitration Agreement may opt out by notifying Young Living in writing of their desire to opt out within thirty (30) days of the Brand Partner's execution of the Individual Arbitration Agreement. Acceptable forms of notice include sending an email to [conduct@youngliving.com](mailto:conduct@youngliving.com)

The email must clearly state the Brand Partner's name and the intent to opt out of this Individual Arbitration Agreement. Young Living reserves the right to terminate the Agreement of any Brand Partner who chooses to opt out of the Individual Arbitration Agreement.

### 13.3 JURISDICTION AND VENUE

Jurisdiction and venue of any matter not subject to arbitration will reside exclusively in any state or federal court located in the Philippines, and nowhere else, unless the laws of the state or country in which the Brand Partner resides expressly require otherwise, despite this jurisdiction clause. By signing the Agreement, Brand Partners consent to jurisdiction within these two forums.

### 13.4 WAIVER OF CLASS ACTIONS

THE PARTIES AGREE THAT EACH PARTY MAY BRING DISPUTES AGAINST THE OTHER PARTY ONLY IN AN INDIVIDUAL CAPACITY AND EACH PARTY WAIVES ANY RIGHT IT MIGHT OTHERWISE HAVE TO PARTICIPATE AS A CLASS MEMBER IN ANY EXISTING OR FUTURE CLASS OR REPRESENTATIVE PROCEEDING, INCLUDING, WITHOUT LIMITATION, FEDERAL OR STATE CLASS ACTIONS OR CLASS ARBITRATIONS.

### 13.5 BREACH OF AGREEMENT

Young Living may terminate the Brand Partner account or take any other action Young Living deems appropriate if, in its sole and absolute discretion, it determines that a Brand Partner breaches the terms and conditions of the Agreement. Allegations that a Brand Partner has breached the terms and conditions of the Agreement may lead Young Living to launch an investigation to determine what conduct, if any, occurred and whether the conduct was in breach of the Agreement.

If Young Living determines that a Brand Partner materially breached the Agreement, Young Living may terminate the Agreement immediately or take any other action Young Living deems appropriate. A material breach of the Agreement includes, but may not be limited to, the following conduct:

- Engaging conduct that may bring disrepute in any way to Young Living (or any of its officers, agents, or employees), the essential oils, nutritional supplement, and/or personal care products industry, or the direct sales industry
- Violation of any federal or state laws or regulations
- Filing or inducing another person or agency to file a lawsuit against Young Living that is factually

- baseless or without legal foundation
- Repeated breaches of the terms and conditions of the Agreement
- Engaging in cross-line recruiting or creating duplicate accounts

If Young Living determines that a Brand Partner breached the Agreement, Young Living may provide the Brand Partner with 15 days to cure their breach or appeal Young Living's determination. Young Living will provide written notice to the breaching Brand Partner on how the Brand Partner can cure the breach and the date by which the breaching Brand Partner must cure or appeal.

Young Living may terminate the Agreement if the breaching Brand Partner fails to cure the breach within 15 days of receiving notice. Examples of curative measures include, but are not limited to, one or more of the following:

- When a Brand Partner communicates a misleading, deceptive, or false product, lifestyle, income, or compensation claim related to Young Living through any medium in breach of the Brand Partner Agreement, Young Living may require the Brand Partner to cure the breach by providing a written statement correcting the misleading, deceptive, or false product, lifestyle, income, or compensation claim.
- When a Brand Partner breaches any provision of the Agreement, Young Living may require the Brand Partner to cooperate with additional follow-up monitoring to ensure that the breach is not ongoing.
- When a Brand Partner breaches any provision of the Agreement, Young Living may require the Brand Partner to forfeit any benefit derived from the breach; this may include forfeiting an award, incentive, commission, bonus, rank recognition, or participation in Young Living-sponsored events for a specified period of time.

During any period that Young Living is investigating conduct that may be a breach of the Agreement, Young Living may temporarily freeze all or part of the investigated Brand Partner's commissions or bonuses. If the Brand Partner's Agreement is terminated as a result of the Brand Partner's breach of the Agreement, the Brand Partner will not be entitled to recover any commissions or bonuses withheld during the investigation period. Young Living may institute legal proceedings for monetary and/or equitable relief when appropriate. Young Living's failure to terminate an Agreement or require Brand Partners to cure a breach of the Agreement is not a waiver of the breached provision or Young Living's right to institute legal proceedings.

#### 13.6 APPEALS OF DETERMINATIONS OF BREACH OF THE BRAND PARTNER AGREEMENT

In the instance that Young Living determines that a Brand Partner is in breach of the Brand Partner Agreement, the Brand Partner may appeal the determination to Young Living. The appeal must be in writing and be received by Young Living within 15 days from the date of the notice of breach. The appeal should be submitted with all supporting documentation. Young Living will review and reconsider the determination of breach and notify the Brand Partner in writing of its decision. If the appeal is not received within the 15-day period, the determination of breach and any required action to cure the breach will be final.

## 14. TERMINATION

### 14.1 TERMINATION FOR INACTIVITY

If a Brand Partner does not meet the personal volume (PV) requirement in any particular month, the Brand Partner will not receive commissions or bonuses for the sales generated through the team organization. If a Brand Partner has not ordered a minimum of 50 accumulative PV and has not earned a sales commission for 12 months, this Agreement will be automatically terminated, and the Brand Partner account shall be inactive and removed from the active downline organization (account will drop in our system on the 15<sup>th</sup> of the following calendar month) .

Former Brand Partners whose accounts are considered inactive for failing to place an order or earn any sales commissions for 12 months may re-enroll as a new Brand Partner without rank or downline under any Enroller and/or Sponsor of their choice.

### 14.2 REACTIVATION

If you are a Brand Partner deemed inactive (you have had no ordering activities for a period of 13 months and have been dropped out of the organization. You are no longer visible in the download viewer), you may reactivate your Brand Partner account by contacting Member Services and purchasing 100 PV in product or by purchasing a Starter Bundle or other enrollment bundle.

You would be considered a new Brand Partner upon reactivation of your account.

### 14.3 TERMINATION BY YOUNG LIVING

If a Brand Partner's account with Young Living is terminated by Young Living, the Brand Partner will be notified either by mail, the email on record, or other delivery method calculated to reach the Brand Partner at the address on file. Except as provided otherwise in the notice, account termination will be effective on the date the notice is issued.

If a Brand Partner's account with Young Living is terminated in accord with this Agreement, (excluding being converted to a Customer account for not earning sales commissions), the former Brand Partner may reapply to become a Brand Partner twelve calendar months from the date of the account termination. To reapply, the former Brand Partner must submit a letter to the Conduct Success Team (conduct@youngliving.com) setting forth the former Brand Partner's justifications for being allowed to re-enter an Agreement with Young Living. Young Living will, in its sole and absolute discretion, accept or reject the former Brand Partner's re-application request.

### 14.4 VOLUNTARY TERMINATION

A Brand Partners may voluntarily terminate their Brand Partner Agreement at any time and for any reason by providing written notice to Young Living. When re-enrolling within six months of termination, the Brand Partner must enroll under their former Enroller and Sponsor.

### 14.5 EFFECTS OF TERMINATION

Upon termination, Brand Partners release all rights to their Brand Partner benefits and Business Organization, including but not limited to all future compensation under the Sales Compensation Plan. Upon termination, Young Living may at its sole discretion retain the Brand's Partner's Business organization, sell it, roll it up to the next active support team Brand Partner or dissolve and remove it from the Sponsor.

Upon termination, Brand Partners must immediately cease representing themselves as a Brand Partner and immediately return and delete all Young Living IP, including Reports and other lists of Customers



and Brand Partners and their contact information. Upon termination of any Brand Partner account for any reason, Young Living, in its sole discretion, shall decide the future of that Brand Partner position in the tree, to include options to operate the position as a Brand Partner, allow it to compress and/or roll up to the Upline Team and/or sell or dispose of the position as Young Living deems best for its business.

## 15. MISCELLANEOUS

### 15.1 DELAYS

Young Living is not responsible for delays and failures in performing its obligations due to circumstances beyond its reasonable control. This includes, without limitation, acts of God, strikes, labor difficulties, riots, wars, fire, flood, death, curtailment or interruption of a source of supply, government decrees or orders, etc.

### 15.2 PARTIAL VALIDITY

If any provision of the Agreement, in its current form or as it may be amended, is found to be invalid or unenforceable for any reason, only the invalid portion(s) of the provision will be severed. The remaining terms and conditions will remain in full force and effect and will be construed as if such invalid or unenforceable provision never comprised a part of the Agreement. The Agreement will be interpreted by Young Living in the best furtherance of Young Living's business interests.

### 15.3 WAIVER

Young Living never forfeits its right to require compliance with the Agreement or with applicable laws and regulations governing business conduct. For example, any action or inaction by Young Living regarding any conduct that breaches this Agreement will not be deemed a waiver of any of Young Living's rights or acquiescence in the conduct. Failure to enforce any provision of the Agreement against any Brand Partner or Customer does not waive Young Living's right to enforce that or other provisions. Only in rare circumstances will any provision or term of the Agreement be waived, and an authorized agent of Young Living will convey such waivers in writing. The waiver will apply only to that specific case.

### 15.4 TITLES NOT SUBSTANTIVE

The titles and headings to these Policies and Procedures are for reference only and do not constitute and will not be construed as substantive terms of the Agreement.