Young Living Sales Compensation Plan *Philippines*



Effective April 1, 2025

Important Notice Related to Young Living Philippines, LLC ("Young Living") and the Young Living Sales Compensation Plan ("Sales Compensation Plan").

- I. This Sales Compensation Plan is specifically designed and focused to pay sales commissions to Young Living Brand Partners based upon their Young Living product sales and the product sales of the Brand Partners in their Business Organization to ultimate end consumers in the Philippines.
- II. Fast Start sales compensation is paid to the Brand Partner Enroller based upon the product point of sale and upon the particular Young Living Sales Compensation plan in effect in the market where the product was purchased and not based upon the residence of the Brand Partner Enroller. All other sales commission bonuses are paid based on the Brand Partner's qualification in their home market and the Sales Compensation plan in effect in the market residence of the Brand Partner.
- III. Any Brand Partner in good standing can earn the designated Fast Start Bonus commissions on the product sales (up to 1,000PV) of any personally enrolled Customer and/or Brand Partner during their Customer and/or Brand Partner's first three calendar months without any personal product purchases and/or any other qualification requirements.
- IV. Young Living products are not sold in retail stores, and only authorized Brand Partners in good standing may sell the products either directly from their own stock or indirectly through the Young Living online shopping cart at <u>https://www.youngliving.com/en_PH</u>
- V. Without any requirement or obligation, Brand Partners may elect to order their products through a subscription program, which has some additional benefits/discounts when they agree to a monthly subscription order of their chosen products in the "Loyalty Rewards Program," which subscription they may easily cancel at any time. Participation in the Loyalty Rewards Program is not required to earn any income through the Sales Compensation Plan.
- VI. This Sales Compensation Plan is incorporated within the Brand Partner Agreement (the "Agreement"), along with the Young Living Policies and Procedures, Young Living Website Terms of Service, and Young Living Privacy Policy, which Agreement governs the contractual relationship and obligations of each Brand Partner and Young Living to support legal compliance in the Philippines.
- VII. Brand Partners may not personally purchase nor encourage others to purchase more Young Living products than each purchaser can personally consume and/or sell to their personal retail customers each month, and each Brand Partner agrees that they may not place new orders in a calendar month unless 70% of all prior orders from previous months have been sold and/or consumed.
- VIII. 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."

*Amounts will be paid in local currency according to the exchange rate set by Young Living.

The Brand Partner sales earnings disclosed are potential gross earnings and not net of other business expenses and not necessarily representative of the actual income, if any, that a Brand Partner can or will earn through the Young Living Sales Compensation Plan. A Brand Partner's earnings will depend on individual diligence, work effort, sales skill, and market conditions. Young Living does not guarantee any income or rank success.

SALES COMPENSATION PLAN HIGHLIGHTS

This Young Living Sales Compensation Plan is designed to allow Brand Partners to earn sales commissions compensation in the following multiple and cumulative ways:

1. Retail Sales Earnings (see page 5 for complete details):

Obtained when a Brand Partner sells product from their personal stock to their personal retail customers at their chosen price. Separately, Young Living pays Retail Sales Earnings to the Brand Partner when their sponsored Customer, located outside of the Philippines, purchases product at the retail price through the Young Living website.

2. Starter Kit Bonus

Brand Partners can become eligible to earn a one-time USD\$25* cash bonus in addition to a regular commission each time they personally enroll a new Brand Partner who orders a Premium Starter Kit (the basic kit does not qualify). The starter kit must be purchased in the same calendar month the new Brand Partner enrolls. For example: if the brand partner enrolls any day in January, the brand Partner has until January 31 to order the starter kit. This is a one-time bonus paid to a new Brand Partner's enroller.

3. Fast Start Bonus (see page 5 for complete details):

Up to 25% of the Product Value (PV) on sales up to 1,000 PV is earned when a Brand Partner enrolls a new Brand Partner who purchases qualified products in their first three (3) calendar months. Any PV over the 1,000 PV of any monthly order will be paid to Qualified Brand Partners through Unilevel Commissions and any other applicable bonuses.

4. Unilevel Commissions (See Page 6 for complete details):

The percentage paid on the first five levels of sales of a Brand Partner's Business Organization: 8% at level one, 5% at level two, and 4% for each level three through five.

5. Rank Achievement Bonuses (See page 6 for complete details):

In addition to all other eligible bonuses, when a Qualified Brand Partner achieves, for the first time, any of the ranks, Senior Star through Silver, they will receive a rank achievement bonus for the first three months of achieving and maintaining this new rank.

6. Generation Commissions (See page 7 for complete details):

Based on a Brand Partner's monthly rank of Silver or higher, a commission of up to 3% is paid on the Organizational Group Volume (OGV) of each Silver or higher in the Brand Partner's Business Organization, down to the next Silver or higher-ranked Brand Partner, down to eight generations.

7. Generation Leadership Bonus (See Page 8 for complete details):

6.25% of the total Young Living Commissionable Volume from global sales, excluding reduced volume from the Fast Start Bonus, is divided into shares by rank and paid monthly to Qualified Brand Partners holding the paid ranks of Executive through Royal Crown Diamond <u>and</u> who achieve the specified leadership requirements.

SALES COMPENSATION PLAN DETAILS

Definition of Terms:

Brand Partner:

An individual or business who has entered into a Brand Partner Agreement with Young Living. Brand Partners have the right to build businesses by purchasing and reselling Young Living products, and enrolling Customers or other Brand Partners, and thereby receive sales compensation on the sale of Young Living products under this Sales Compensation Plan.

Business Organization: A Brand Partner's collectively sponsored Brand Partners

Commission Period:

The period beginning at 12 midnight, Mountain Time (MT), on the first day of a calendar month and ending at 11:59 p.m., MT, on the last day of a calendar month. Only orders received within a Commission Period will be considered when calculating commissions for that period. All Brand Partner sales volume amounts and qualifications reset at the beginning of each Commission Period.

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Compression – Unilevel Commissions:

The Unilevel Commissions are paid on up to five levels below a Brand Partner. Each level is determined by a Customer or Brand Partner with 100 or more PV. Any Customer or Brand Partner volume less than 100 PV is combined with and paid at the next level down.

Compression – Fast Start Bonus:

All Enrolling Brand Partners in good standing will receive the 25% Fast Start Bonus commission on the product PV purchased by new Brand Partners in their first three Enrollment Months.

Qualified Brand Partners in good standing in the second enrollment level, who have at least 50 personal PV, will receive the 10% Fast Start Bonus commissions in their first three Enrollment Months.

Enroller:

The person who enrolls and places a new Young Living Brand Partner in a Business Organization. Enrolling Brand Partners are eligible to earn Fast Start Bonuses. Enrollers may also be the Sponsor.

Enrollment Month:

The calendar month in which a Brand Partner enrolls, regardless of which day of the month the enrollment occurs.

Generation:

A Silver or higher-ranked Brand Partner and their entire Business Organization down to another Silver or higher-ranked Brand Partner.

Leg:

A Brand Partner who is sponsored by a Brand Partner and placed in the Brand Partner's first Level forms a Leg.

Leg Organizational Group Volume:

The collective PV of Brand Partners in a Leg.

Level:

The position within a Business Organization of a Brand Partner. Brand Partners sponsored by a Brand Partner are in that Brand Partner's first Level. Brand Partners sponsored by a Brand Partner's First-Level Brand Partners are in that Brand Partner's second Level, and so on.

Organizational Group Volume (OGV):

The collective PV of Brand Partners in a particular Brand Partner's Business Organization.

Personal Group Volume (PGV):

The sum of PV outside of the Brand Partner's Qualifying Legs or any Brand Partner Leg ranked as Silver or higher.

Product Value (PV):

Most Young Living products are assigned a Product Value, which is an attributed point value that is not necessarily equal to the U.S. dollar price amount. A Brand Partner's personal PV is the total amount of Product Value points purchased personally by a Brand Partner. In the Philippines the ranks of Associate and higher have a monthly rank and commission requirement for Brand Partners to personally purchase 100 PV.

Qualified Brand Partner:

A Brand Partner who meets the applicable PV and/or OGV qualifications required to earn commissions for certain bonuses or at their Rank during the applicable Commission Period.

Qualifying Leg:

Any sponsored first-level Leg with the required volume below it is a Qualifying Leg.

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Sponsor:

The Brand Partner one Level above a Customer or Brand Partner. A Sponsoring Brand Partner may also be the Enroller for any new Customer or Brand Partner.

Support Team:

Any Brand Partner in a direct sponsorship line above another Brand Partner.

Unilevel Commissions:

Qualified Brand Partners earn a percentage of the PV ordered by their Business Organization at certain Levels in the applicable Commission Period.

RANK QUALIFICATION DEFINITIONS

Associate rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases.

Star rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases and at least 500 Organizational Group Volume (OGV) points.

Senior Star rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases and at least 2,000 Organizational Group Volume (OGV) points.

Executive rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases; at least 4,000 Organizational Group Volume (OGV) points and two (2) Qualifying Legs with 1,000 OGV in each Qualifying Leg.

Silver rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases; at least 1,000 Personal Group Volume (PGV) points; at least 10,000 Organizational Group Volume (OGV) points and two (2) Qualifying Legs with 4,000 OGV in each Qualifying Leg.

Gold rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases; at least 1,000 Personal Group Volume (PGV) points; at least 35,000 Organizational Group Volume (OGV) points and three (3) Qualifying Legs with 6,000 OGV in each Qualifying Leg.

Platinum rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases; at least 1,000 Personal Group Volume (PGV) points; at least 100,000 Organizational Group Volume (OGV) points and four (4) Qualifying Legs with 8,000 OGV in each Qualifying Leg.

Diamond rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases; at least 1,000 Personal Group Volume (PGV) points; at least 250,000 Organizational Group Volume (OGV) points and five (5) Qualifying Legs with 15,000 OGV in each Qualifying Leg.

Crown Diamond rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases; at least 1,000 Personal Group Volume (PGV) points; at least 750,000 Organizational Group Volume (OGV) points and six (6) Qualifying Legs with 20,000 OGV in each Qualifying Leg.

Royal Crown Diamond rank is achieved during a Commission Period when the Brand Partner becomes a Qualified Brand Partner by achieving at least 100 personal PV from their own individual product purchases; at least 1,000 Personal Group Volume (PGV) points; at least 1,500,000 Organizational Group Volume (OGV) points and six (6) Qualifying Legs with 35,000 OGV in each Qualifying Leg.

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SALES COMPENSATION PLAN DETAILED EXPLANATION

1. RETAIL SALES EARNINGS

- A. Brand Partners may buy Young Living products and directly retail the products to their personal retail customers to earn their chosen retail earnings. The difference between the price the Brand Partner paid and the amount the Brand Partner receives from their personal retail customer is their retail sales earnings. For example: A Brand Partner who purchases essential oil X from Young Living for USD\$40 and sells this essential oil to their personal retail customer for USD\$60 achieves a USD\$20 gross retail sales earnings. (Because the Brand Partner elected to make the retail sale to their personal retail customer from their personally purchased product inventory, the Brand Partner is not entitled to further sales commissions from Young Living in this situation.)
- B. Brand Partners who sell to Customers residing outside of the USA, who purchase any Young Living product at the retail price through the Young Living website, will receive Retail Sales Earnings from Young Living, which is the difference between the retail price paid by the Customer and the wholesale product price.

2. FAST START BONUS

Brand Partners are eligible to earn a Fast Start Bonus on the PV of the product purchases (up to 1,000 PV) made by their newly enrolled Brand Partner's first three months.

The Fast Start Bonus period pays 25% of the PV of the products purchased by the newly enrolled Brand Partners to the Enrolling Brand Partner, regardless of rank or qualification and pays 10% of the same PV to the second qualified Brand Partner Enroller, who has achieved at least 50 PV during the Commission Period per the chart below.

Brand Partner Enroller(s)	Fast Start Bonus Percentages (first 3 months)
Level 1 Enroller	25%
Level 2 Qualified Enroller	10%

Please note: When the Fast Start Bonus is paid at any level, the PV used to calculate the bonus will be reduced for all other commissionable payouts on the same PV. When the 25% or the 10% payout occurs, the PV used to calculate the bonus will be reduced by 70%. For example, if a new Customer purchases products totaling 100 PV in their first three calendar months the Customer's 100 PV will be reduced to 30 PV for the calculation of all other applicable commissions, bonuses, or payouts, such as Unilevel Commissions. Any PV over the 1,000 PV of any monthly Fast Start order will be paid to Qualified Brand Partners through Unilevel Commissions and any other applicable bonuses.

All compensation within Young Living is paid to the Sponsor, with the exception of Starter Kit Bundles and Fast Start bonus, which are paid to the Enroller. These bonuses may be earned within the time frame beginning in the calendar month the Brand Partner' agreement is originally initiated. Even if newly enrolled Brand Partners do not place an order with PV during their first month, it is still considered their first calendar month of enrollment. When a new retail Customer orders, the Enroller bonuses are not paid to the enroller.

If a Brand Partners reactivates, these bonuses can pay out the new Enroller. Any reactivating Brand Partner is considered a new Brand Partner.

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3. UNILEVEL COMMISSIONS

All Qualified Brand Partners may participate in this leveraged income opportunity to earn commissions based on product sales to Brand Partners within their Business Organization based on sponsorship down five Levels within their Business Organization.

Brand Partner Ranks	Associate	Star	Senior Star	Executive	Silver	Gold	Platinum	Diamond	Crown Diamond	Royal Crown Diamond
Qualifications	100 PV	100 PV 500 OGV	100 PV 2,000 OGV	100 PV 4,000 OGV	100 PV 10,000 OGV 1,000 PGV	100 PV 35,000 OGV 1,000 PGV	100 PV 100,000 OGV 1,000 PGV	100 PV 250,000 OGV 1,000 PGV	100 PV 750,000 OGV 1,000 PGV	100 PV 1,500,000 OGV 1,000 PGV
LEG (Volume per LEG) OGV RANK REQUIRE- MENTS				2@ 1,000	2@ 4,000	3@ 6,000	4@ 8,000	5@ 15,000	6 @ 20,000	6@ 35,000
Unilevel Commission Percentages Paid Per Level										
Level 1	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Level 2	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Level 3		4%	4%	4%	4%	4%	4%	4%	4%	4%
Level 4			4%	4%	4%	4%	4%	4%	4%	4%
Level 5				4%	4%	4%	4%	4%	4%	4%

4. RANK ACHIEVEMENT BONUS

As of April 1, 2025, in addition to all other eligible bonuses, when a Qualified Brand Partner advances, for the first time, to any of the ranks, Senior Star through Silver, for three months at such ranks, they will receive a rank achievement bonus for achieving and maintaining this new rank. Brand Partners who fluctuate between ranks, will still be paid each newly earned rank for a total of three months even when occurring at any time, even in non-consecutive months. Senior Stars will receive an additional USD\$100; Executives will receive an additional USD\$150; and Silvers will receive an additional USD\$200 per the below graphic:

Rank	Month 1	Month 2	Month 3
Senior Star	\$100 USD	\$100 USD	\$100 USD
Executive	\$150 USD	\$150 USD	\$150 USD
Silver	\$200 USD	\$200 USD	\$200 USD

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5. GENERATION COMMISSIONS

Qualified Brand Partners who qualify at the sales leadership ranks of Silver or higher in the Commission Period are eligible to earn commissions on certain Generations within their Business Organization. Generation commissions are calculated as a percentage of the collective PV from product sales to all Customers and Brand Partners within a Qualified Brand Partner's Business Organization down to eight defined Generations within their Business Organization.

Brand Partner Ranks	Silver	Gold	Platinum	Diamond	Crown Diamond	Royal Crown Diamond
Qualifications	100 PV 10,000 OGV 1,000 PGV	100 PV 35,000 OGV 1,000 PGV	100 PV 100,000 OGV 1,000 PGV	100 PV 250,000 OGV 1,000 PGV	100 PV 750,000 OGV 1,000 PGV	100 PV 1,500,000 OGV 1,000 PGV
LEG (Volume per LEG) OGV RANK REQUIRE- MENTS	2 @ 4,000	3 @ 6,000	4 @ 8,000	5 @ 15,000	6 @ 20,000	6 @ 35,000
		Generation Corr	mission Levels Paid	Per Generation		
Personal Generation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Generation 2	3%	3%	3%	3%	3%	3%
Generation 3	3%	3%	3%	3%	3%	3%
Generation 4		3%	3%	3%	3%	3%
Generation 5			3%	3%	3%	3%
Generation 6				3%	3%	3%
Generation 7					3%	3%
Generation 8						1%

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6. **GENERATION LEADERSHIP BONUS (GLB)** (6.25% of Global Commissionable Volume, excluding the PV reductions of the Fast Start Bonus.)

Executive through Gold: Qualified Brand Partners at the rank of Executive through Gold qualify for shares of the GLB when demonstrating the leadership sales activity of personally enroll or reactivate at least one (1) Brand Partner with at least a 100 PV order during the applicable Commission Period:

Platinum through Royal Crown Diamond: Qualified Brand Partners at the paid ranks of Platinum through Royal Crown Diamond qualify for shares of the GLB when achieving and adequately documenting for Young Living any one of the following leadership sales activities during the applicable Commission Period

- Personally enroll or reactivate at least one (1) Brand Partner with at least a 100 PV order.
- Attend a paid Young Living qualifying event such as a Planting, Harvest, Glamping, Men's Camp, Experience YL, a YL Foundation Service Trip, International or regional convention and anniversary event. (Silver through Diamond retreats or incentive-based trips/events or regional training seminars do <u>NOT</u> count as paid YL qualifying events).
- Host a registered open YL meeting (in person or virtual) that results in at least 100 PV in incremental additional sales per each registered Host. (Auditable by Young Living).
- Present at a registered open YL meeting (in person or virtual) that results in at least 100 PV in incremental additional sales per each registered presenter. (Auditable by Young Living).

Each GLB share is calculated by dividing the GLB 6.25% Global PV pool by the total number of qualified shares earned by each Qualified Brand Partner in the applicable Commission Period. The total amount that any one Brand Partner account can earn from the GLB is capped at \$100,000 USD per Commission Period with any amount over \$100,000 redistributed into the GLB pool for distribution to the other GLB Qualified Brand Partners. Shares are allocated as follows:

- **Executive** rank earns one (1) share for themselves.
- Silver rank earns two (2) shares for themselves; and within their 1-3 Generations, an additional two (2) shares for each Silver or higher-ranked Brand Partner and one (1) share for each Executive.
- **Gold** rank earns two (2) shares for themselves; and within their 1-4 Generations two (2) additional shares for each Silver or higher-ranked Brand Partner; and one (1) share for each Executive-ranked Brand Partner.
- Platinum rank earns two (2) shares for themselves; and within their 1-5 Generations, two (2) additional shares for each Silver or higher-ranked Brand Partner; and one (1) share for each Executive-ranked Brand Partner.
- **Diamond** rank earns three (3) shares for themselves; and within their 1-6 Generations, three (3) additional shares for each Diamond or higher-ranked Brand Partner; two (2) shares for each Silver through Platinum-ranked Brand Partner; and one (1) share for each Executive- ranked Brand Partner.
- Crown Diamond rank earns three (3) shares for themselves; and within their 1-7 Generations, three (3) additional shares for each Diamond or higher-ranked Brand Partner; two (2) shares for each Silver through Platinum-ranked Brand Partner; and one (1) share for each Executive-ranked Brand Partner.
- Royal Crown Diamond rank earns three (3) shares for themselves; and within their 1-8 Generations, three (3) additional shares for each Diamond or higher-ranked Brand Partner; two (2) shares for each Silver through Platinum- ranked Brand Partner; and one (1) share for each Executive-ranked Brand Partner.

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The Brand Partner sales earnings disclosed are potential gross earnings and not net of other business expenses and not necessarily representative of the actual income, if any, that a Brand Partner can or will earn through the Young Living Sales Compensation Plan. A Brand Partner's earnings will depend on individual diligence, work effort, sales skill, and market conditions. Young Living does not guarantee any income or rank success.

GENERATION LEADERSHIP BONUS SHARES GRAPHIC

Rank	Shares	Paid generations
Royal Crown Diamond	3	1-8
Crown Diamond	3	1-7
Diamond	3	1-6
Platinum	2	1-5
Gold	2	1-4
Silver	2	1-3
Executive	1	NONE

Please note that any falsified Brand Partner accounts or order manipulation is prohibited by the Brand Partner Policies and Procedures and may result in termination of the Brand Partner account and/or loss of any or all compensation and/or ability to participate in future pools or bonuses.

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