

U.S. POLICIES and PROCEDURES

Effective November 1, 2021



I. INTRODUCTION

1.1 PURPOSE

This U.S. Policies and Procedures document outlines policies and procedures for Young Living independent brand partners (“Brand Partner,” formerly known as “members”) and Professional Account customers (“PAC” and collectively with Brand Partners “YL Partners”). The purpose of this document is:

- To set standards of acceptable business behavior expected of YL Partners in their efforts to market and sell Young Living’s products and services to end consumers;
- To define the YL Partner’s relationship with Young Living; and
- To assist YL Partners in marketing and selling Young Living products, referring customers and motivating, training, and leading others to refer customers.

1.2 TERMS

In this document Young Living Essential Oils, LC is referred to as “Young Living;” and the individual or entity entering the Agreement (as defined below) is referred to as “Brand Partner”, “PAC”, or “YL Partner” as the context requires. The terms “Enroller”, “Sponsor”, “Customer”, “Business Organization”, “Team”, “YL Individual”, and “Support Team” shall have the respective meanings set forth in the Compensation Plan.

1.3 DOCUMENTS INCORPORATED INTO THE AGREEMENT

Throughout these U.S. Policies and Procedures, whenever the term “Agreement” is used with respect to Brand Partners, it refers collectively to the U.S. Brand Partner Agreement (or simply “Brand Partner Agreement”), these U.S. Policies and Procedures, the Young Living U.S. Privacy Policy, and the Young Living Compensation Plan Highlights and the Young Living Terms and Definitions for the Compensation Plan (which are collectively referred to as the “Compensation Plan”). With respect to a PAC, the Agreement means the Professional Account Agreement, the Policies and Procedures, and the Young Living U.S. Privacy Policy. These documents, in their current form and as amended by Young Living from time to time, constitute the Agreement.

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

1.4 AMENDMENTS/ACCEPTANCE

A Brand Partner’s compensation is based on sales of product to end consumers. Young Living has always reserved the right to change its Compensation Plan from time to time. Young Living has long endeavored to establish measurements and

qualifications to compensate those who play an ongoing role in the sales of product to customers by engaging in activities such as referring customers and motivating, training, and leading others to refer customers.

Young Living may amend the terms and conditions of the Agreement (including all documents that form part of the Agreement) from time to time. The changes will become effective 30 days after first being published by Young Living through official Young Living publications distributed to YL Partners (e.g., the Grow! email newsletter), posted on an official Young Living website, or sent to the primary email address listed on a YL Partner’s account. Notwithstanding the foregoing, amendments to the Privacy Policy will be effective immediately upon being made. Amendments will not apply retroactively to conduct that occurred prior to the effective date of the amendment except to the extent explicitly provided.

By entering the Agreement, YL Partners accept all amendments or modifications that Young Living elects to make to the Agreement. YL Partners who are not willing to accept any amendments or modifications may voluntarily terminate their Agreement with Young Living by mailing notice no later than the effective date of an amendment or modification. By continuing business, ordering any product, or accepting a commission, bonus payout, or any other benefit of the Agreement after the effective date of any amendments or modifications, YL Partners accept the Agreement in whole as amended or modified.

1.5 ETHICS

YL Partners are required to abide by the following Code of Ethics. Violations of the Code of Ethics may result in termination of the Agreement.

CODE OF ETHICS

- YL Partners will follow the highest standards of honesty, professionalism, and integrity while operating under the Agreement.
- YL Partners will not engage in activities that may cause losses to Young Living or another YL Partner.
- YL Partners will respect the privacy of their Teams, their Support Teams, all other YL Partners, and other persons with whom the YL Partner does business.
- YL Partners will abide by all rules, regulations, laws, and ordinances that are applicable to the operation of the YL Partners’ business efforts.

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

1.6 INCLUSION AND ANTI-DISCRIMINATION

Young Living offers its products to consumers regardless of race, religion, language, cultural or other personal differences, and expects and encourages YL 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 OR PROFESSIONAL ACCOUNT CUSTOMER

2.1 REQUIREMENTS TO BECOME A BRAND PARTNER

To become a Brand Partner, a person must:

- Read and agree to the Agreement and, in the case of filling out a physical copy of the Agreement, submit it to Young Living within 30 days of enrollment;
- Be at least 18 years old, or be at least 16 years old (a “Minor”) and (i) have the Minor’s parent or guardian sign the Brand Partner Agreement and agree to take full responsibility for the Minor Brand Partner’s account along with the Minor, (ii) operate the account using a unique form of payment for purchases on the Brand Partner account (separate from the parent or guardian), (iii) have the account approved by the Conduct and Success Team, and (iv) re-sign the Brand Partner Agreement when the Minor turns 18 years old (failure to re-sign within three months of a Brand Partner’s 18th birthday may result in the Minor’s account being placed on hold);
- Provide a Federal Tax Identification Number (TIN) or Employer Identification Number (EIN) if enrolling a business entity as the Brand Partner; and
- Purchase a Young Living starter kit.

A Social Security Number is not required to enroll as a Brand Partner. However, a Social Security Number may be required later for income tax related records and reports. Young Living may reject submitted Brand Partner Agreements for any reason to the extent permitted by law.

Brand Partner Agreements may be submitted through mail, fax, or the Young Living website (youngliving.com). When enrolling by mail, fax, or over the phone, applications and Brand Partner Agreements must be received by Young Living within 30 days of enrollment for Brand Partner benefits to be extended to the applicant or enrollee. If the Brand Partner Agreement is not received within 30 days, the Brand Partner account will be placed on hold until it is received.

An applicant may have a co-applicant on the account. The co-applicant is not an owner of the account and only has rights to order on the account.

2.2 REQUIREMENTS TO BECOME A PROFESSIONAL ACCOUNT CUSTOMER

To become a Young Living PAC in the U.S., a person must:

- Provide a Federal Tax Identification Number (TIN), Employer Identification Number (EIN), or valid Social Security Number (SSN);
- Read and agree to the Agreement; and
- Complete, sign, and submit a Professional Account Agreement and professional account application to Young Living.

Applications that do not meet each of these requirements will be rejected.

A Brand Partner may convert to a PAC by applying to become a PAC and by transferring any existing Team or allowing that Team to roll up to the Brand Partner’s Sponsor. No changes of sponsorship can take place when converting from a Brand Partner to a PAC. Please contact professional@youngliving.com for a PAC application package or for additional information. PACs do not need to agree to or sign the U.S. Brand Partner Agreement. Young Living may reject PAC applications for any reason to the extent permitted by law.

Sales tax exemption is not automatic with PAC account approval and is not available in all States. Applicants for PAC accounts will need to provide extra documentation to be approved for tax exempt status. Young Living reserves the right to approve or deny any requests for tax exemption to the extent reasonably necessary to comply with applicable tax or revenue laws and regulations. Applications for tax exempt status can be requested from professional@youngliving.com.

The following provisions of these Policies and Procedures do not apply to PACs: Section 3.6 (Sale, Transfer, or Assignment), Section 3.7 (Inheritance & Succession), Section 3.8 (Separation of a Young Living Brand Partner Business), Section 3.11.5 (Bonus Buying and Stacking), Section 3.12 (International), Section 4 (Sponsoring Other Brand Partners), including Sections 4.1 - 4.3, Section 5.3.2 (Income Claims), Section 5.3.3 (Compensation Plan Claims), Section 7 (Commissions and Bonuses), and Section 9.2 (Team Genealogy Reports).

3. OPERATING YOUR BUSINESS

3.1 INDEPENDENT CONTRACTOR STATUS

YL Partners are independent sales contractors and 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. YL Partners will not be treated as employees of Young Living for their services or for federal or state tax purposes. YL Partners are responsible for paying local, state, and federal taxes due from all compensation earned as a Brand Partner or PAC. YL Partners have no authority (expressed or implied) to bind Young Living to any obligation.

Young Living’s primary business is in the formulation, testing, production and sale of Young Living’s products and services. YL Partners’ primary business is to sell, promote, and market products and services to consumers. YL 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 YL Partners sell Young Living products, recruit Team members or operate their business, provided that YL Partners comply with the Agreement. YL Partners are responsible for determining how, when, and where they will operate their business. YL Partners may engage helpers or assistants without seeking approval from Young Living, but any YL 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 YL Partner who engaged such person.



3.2 MULTIPLE ACCOUNTS

A YL Partner may only have a legal or equitable interest in one YL Partner account, unless otherwise permitted in this Section. If Young Living finds that a YL Partner has an unpermitted interest in multiple accounts, including Customer accounts, it will terminate the latter-created account(s).

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

A YL Partner and a YL Partner's spouse/domestic partner may have separate accounts if the second account (whether a Brand Partner account or a Customer account) is sponsored as the first or second level to the other spouse's/domestic partner's account. Young Living may periodically audit these two accounts and may terminate the latter-created account if Young Living determines, in its sole discretion, that the latter-created account is not in compliance with the Agreement. A joint account will be treated as a joint tenancy with rights of survivorship.

A YL Partner may have a Minor YL Partner residing in his or her home. However, the parent or guardian of the Minor YL Partner must supervise the Minor YL Partner's activities, and that parent or legal guardian must be the Minor's Sponsor. If multiple Brand Partners have an interest in a PAC account, the PAC account must be assigned as a sister account to one and only one of the Brand Partner's accounts. YL Partners must inform Young Living if they have an interest in both a Brand Partner account and a PAC account, and YL Partners are required to obtain written approval from Young Living's Conduct Success Team to hold an interest in both a Brand Partner account and a PAC account. Failure to do so may result in termination of the YL Partner's Agreement(s).

3.3 ACTIONS OF HOUSEHOLD MEMBERS OR AFFILIATED PARTIES

If any individual in a YL Partner's immediate household does anything that, if performed by the YL Partner, would violate the Agreement, those activities will be deemed a violation by the YL Partner, and Young Living may terminate that YL Partner's Agreement. The term "immediate household" refers to married couples, parents, children, and other persons residing in the same home. With respect to YL Partners that are entities (e.g., corporations, tax exempt entities, trusts, etc.) rather than individuals, "immediate household" means the shareholders, owners, directors, officers, members, trustees, responsible parties, etc., of such entities and persons married to or residing in the same home with the persons who are the shareholders, owners, directors, officers, members, trustees, responsible parties, etc., of such entities.

Everyone affiliated with an incorporated entity YL Partner must comply with the terms and conditions of the Agreement. If any individual associated in any way with a corporation, partnership, limited liability company, trust, or other legal entity (collectively "entity") violates the Agreement, their

action(s) will be deemed a violation by the entity. In these cases, Young Living may terminate the entity's Agreement. Young Living may request information about the identity of any individuals or affiliates of an entity having an interest in a YL Partner account, and YL Partners must provide this information to Young Living upon request. Failure to do so may result in the account in question being terminated.

3.4 ACTIONS OF OTHER YL PARTNERS

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

3.5 CORPORATIONS, PARTNERSHIPS, LIMITED LIABILITY COMPANIES, AND TRUSTS

A partnership, corporation, limited liability company, or trust may become a YL Partner by submitting to Young Living the entity's 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. The registration form or certificate of good standing must indicate the names of all shareholders, officers, members, managers, partners, or trustees of the entity ("affiliated parties"), or that information must otherwise be included with the submission to Young Living. The YL Partner must certify in writing that no participant within the entity has an interest in another Brand Partner account. A YL Partner may change status from individual to partnership or corporation by submitting the appropriate documentation mentioned above.

Young Living may terminate a YL Partner's Agreement if Young Living, in its sole discretion, does not approve of any change of business names, formation of partnership, corporation, or trust for tax, estate planning, or 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 YL Partner certifies that no person with an interest in the new business entity has had an interest in another YL Partner account within 6 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). YL Partners should contact accountupdates@youngliving.com for any name changes or other changes in the YL Partner's organization's ownership.

3.6 SALE, TRANSFER, OR ASSIGNMENT

Young Living may assign or transfer the Agreement to another Young Living affiliate at any time. Brand Partners may not sell, transfer, or assign (collectively "transfer") the Agreement, or any rights or duties thereunder, without the written approval of Young Living. Any attempts to sell, transfer, assign, or delegate the Agreement without the written approval of Young Living will be void and may result in Young Living's termination of the Agreement and the Brand Partner account. Brand Partners may request Young Living's permission to transfer the Agreement and related account by submitting a request to Young Living



along with a \$50 processing fee. While Young Living may, in its sole and absolute discretion, deny requests for permission to transfer accounts, at a minimum, Brand Partner's requests must satisfy the following criteria:

- A transferring Brand Partner and the receiving party must notify Young Living in writing of their intent to transfer the Agreement, including the Business Organization, by contacting Resolutions (at resolutions@youngliving.com). This request must be signed and notarized.
- Young Living must approve of the transfer in writing prior to its occurrence. Young Living may approve or disapprove of a transfer on any reasonable basis.
- After the transaction, the transferring party must not retain any copies, digital or otherwise, of personal information belonging to members of their former Business Organization.
- The receiving party must be (or must become) a Brand Partner in good standing.
- If the receiving Brand Partner has an existing Business Organization, they must first transfer their rights under the Business Organization or have a transfer in place and approved by Young Living before accepting the new Agreement.
- No changes in the transferring Brand Partner's line of sponsorship or Team can result from the transfer.
- Before a transfer is approved, all debt obligations must be cleared, and any policy violations must be resolved to Young Living's satisfaction.
- Before any transfer is approved, the transferring Brand Partner and the receiving Brand Partner must each follow all the terms of the Agreement.

Young Living may take disciplinary action against a receiving Brand Partner for violations of the Agreement committed by the transferring Brand Partner, and the receiving Brand Partner will be responsible for such violations.

3.7 INHERITANCE & SUCCESSION

A Brand Partner's Business Organization may be passed to the Brand Partner's legal heir(s) or legal representative(s) who (a) demonstrate to Young Living's satisfaction the capability and commitment to actively operate that Business Organization, including engaging with other Brand Partners to encourage product sales, supporting downline Brand Partners, the development of other Brand Partners' organizations, and the appropriate level of leadership in light of the size and complexity of the Business Organization; and (b) provide proof of the Brand Partner's death or incapacitation, appropriate legal documentation, a signed Agreement, and a W-9 form to Young Living at accountupdates@youngliving.com. The Brand Partner account will not automatically pass to a co-applicant of the account since that individual does not have ownership rights in the account.

In determining whether heirs or legal representatives are capable of and committed to actively operating a Business Organization, Young Living will apply a strong presumption that inheritance or succession by professional services firms, or by individuals or business entities that intend to hold the Business Organization as a passive asset, will not be approved. Young Living may require that heirs or legal representatives provide specific plans and commitments demonstrating capability and commitment to actively operating a Business Organization.

Appropriate legal documents for approval of inheritance or succession may also depend on the nature of the deceased member'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 account is held in a trust, the trust documents must be provided. If the estate goes through a probate proceeding to determine the 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 Business Organizations may take some time, particularly if a probate court is involved or the account ownership is being disputed. Young Living may either place a temporary hold on commissions or allow heirs or legal representatives to temporarily operate a Business Organization during periods of temporary incapacity or while proposed inheritance or succession is reviewed.

If temporary operation by, or the passing of a Business Organization to, heirs or representatives is approved, Young Living reserves the right to transfer or re-assign any or all of a Business Organization to other Brand partners if the heir(s) or representative(s) fail to demonstrate to Young Living's satisfaction the capability and commitment to actively operate that Business Organization. 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 sales organizations. If Young Living denies the right to have a beneficial interest in a second account that passed through inheritance, it may allow a four-month grace period to sell the interest in one of the accounts. After that grace period, the inherited account will be placed on hold or terminated.

3.8 SEPARATION OF A YOUNG LIVING BRAND PARTNER BUSINESS

Brand Partners may, with others, operate a single Business Organization as a husband-wife partnership, regular partnership, corporation, or trust (the latter three entities are collectively referred to herein as "entities"). If a marriage relationship ends in divorce or the applicable entity dissolves, arrangements must immediately be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of the Support Team.

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

- One of the parties may, with consent of the other(s), operate the business pursuant to a written and notarized assignment whereby the relinquishing party(ies) authorize(s) Young Living to deal directly and solely with the other party(ies). A notarized request from the person being removed is required. A new Brand Partner Agreement and W-9 form are required from the person remaining on the account.
- The parties may continue to operate the Business Organization jointly on a "business-as-usual" basis,



whereupon all compensation paid by Young Living will 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 business pursuant to a court order involving the parties.
- If one of these requirements is not met, Young Living will maintain the status quo as to how commissions are paid.

Young Living will not divide Business Organizations among divorcing spouses or parties affiliated with a dissolving entity. Similarly, Young Living will not split commission or bonus checks between divorcing spouses or parties affiliated with a dissolving entity. Young Living will recognize only one Agreement for a Brand Partner and will issue only one commission check per commission cycle. Commission checks will always be issued to the same individual or entity, unless all parties to an Agreement agree that commissions will be due and paid to another party or Young Living is ordered to do otherwise by a court of competent jurisdiction. Former spouses or former affiliates of a Brand Partner who have completely relinquished rights associated with that Brand Partner may re-enroll as new Brand Partners 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 Agreement. Such re-enrolling Brand Partners must develop the new business in the same manner as would any other new Brand Partner.

3.9 [RESERVED]

3.10 TAXES

3.10.1 INCOME TAXES

YL Partners are responsible for complying with the applicable tax laws in the jurisdiction where the YL Partners reside or do business. In the United States, YL Partners are responsible for paying all local, state, and federal income taxes on any earnings generated through the YL Partners' business. Young Living may withhold from commission checks the required backup withholding for any YL Partners that have not submitted a valid Social Security Number (SSN), Federal Tax Identification Number (TIN), Employer Identification Number (EIN), or Individual Taxpayer Identification Number (ITIN). YL Partners are responsible for any fines or penalties incurred by Young Living because of an incorrect SSN, TIN, or name associated with the YL Partners' accounts. Every year, Young Living will provide an IRS Form 1099 MISC (Non-Employee Compensation) earnings statement to YL Partners that are U.S. residents and either (i) had earnings over \$600 in the previous calendar year; or (ii) made purchases during the previous tax year (January to December) of more than \$5,000.

Customers are not required to provide any tax information.

Changes to a SSN, TIN, EIN, or ITIN must be received via a completed W-9 form. The name and TIN on a YL Partner's account must match IRS records. The signature on these forms must match the signature of the owner on the account. For

tax reporting purposes, changes to these numbers will result in issuance of an additional 1099 in the same tax year. No previous 1099s may be reissued under the new SSN or TIN. Earnings made before the change will be reported on the original TIN. Earnings after any change will be recorded on the new TIN. When a YL Partner account is owned by two or more individuals, taxes will be reported on the primary individual's tax number.

3.10.2 SALES TAXES

Young Living may be required to collect and remit sales taxes on YL Partners' behalf based on the published retail price of the product and according to tax rates of the state or country in the "ship to" address on any given order. Moreover, Young Living may be required by other countries to collect value added taxes, goods and service tax, harmonized sales tax, provincial sales tax, customs fees, or duties. YL Partners will be required to cover these additional taxes, fees, and duties.

YL Partners who sell products from a physical business location within the United States as outlined in this Agreement, can apply for sales tax exemption. Brand Partners may review the Sales Tax Exemption Information located on the resource page of the Virtual Office for specific instructions and documentation on how to apply for this exemption. PACs should contact professional@youngliving.com for these instructions and documents. Young Living reserves the right to verify the validity of any documents and evidence that YL Partners submit in applying for this exemption. YL Partners that are approved for sales tax exemption will be solely responsible for collecting and remitting sales taxes to the appropriate jurisdictional authorities. YL Partners should direct any questions concerning retail sales tax requirements to their tax advisor.

3.11 INNAPROPRIATE BUSINESS PRACTICES

3.11.1 NON-SOLICITATION

Young Living and YL Partners have made significant investments in building their respective businesses. YL Partners benefit from those overall efforts. To protect this value, and as a condition of their Agreements with Young Living, YL Partners understand and agree that the following restrictions are reasonable and necessary to protect the legitimate business interests of Young Living and other YL Partners, and that such restrictions do not prevent YL Partners from working or otherwise earning a living. In particular:

- YL Partners are prohibited during the term of their Agreement from directly, indirectly, or through a third party, recruiting any YL Individuals to participate in any business venture offering similar or alternative products or services to those offered by Young Living (each a "Competing Business Venture"), regardless of who initiates the contact.
- YL Partners are prohibited for a period of twelve months after termination of their Agreement from directly, indirectly, or through a third party, recruiting to participate in a Competing Business Venture any YL Individual (i) who was in the YL Partner's Team or Support Team at any time during the term of the Agreement; (ii) who had contact with the YL Partner related to Young Living



products or business during the term of the Agreement; or (iii) whose contact information (name, address, phone number, or email address, etc.) was obtained by the YL Partner at any time during the term of Agreement.

- YL Partners are prohibited during the term of their Agreement and for a period of twelve months after termination of their Agreement from offering any non-Young Living products, services, or Competing Business Ventures either in conjunction with the offering of Young Living products, services or income opportunity, or at any Young Living meeting, seminar, launch, convention, or other Young Living function.

The term “recruit” or “recruiting” means: (i) to enroll, enlist, or solicit 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 recruitment violates this provision regardless of whether the recruited individual or entity terminates or changes the relationship with Young Living and regardless of whether the recruited individual or entity agrees to join or evaluate the business, program or organization. Activity constitutes 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 other means. It is a violation of the Agreement to recruit any YL Individuals to participate in a Competing Business Venture regardless of whether the individual or entity is known to be a YL Individual. Current or former YL Partners are responsible to determine whether a prospect is a YL Individual before recruiting the prospect for a Competing Business Venture.

A YL Partner (i) voluntarily terminates that YL Partner’s Agreement by violating any provision of this Non-Solicitation Section, effective as of the date of the violation, and (ii) forfeits any commissions and bonuses payable for and after the calendar month in which the violation occurred. If Young Living pays a YL Partner any bonuses or commissions after the date of the violation, all bonuses and commissions for and after the calendar month in which the violation occurred will be refunded to Young Living.

In addition to refunding any bonuses and commissions paid by Young Living any YL Partner that violates this Non-Solicitation Section will be required to provide an accounting to Young Living of any solicitation activities and any profits, compensation, commissions, remunerations, or other benefits directly or indirectly resulting from or related to those activities. Any YL Partner that violates this Non-Solicitation Section will be required to disgorge to Young Living any such profits, compensation, commissions, remunerations, or other benefits, and will also be responsible to any other YL Partners for any adverse financial impact such activities caused to those YL Partners.

Young Living may enforce this Non-Solicitation 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 the Non-Solicitation Section by lawsuit in a court of competent jurisdiction in Utah, by mediation or arbitration, or any combination thereof.

3.11.2 NON-COMPETITION

To protect Young Living’s brand identity and the integrity of Young Living’s and YL Partners’ businesses, as a condition of their Agreements with Young Living, YL Partners understand and agree that they must avoid certain types of competition and potentially confusing direct selling programs and must operate any non-Young Living business separately and apart from their Young Living business.

Specifically, during the term of their Agreements:

- YL Partners may not display Young Living promotional materials, sales aids, products, or services (“Promotional Materials”) with or in the same physical or electronic/online location as non-Young Living Promotional Materials or in any manner or format that enables a viewer to contemporaneously view Young Living Promotional Material and non-Young Living Promotional Material, such as on or in the same social media account;
- YL Partners may not offer Young Living programs, opportunities, products, or services to prospective or existing YL Individuals in conjunction with any non-Young Living programs, opportunities, products, or services; and
- YL Partners 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.

In addition, during the term of the Agreement and for a period of six months after the termination of the Agreement, YL Partners may not directly or indirectly serve in any capacity as a member, representative, consultant, employee, agent, officer, director, shareholder, partner, seller, distributor, or owner of or with doTERRA International, LLC, or any of its affiliated companies. This restriction applies to any geographic market the YL Partner (or the YL Partner’s Team) serviced or within which the YL Partner (or the YL Partner’s Team) physically worked during the term of this Agreement.

Reaching the rank of Diamond and above is very prestigious and provides the Diamond-level YL Partners access to additional Young Living confidential and trade secret information, support, and compensation. Accordingly, once a YL Partner has achieved the rank of Diamond or above, for the remainder of the YL Partner’s Agreement and for a period of six months thereafter the YL 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 YL Partner (or the YL Partner’s Team) serviced or within which the YL Partner (or the YL Partner’s Team) physically worked during the term of this Agreement. Diamond-ranking YL Partners may, however, purchase products from other multi-level marketing, party planning, or other direct sales companies solely for their personal use.



3.11.3 TARGETING OTHER DIRECT SELLERS

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

3.11.4 CROSS TEAM RECRUITING

Cross-team recruiting or sponsoring is strictly prohibited. "Cross-team recruiting" is (i) the enrollment, indirect or otherwise, of an individual or entity that already has a current YL Partner account, or who has had an Agreement within the preceding six calendar months, within a different line of sponsorship; (ii) training current YL Individuals from different lines of sponsorship how to change Sponsors in a non-permitted way in order to facilitate their move to another YL Partner's organization; or (iii) aiding, encouraging, or facilitating the actions outlined in (i) or (ii). The use of a spouse's or relative's name, trade names, DBAs (Doing Business As), assumed names, corporations, trusts, Federal Tax Identification Numbers, or fictitious identification numbers to circumvent these prohibitions or accomplish cross-team recruiting is strictly prohibited.

3.11.5 BONUS BUYING AND STACKING

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 products themselves. Any device or scheme whereby a Brand Partner directly, indirectly, or through a third party causes product to be purchased solely for the purposes of qualifying for bonuses or commissions constitutes fraud on the part of the Brand Partner and is a violation of the Agreement. The following activities are strictly and absolutely prohibited and may result in the termination of a Brand Partner's Agreement:

- Enrolling YL Individuals without their knowledge;
- Signing a customer or Brand Partner Agreement for another person or entity without their knowledge;
- Fraudulently enrolling another person or entity as a YL Individual;
- Enrolling fake individuals or entities as YL Individuals;
- Seeking to increase commissions, bonuses or other compensation by (i) providing financial assistance to a Team member, (ii) buying products through another YL Individual's account, or (iii) drop shipping through another YL Individuals' account;
- Using a credit card, PayPal account, or other payment method for or on behalf of another YL Individual when that YL Individual is not the account holder of such credit card, PayPal account, or other payment method;
- Purchasing more product than the buyer can reasonably consume or re-sell, in the pursuit of commissions, bonuses, or other compensation; and
- Instructing other YL Individuals to purchase product in order to meet or cause someone else to meet the customer volume (CV) qualification requirement of the 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 expansion of Young Living into new markets. Consequently, YL Partners are authorized to recruit and sponsor other YL Individuals only in countries or jurisdictions that Young Living has approved and that are

listed in official Young Living literature, and only when following 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. Because of the severe possible consequences, Young Living may terminate its Agreement with YL Partners who engage in unauthorized premarket opening activity. YL 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. YL Partners agree to indemnify Young Living for any such activities that cause any damage or loss to Young Living, including lost profits, loss of goodwill, damages, fines, penalties, costs, and attorneys' fees.

YL Partners will not place orders for shipment 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 YL Partners that violate these terms, without advanced notice and without liability to the YL Partner.

YL Partners that want to sponsor YL Individuals in a country officially recognized as open must do all the following:

- Be in good standing in the YL Partner's country of residence;
- Read, understand, and agree to follow the Young Living Policies and Procedures in place for that country;
- Agree to follow all applicable laws of that country; and
- Agree to any tax withholdings that may be required for that country.

These Policies and Procedures apply only to sales by YL Partners in the United States. Only products labeled for sale in the United States may be promoted and sold in the United States.

Without expanding the foregoing, YL Partners may sponsor and/or enroll YL Individuals globally, but only in countries Young Living has approved. Note that product availability may differ for countries whose residents purchase products on a not-for-resale (NFR) basis. For open markets, only 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. YL Partners may not import into any country any products that are not legally importable or saleable. YL Partners must follow all laws in any country into which the YL Partners sponsor YL Individuals, 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 that country.

Each YL Partner that is not a resident of the United States understands and agrees that all services performed in connection with that YL Partner's Young Living business are performed outside the United States. YL Partners who perform services within the United States must contact Young Living at USbusinessstrips@youngliving.com within 30 days of performing such services to report the time spent in the United States on business activities in connection with Young Living business.

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

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



3.14 ANTI-BRIBERY

YL Partners and their agents, employees, and 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 or instrumentality. YL Partners must cause their employees, officers, agents, and subconsultants to abide by the same prohibition.

3.15 REPACKAGING, RELABELING, AND QUALITY CONTROLS

YL Partners may not relabel, alter the labels of, repackage, or refill any Young Living product. Young Living’s products must be sold in their original containers only. YL Partners must not remove, deface, or modify any serial number, UPC code, batch or lot code, or other identifying information on products or packaging. YL Partners must 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. YL 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. YL Partners must 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. YL Partners must regularly inspect Young Living inventory for products that are expired or that will expire within 60 days and will not sell such products. YL Partners must provide current contact information to customers and make it known to customers that the YL Partners are available to answer questions, provide advice, and respond to customer concerns both before and after the sale of products. YL Partners must respond to any questions or concerns from customers relating to product information, proper usage, or other inquiries. When responding to customer questions or concerns, Young Living recommends that YL Partners consult Young Living materials, refer to and use available educational tools, or contact Young Living directly. YL Partners must cooperate with Young Living with respect to any product recall or other consumer safety information dissemination efforts.

Young Living strongly recommends that YL Partners do not use Young Living products as ingredients in or components of any product for resale. If a YL Partner uses Young Living products as an ingredient of any product for resale, the YL 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 its Agreement with YL Partners who violate this Section. Additionally, YL Partner agrees 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 ingredients and the repackaging or relabeling of any of its products.

3.16 CONFIDENTIALITY AGREEMENT

YL Partners may be supplied with information that is of a confidential or proprietary nature developed by Young Living or developed for and in behalf of Young Living by YL Partners (including, but not limited to, customer and YL Partner profiles and contact information, personally identifiable information, and product purchase information), YL Individual 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”). In certain instances, information may be restricted to certain YL Partners, or may be supplied to certain YL Partners in advance of being disseminated to other YL Partners or the public more generally (for example, with respect to certain promotions). In such cases, the information is Confidential Information to the extent its broader disclosure is restricted.

Young Living does not guarantee that the Confidential Information is complete, accurate, of satisfactory quality or fit for any purpose and YL Partners accept Young Living’s Confidential Information “as is”. In disclosing the Confidential Information to YL Partners, 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 YL Partners in strictest confidence on a need-to-know basis for use solely in YL Partners’ business related to Young Living products and only consistent with the restrictions that Young Living may set. YL 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 YL Partners. YL Partners must not use or disclose Confidential Information to compete with Young Living or for any purpose other than for promoting Young Living’s program and its products and services. YL Partners must adopt and maintain reasonable safeguards to protect the confidentiality of Confidential Information and must not disclose any such information to a third party directly or indirectly unless such disclosure is expressly authorized by Young Living or required by law. Each YL Partner agrees to indemnify Young Living against damages incurred from any and all such unauthorized disclosures caused by that YL Partner.

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



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. YL 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 PHOTOS OR VIDEOS

YL 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 they see fit in advertising and marketing materials. YL Partners will not be compensated for this use. YL Partners that have a religious or moral objection to having pictures taken or to 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 Compensation Plan pays compensation based on different ranks and the criteria set forth in that plan. Each month YL Partners may qualify for payment according to the rank to which those YL Partners qualify. YL 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 new, higher rank that is Silver or above, YL Partners must qualify for that rank (or above) for one month. To maintain recognition at a rank of Silver or above, after initially qualifying for that rank, YL Partners must again qualify for that rank or a higher rank within six months of the last month in which the YL Partners qualified for that rank. If a YL Partner fails to re-qualify for a rank for six consecutive months, beginning the following month that YL Partner will be recognized at the highest rank for which that YL Partner qualified during that six-month period and be required to re-qualify for the higher rank for at least one month before being recognized at the higher rank again.

To be recognized at a Young Living event YL Partners must maintain that rank, as outlined above, and not be under a compliance hold or investigation. Requirements to attend recognition retreats are published at youngliving.com.

3.19 NON-EXCLUSIVITY

Young Living does not grant any YL Partner, individually or as a group, an exclusive territory or exclusive right to any sales channel for Young Living's products or services. YL 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 through its PAC program, its digital commerce website, other companies (e.g., e-commerce platform, etc.), or other distribution channels.

3.20 NON-DISPARAGEMENT, ANTI-HARASSMENT, AND EMPLOYEE PRIVACY

YL Partners must not disparage, slander, or defame Young Living, other YL Partners, Young Living employees or officers, or Young Living founders. YL Partners, however, may 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 YL 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 also will not tolerate its employees (which, for purposes of this Section 3.20 and for the avoidance of doubt, includes Young Living's corporate officers) being harassed, cyber-stalked, or otherwise abused. Young Living asks its YL 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 e-mails, 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 YL Partners to exhibit grace not only in their dealings with one another but also when dealing with corporate employees. YL Partners who personally attack or verbally abuse Young Living employees may face disciplinary action under the Agreement. In addition, YL 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 Agreement and may result in Young Living terminating the Agreement with the breaching YL Partner.

4. SPONSORING OTHER BRAND PARTNERS

4.1 SPONSORING

YL Partners have the right to sponsor YL Individuals. If two Brand Partners claim to be the sponsor and/or enroller of the same YL Individual, the YL Individual has the right to choose between the two within the first 30 days of enrollment.

4.2 SPONSORING ONLINE

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

4.3 PRIVACY

YL Partners must safeguard and protect all private information provided by YL Individuals in the operation of the YL Partners' Business Organizations in accordance with the Young Living U.S. Privacy Policy available at youngliving.com. YL Partners 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, YL Partners must use and store the private information according to the following data storage guidelines:

- Hard copies of private information must be stored in a secure location where only the YL Partner can access it, in a locked cabinet if possible.



- Electronic copies of private information must be stored and viewed only on password protected computers, laptops and devices, to which only the YL Partner has access.
- YL 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, YL Partners should save private information to password protected computers, laptops and devices to which only the YL 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 illegal claims, YL 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 must be used in a context that does not render them misleading.

5.2 YL PARTNER-DEVELOPED ADVERTISING MATERIALS AND PRODUCTS

YL Partners that choose to produce or use advertising materials that were 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. YL Partners are not permitted to use Young Living corporate letterhead or any other representation suggesting that the YL 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 these Policies and Procedures. Such material must be produced in a professional and tasteful manner to protect the Young Living brand. Material that reflects poorly upon Young Living must not be used. Young Living may require the removal or discontinuation of YL Partner-developed advertising materials and YL Partners must promptly comply with all such requests.

5.3 ADVERTISING CLAIMS AND REPRESENTATION

5.3.1 PRODUCT CLAIMS

YL Partners are prohibited from making inaccurate and impermissible claims about any Young Living products. YL 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. YL Partners must also avoid making any statements and claims that are false or misleading concerning Young Living's products.

5.3.2 EARNINGS CLAIMS

You may not make any false, misleading, or potentially misleading claims regarding earnings, income, or lifestyles.

YL Partners are prohibited from making improper earnings claims, which includes any testimonial, statement, or other

representation, whether written or oral, that includes or constitutes any of 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; or
- any other false, untruthful, incomplete, or otherwise misleading or potentially misleading information regarding income, earnings, or lifestyles.

YL Partners also 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 luxury lifestyle;
- a large home;
- luxury automobiles;
- exotic vacations;
- a spouse no longer having to work;
- financial freedom; or
- anything similar to the foregoing.

Additionally, YL Partners may not mention Young Living in a social media post near another post suggesting a luxurious lifestyle. Further, YL Partners may not disclose images of any commission check or any images of bank accounts, balances, tax statements, or similar financial records.

Young Living has prepared an Income Disclosure Statement (IDS) designed to convey truthful, timely, and comprehensive information about the income that its YL Partners have earned. The IDS is a tool that assists YL Partners to understand the income opportunity and should be shared in its entirety. YL Partners should not share a portion of the IDS without directly linking to it or disclosing the entire document. A copy of the IDS is available online at youngliving.com/IDS. Any time that a YL Partner presents or discusses the Young Living Business Opportunity, the YL Partner MUST provide any prospective YL Partners with a copy of the IDS. The copy of the IDS must be visible in a clear and conspicuous manner at the same time the information is provided (i.e., not via a hyperlink), and Young Living recommends using the enlargeable thumbnail image provided at www.youngliving.com/ids/.

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 along with that earnings claim and a reference to the IDS. 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. See the Young Living Income Disclosure [with a hyperlink to the IDS]." 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. Securing career-level income through Young Living requires significant and sustained levels of work." The disclaimer must also reference the IDS.



5.3.3 COMPENSATION PLAN CLAIMS

When presenting or discussing the Compensation Plan, YL Partners must provide any prospective Brand Partner with a copy of the IDS. YL Partners must never represent that individuals can be successful without diligently applying themselves over an extended time. Examples of impermissible representations include, but are not limited to the following:

- 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 team will build through spillover.
- Just join and I will build your team 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.
- Consider your product purchases as investments.

5.3.4 INDEMNIFICATION FOR UNLAWFUL ADVERTISING STATEMENTS

YL Partners are fully responsible for all verbal and written statements they make regarding Young Living products, services, and the Compensation Plan that are not expressly contained in official Young Living materials. YL Partners agree to indemnify Young Living and Young Living's directors, officers, members, 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 the YL Partner's actions in the promotion of Young Living products and business opportunity. This provision will survive the termination of the Agreement.

5.4 TRADEMARKS AND COPYRIGHTS

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 are herein referred to as "Young Living Trademarks" and are owned by Young Living.

During the term of the Agreement, and only during that term, YL Partners are authorized to (i) copy and use the photographs made readily accessible on Young Living's Flickr® page (or other future-used 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 (ii) use, except as prohibited herein, Young Living's Trademarks (excluding Young Living's company logos) solely in connection with the development of online and printed materials for use in building and managing the YL Partner's Young Living business.

YL Partners may not, however, use these copyrighted materials or the Young Living Trademarks in connection with any activity outside the scope of the YL Partners' Agreement without Young Living's written authorization. YL 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 to others (including other YL Partners)), directly or indirectly. Upon termination of the Agreement, this license will automatically terminate, and

YL Partners must immediately cease all use of Young Living Trademarks, text, photographs, and video.

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

YL Partners are prohibited from using any Young Living Trademark (or confusingly similar terms) in connection with any online paid marketing program or effort, including pay-per-click online advertising, Google AdWords, paid social ads, video content, content syndication, and display marketing.

5.5 DOMAIN NAMES AND EMAIL ADDRESSES

YL Partners may not use, register, or own any Internet domain name, either in the U.S. or abroad, that includes any Young Living Trademarks or any derivative thereof. Nor may YL Partners incorporate or attempt to incorporate any Young Living Trademarks or any derivative thereof into any email address. In accordance with this policy, all existing YL Partner-owned domain names that violate this provision will be expected to be brought into conformance within three months 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 YL 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 three-month time period noted above.

5.6 INTERNET POLICY

Many YL Partners will use the Internet to promote their businesses 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 (as provided by Young Living) in a prominent location so that visitors to the sites are not given the impression that it is an official Young Living site. Additionally, any website or online application used to promote a YL Partner's business must include the YL Partner's Brand Partner number or PAC number, as applicable.

Any use of the Internet to promote a YL Partner's business may include current product descriptions, photographs, videos, and other media made available to YL Partners by Young Living (e.g., through the official Young Living website, the Virtual Office, or the Young Living Flickr® account). However, these sites may not (i) use Young Living's trade dress; (ii) make any improper product, income, or Compensation Plan claims; (iii) contain false or misleading information; (iv) collect, store, process, or transmit any YL Individual's confidential information; (v) use old or outdated product descriptions, photographs, videos, and other media, or (vi) give the appearance that it is operated by Young Living or any third party (meaning anyone other than the YL Partner).



When using social media, YL Partners may not use as their username, account name, or other identifier (collectively “Username”) any of Young Living’s trade names, 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 an official Young Living account.

YL Partners may also use websites to sell Young Living products (except for sites prohibited by Section 5.7 below), but if they do, in addition to the provisions set forth above, they will also be subject to the following conditions:

- Such site must be operated by the YL Partner in their 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 YL 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 number or PAC number, as applicable, to onlinesales@youngliving.com.
- Such site must display the applicable Brand Partner number or PAC number, as well as the Independent Brand Partner logo or PAC logo, as applicable.
- Such site must have a mechanism for receiving customer feedback and the YL Partner will (i) use all reasonable efforts to address all customer feedback and inquiries received in a timely manner; (ii) provide copies of any information related to customer feedback (including any responses to customers) to Young Living upon request; and (iii) cooperate with Young Living in the investigation of any negative online review associated with the sale of Young Living products by the YL Partner and use any reasonable efforts to resolve any such reviews.
- Notwithstanding anything to the contrary in these Policies and Procedures, such site may collect, store, process and transmit YL Individual confidential information, provided that the site complies with all applicable privacy, accessibility, and data security laws, regulations, and industry standards.

YL Partners are responsible for ensuring that all those operating any internet site on behalf of the YL Partner comply with all the requirements addressed throughout this Section and the remainder of the Policies and Procedures.

Any website or online application that is used by a YL Partner to promote the YL Partner’s Young Living business in any way, may be monitored by Young Living. Failure to monitor any such site or online application for any time does not waive Young Living’s rights to ensure compliance with this Section. At Young Living’s request, the YL 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 YL Partner’s promotions of Young Living on the internet. Young Living may terminate a YL Partner’s Agreement for violations of this Section.

5.7 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 YL Partners are building, YL Partners may not sell or promote, in any fashion, Young Living products on any Internet classified ad site (e.g., Craigslist, etc.), marketplace (e.g., Facebook® marketplace, Walmart® marketplace, etc.), auction site, shopping site, or order fulfillment store (e.g., eBay®, Amazon®, OrderDog™.com, Overstock®.com, etc.). Further, YL Partners may not (i) 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 (ii) sell products to a third party that the YL 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 reserves the right to grant specific permission to allow exceptions to this Section.

Young Living will be entitled to any and all reasonable attorneys’ fees and related costs incurred in enforcing its rights in any action in which it is found that a YL Partner violated the terms of this provision. This Section only applies to YL Partners, and no other sales via internet sites are permitted for any party subject to the Agreement, except for those permitted via the use of Young Living Personal Websites in accordance with Section 5.9.

5.8 TELEPHONE AND EMAIL SOLICITATION

Any email messages distributed to solicit for a YL 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 YL Partners’ email, phone calls, or text when requested may subject those YL Partners to legal action and Young Living may terminate their Agreement.

YL Partners may not engage in telemarketing to promote Young Living products or the Young Living opportunity or to solicit potential YL Individuals. 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, including using automatic dialing devices or programs.

YL Partners will indemnify Young Living and Young Living’s directors, officers, 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 the YL Partner’s telemarketing activities.

5.9 YOUNG LIVING PERSONAL WEBSITES

Young Living offers YL Partners a personalized website to assist in marketing efforts. YL Partners should contact Customer Services at 1-800-371-3515 for more details or log in to the Young Living Virtual Office (YoungLiving.org) for more information. By using a Young Living website, YL Partners’ contact information will become available to the public so that they may contact the YL Partner with questions. Young Living will not be held responsible for any unintended or adverse consequences of this service.



5.10 COMMERCIAL OUTLETS

Subject to the provisions of this Agreement, YL Partners may display Young Living products in commercial outlets that, in Young Living's sole discretion, are not large enough to be considered regional or national chains.

5.11 MINIMUM ADVERTISED PRICE

YL Partners must read, and acknowledge to have read, the Minimum Advertised Price Policy available at: www.youngliving.com/map/. Violations of this policy constitute a material breach of the Agreement and may result in Young Living terminating the YL Partner's Agreement.

5.12 TRADE SHOWS AND EXPOSITIONS

Subject to the requirements in this Agreement, YL 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 YL Partners must clearly identify themselves as independent sellers or independent Brand Partners, as applicable.

5.13 MEDIA INQUIRIES

YL 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 Public Relations team at prinquiries@youngliving.com.

6. PRODUCT SALES

6.1 SALES RECEIPTS

YL Partners are required to document all retail sales. YL 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. YL Partners must verbally inform customers of their cancellation rights. Additionally, if YL Partners sell product inventory to other YL Partners, a sales receipt must be provided to the buyer. The YL 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

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 products themselves. YL Partners will not make, and will not encourage their Team or any other YL 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. YL Partners must consume their products or sell their products to people who will consume them. YL Partners are expressly prohibited from collecting or otherwise storing excessive inventory, as described by this Section. If any YL Partner is found to be buying to meet qualifications within the Compensation Plan, Young Living may terminate the YL Partner's Agreement.

To be eligible for commissions YL Partners must not stock excessive inventory and must sell to end consumers at least 70% of the inventory purchased for resale (and not personal use) before purchasing additional products. By ordering

product, YL Partners certify that they have sold or used at least 70% of all product previously purchased for resale.

6.3 DAMAGED PRODUCT

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

7. COMMISSIONS AND BONUSES

7.1 COMMISSIONS AND BONUS CHECKS

To qualify for commissions under the Compensation Plan, a Brand Partner's account must be active, and the Brand Partner must be in compliance with the Agreement with no holds on their account. Commissions will be paid in accordance with the Compensation Plan on approximately the 18th of each month for the prior month's sales. Brand Partners may elect to have commissions paid via the options below and may contact Customer Services for more information at 1-800-371-3515.

- Direct Deposit - Brand Partners may elect to have commissions paid via direct deposit to a US 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 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 options chosen. Please refer to the FAQs and Getting Started Guide within the Virtual Office.
- Physical Paper Check - Brand Partners may elect to receive a physical paper check for a \$6 USD fee per check. Please contact Customer Services at 1-800-371-3515 and request to opt-in to begin receiving a paper check.
- Credit on Account - Commission amounts under \$25 USD will be retained as a credit on 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. This form must be received and approved by Young Living before the Brand Partner's compensation check can be issued as a credit on account.

Brand Partners may access detailed commission reports from the Virtual Office at youngliving.org. Brand Partners who do not have Internet access may request that the report be mailed for a small fee. Brand Partners should review their Commission and Bonus Recap statements and report any errors or discrepancies to Young Living within 45 days from the date on the check. Errors or discrepancies that are not brought to Young Living's attention within 45 days will be deemed waived.

7.2 ADJUSTMENTS

Adjustments may be made to a Brand Partner's commission check for any fees, unpaid balances, or debts 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 that of the purchaser's Support Team.

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

7.3 BUSINESS SUPPORT FEES

A monthly business support fee is assessed each month and is used to offset systems development and maintenance, accounting, processing, account maintenance, and other costs. The fee may be tax deductible, so Brand Partners should consult their own tax advisor for details. A current business support fee schedule is posted in the Virtual Office, which Young Living may amend from time to time.

7.4 RETURNED COMMISSIONS PAYMENTS

- Direct Deposit Returns – Any returned Direct Deposit payments will be credited to a Brand Partner's account. Young Living may contact Brand Partners 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 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 compensation check is not cashed, it will be voided, and the amount credited to the Brand Partner's account. If left unused for the applicable required statutory period, the credited amount may be escheated to the government in the state of the Brand Partner's last known address in accordance with applicable unclaimed property laws.

7.5 REISSUE REQUESTS

There is a \$6 USD service charge for reissuing a check. This charge will be deducted from the balance owed to the Brand Partner.

7.6 MONTH-END ORDER PROCESSING CUTOFF

For orders to be counted in each 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. The month-end order processing cutoff is the last calendar day of the month at 11:59 p.m., Mountain Time. Faxed orders must be received by the last day of the month. All mailed-in orders must be post marked 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 & RETURNS

All product orders are made through the youngliving.com website and are subject to the Terms of Services for youngliving.com. YL Partners may contact Customer Services with questions about an order. All refunds are governed by Young Living's Refund Policy, available at www.youngliving.com/returns/. 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 who received compensation on such purchases.

YL Partners that sell product to non-YL Individuals are required to provide the same return policy to the buyer. YL Partners to whom products are returned are also responsible for returning the product to Young Living within 10 days of receiving the return. Young Living will not provide refunds on or accept returns directly from non-YL Individuals.

9. YL PARTNER ACCOUNT MANAGEMENT

9.1 CHANGES TO A YL PARTNER ACCOUNT

YL Partners must immediately notify Young Living of changes to the information submitted in the YL Partner's application. YL Partners may update existing information by submitting a written request indicating the changes by email to custserv@youngliving.com, by live chat, or by making such changes in the Virtual Office (youngliving.org) or by changing that information online. 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 or relay such requests.

9.1.1 SPONSOR CHANGES

To protect the integrity of all marketing organizations and to safeguard the hard work of all YL Individuals, 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 customers and brand partners are allowed one free sponsor/enroller change within the first 30 calendar days of enrollment. Sponsor/enroller change requests can be made directly over the phone if within the first five calendar days of enrollment. 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. The email or form must come directly from the new YL individual or the new YL individual's enroller and must be sent from the email address on file with Young Living. Requests cannot be submitted by another YL individual, 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 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 Sponsor change request as outlined herein and within the 30 days. If within the



30 days the Enroller and the newly enrolled YL Individual both submit a request for a Sponsor/Enroller change, the newly enrolled YL Individual's request will always take precedence. Only newly enrolled YL Individuals are authorized to request any Sponsor change for their individual accounts within 30 days of the enrollment. Such changes cannot be made at the request of Support Team or family members.

- Under exceptional, extenuating conditions, a YL Individual may request a Sponsor change after the 30 days of enrollment by completing a Three Active Support Team Approved Sponsor Change Request Form and submitting a nonrefundable \$35 USD processing fee to Young Living via mail at Young Living Essential Oils, LC, Attn: Resolutions, 1538 W Sandalwood Drive, Lehi, UT 84043; or via email at resolutions@youngliving.com or via fax at 1-801-418-8800. "Three Active Support Team" is defined as the first three Brand Partners in the YL Individual's Support Team that have qualified to earn compensation in the Young Living Compensation Plan for the immediately prior six consecutive months. The nonrefundable \$35 USD 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 members does not respond within a period of 60 days, the YL Individual may request to be moved under the Sponsor of their choice. The YL Individual must demonstrate that they have made a good faith effort to contact all three Support Team members. The good faith effort will require the YL Individual to provide enough evidence to prove they have tried for a period of 60 days to contact the Support Team member via email, certified mail, etc.; and the Support Team member has ignored or has been nonresponsive to the request. The evidence must be submitted to the Conduct Success Team at conduct@youngliving.com. If the YL Individual 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 Support Team, the YL Individual's original Team (downline) will roll up to the next Support Team and remain in the original genealogy. If there is a dispute concerning a signature of one or more of the Three Active Support Team approval, the Conduct Success Team will investigate the approvals; and Young Living may reject the Sponsor change request and restore the YL Individual to the original Sponsor. No Enroller changes will be allowed after 30 days of the initial YL Individual enrollment. Young Living reserves the right to approve and/or deny all Sponsor change requests in its sole discretion. If after an investigation there is evidence to prove that a YL Individual 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 YL Individual is unable to get approval from their Three Active Support Team, the YL Individual may choose to go six months without placing an order to effect a change to a new Sponsor. At the end of six months, the YL Individual may request a sponsor change by emailing resolutions@youngliving.com and paying a \$35 USD fee. The new Sponsor cannot become the Enroller. When a YL Individual moves from their original Sponsor to a new Sponsor, the Enroller status/bonus becomes null and void.

- A YL Individual may request a Sponsor change if the YL Individual's Sponsor has not provided support to the YL Individual for a period of two years, and the YL Individual has filed a grievance with Young Living that includes the following: (i) The Sponsor/Support Team member does not contact the YL Individual over the period of two years; (ii) the Sponsor/Support Team member does not respond to requests for help; or (iii) the Sponsor/Support Team member does not offer support, mentoring, business building information, etc. The YL Individual must submit the grievance to conduct@youngliving.com along with supporting documentation. Young Living will conduct a full investigation into the grievance; and if the grievance appears substantiated, Young Living may allow the sponsor change. The YL Individual requesting the change must pay the nonrefundable \$35 USD processing fee.

Requests cannot be submitted by another YL Individual. Young Living will not approve Sponsor change requests that it deems to be intended to manipulate payment under the Compensation Plan. Any Sponsor change that immediately causes the rank up of a Support Team member, will be denied.

If a YL Individual enrolled in Young Living or 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.

9.1.2 WAIVER OF CLAIMS

YL PARTNERS THAT FAIL TO FOLLOW THE PROCEDURES OUTLINED IN THE SPONSOR CHANGE SECTION FOR CHANGING SPONSORS ASSUME THE RISK THAT YOUNG LIVING MAY NOT APPROVE OF SUCH CHANGE. YL 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 SPONSORSHIP OF A BUSINESS ORGANIZATION THAT IS IMPLICATED BY NOT FOLLOWING THE PROCEDURES IN THE SPONSOR CHANGE SECTION REGARDING CHANGING SPONSORS, AND YL PARTNERS WAIVE ANY AND ALL CLAIMS WITH RESPECT THERETO.

9.1.3 SPONSOR PLACEMENT PROGRAM

When a new Brand Partner or Customer 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. For new Brand Partners or Customers who specifically request to be assigned to a Sponsor and/or Enroller, Young Living generally assigns a Sponsor and/or an Enroller who resides in or near the same area code or geographical area of the orphan and/or who speaks the same language as the orphan. Eligible Sponsors and Enrollers generally include Executive, Silver, and Gold ranking Brand Partners who actively support their Teams, have growing sales results, have grown their Business Organizations in the month in which a new orphan becomes available, are active in participating in Young Living events and programs (e.g., Loyalty Points), and who actively work to support the mission of Young Living.



A newly assigned Brand Partner or Customer has 30 days to change from the assigned new Sponsor to another Sponsor of their choice, as outlined in Section 9.1.1 (Sponsor Changes).

9.2 TEAM GENEALOGY REPORTS

Team Genealogy Reports (“Reports”) are optional and may be ordered at any time. Brand Partners with a Young Living-sponsored personal website may receive two free emailed team Reports per month, upon request, with all additional email Reports costing \$5 USD each. Brand Partners who do not have a Young Living-sponsored personal website must pay \$5 USD for each email Report requested. Brand Partners who wish to have the Report faxed or mailed must pay \$5 USD for the first ten pages and 10 cents for each additional page. Young Living reserves the right to modify the charges described in this Section.

Team Genealogy Reports constitute Confidential Information as set forth in 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 the term of the Agreement and after the termination of the Agreement by either party for any reason, Brand Partners may not:

- Disclose any information contained in the Reports to any third party;
- Use Reports to compete with Young Living;
- Use Reports to solicit or recruit any YL Individual 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; or
- Use Reports to manipulate or attempt to manipulate the Compensation Plan, including in contravention of any of the policies contained herein.

Upon termination of the Agreement or demand by Young Living, Brand Partners must, at Young Living’s discretion, either (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 such Brand Partner’s possession and provide evidence of such destruction to Young Living. This Section will survive the termination of the Agreement.

10. DISPUTE RESOLUTION AND DISCIPLINARY ACTION

10.1 DISPUTES WITH OTHER YL PARTNERS

If a YL Partner has a grievance or complaint with another YL Partner, the YL Partner with the grievance should first discuss the problem with the other YL Partner and attempt to resolve the matter between themselves. If the YL Partners are unable to resolve the problem themselves, the YL Partner with the grievance may report the problem to their Silver or higher-ranked Support Team leader to resolve the issue at a local level. If the matter cannot be resolved, it may be reported to the Conduct Success team in writing via mail, fax, or email at 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 Conduct Success team will investigate the matter, review the applicable policies, and render a decision on how the dispute will be resolved.

10.2 DISPUTES WITH YOUNG LIVING

YL Partner and Young Living (each a “Party” and collectively the “Parties”) understand and agree that this Section 10.2 operates as a separate and distinct agreement that is severable from the remainder of the Agreement and is enforceable regardless of the enforceability of any other provision of the Agreement as a whole. Consideration for this provision includes, without limitation, the Parties’ mutual agreement to arbitrate claims. This Section 10.2 will survive the termination of the Agreement.

The Agreement will be governed by the laws of the State of Utah without regard to principles of conflicts of law, except that the agreement to arbitration herein and any arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq. To the extent that there is a conflict between the Federal Arbitration Act and Utah law, the Federal Arbitration Act prevails.

Young Living may amend the terms and conditions of this Section 10.2 from time to time. Any such amendments will be made in accordance with the duty of good faith and fair dealing. The Parties understand and agree that modifications to this Section 10.2 are not governed by Section 1.4 of the Policies and Procedures. Rather, modifications to this Section 10.2 will become effective 30 days after first published by Young Living through official Young Living publications distributed to YL Partners or posted on an official Young Living website. If a YL Partner is not willing to accept amendments made to this Section, the YL Partner must notify Young Living in writing, at conduct@youngliving.com. By continuing business, ordering any product, or accepting a commission, bonus payout, or any other benefit of the Agreement after the effective date of any amendment to this Section 10.2, YL Partner accepts that amendment.

10.2.1 MEDIATION

Prior to instituting an arbitration with Young Living, as provided in Section 10.2.2 below, the Parties agree to meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through nonbinding mediation. One individual who is mutually acceptable to the Parties will be appointed as mediator. The mediation will occur within 60 days from the date on which the mediator is appointed. The mediator’s fees and costs, as well as the costs of holding and conducting the mediation, will be divided equally between the Parties. Each Party will pay its portion of the anticipated shared fees and costs at least 10 days in advance of the mediation. Each Party will pay its own attorney’s fees, costs, and individual expenses associated with conducting and attending the mediation, except when otherwise provided by statute. The mediation, and any materials, briefs, statements, documents, or information exchanged at or in anticipation of the mediation, will be kept confidential and will not be admissible for any purpose in any legal proceeding. Mediation will be held in Salt Lake City, Utah, and will last no more than two business days.



10.2.2 ARBITRATION

If mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement or any predecessor agreement between the Parties related to the purchase or sale of Young Living products or services or income opportunities, or the breach thereof, will be settled by arbitration, which shall be conducted exclusively on an individual basis and not in a class-wide, representative or other aggregate basis. The Parties agree to promote to the fullest extent reasonably possible a mutually amicable resolution of the dispute in a timely, efficient, and cost-effective manner.

THE PARTIES UNDERSTAND AND AGREE THAT BY SUBMITTING CLAIMS TO ARBITRATION EXCLUSIVELY ON AN INDIVIDUAL BASIS, EACH OF THE PARTIES WAIVES ANY RIGHT IT MIGHT OTHERWISE HAVE TO PARTICIPATE IN THE CLASS OF ANY EXISTING OR FUTURE CLASS ACTION WITH RESPECT TO ANY ARBITRABLE CLAIMS. THE PARTIES WAIVE THEIR RESPECTIVE RIGHTS TO A BENCH OR JURY TRIAL AND AGREE TO SETTLE THEIR DISPUTES BY SUBMITTING THE CONTROVERSY TO BINDING ARBITRATION.

The arbitration will be filed with, and administered by, Judicial Arbitration and Mediation Services (“JAMS”) under its rules and procedures. Copies of the rules and procedures are available at the JAMS website at jamsadr.com and will be emailed to YL Partners upon request to the Conduct Success team.

The arbitrator(s) has the authority to determine jurisdiction and arbitrability issues as a preliminary matter, except the arbitrator(s) will not have the authority to determine whether the arbitration can proceed on behalf of or against a class.

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

- All arbitration proceedings will be held in Salt Lake City, Utah.
- The arbitration agreement and the arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq. To the extent that there is a conflict between the Federal Arbitration Act and Utah law, the Federal Arbitration Act prevails.
- The arbitration will be conducted in English.
- The Parties agree that time is of the essence.
- The Federal Rules of Evidence will apply in all cases.
- The Parties will be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure.
- The Parties will be allotted equal time to present their respective cases, including cross-examinations.
- THE ARBITRATOR(S) HAVE NO AUTHORITY TO AWARD PUNITIVE DAMAGES WITH RESPECT TO ANY DISPUTE RESOLVED BY ARBITRATION, EXCEPT WHEN AN APPLICABLE STATUTE OR OTHER LAW REQUIRES PUNITIVE DAMAGES.

Each Party to the arbitration will be responsible for its own costs and expenses of arbitration, including legal and filing fees, except where an applicable statute or other law provides for recovery of legal fees and costs. The decision of the arbitrator will be final and binding on the Parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction.

The Parties agree and understand that maintaining confidentiality of disputes and dispute resolution is of the utmost importance. The Parties and the arbitrator(s) will maintain the confidentiality of the entire arbitration process and will not disclose to any person not directly involved in the arbitration process:

- The substance of, or basis for, the controversy, dispute, or claim;
- The content of any testimony or other evidence presented at an arbitration hearing or obtained through discovery in arbitration;
- The terms or amount of any arbitration award; or
- The rulings of the arbitrator(s) on the procedural and/or substantive issues involved in the case.

In addition to the foregoing and notwithstanding the rules of JAMS, certain procedures will apply depending on the amount in controversy. For controversies and claims in which the amount in controversy is less than \$1,000,000.00 USD (one million dollars), the following procedures will apply:

- The arbitration will occur within 180 days from the date on which the arbitrator is appointed and will last no more than five business days.
- There will be one arbitrator selected from the panel provided by JAMS, using the JAMS rules for arbitrator selection.
- The arbitrator(s) will 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, but in no event will, the Parties be entitled to discovery rights greater than provided by the Federal Rules of Civil Procedure.

For controversies and claims in which the amount in controversy is equal to or exceeds \$1,000,000.00 USD, the following procedures will apply:

- There will be three arbitrators selected from the panel provided by JAMS, using the JAMS rules for arbitrator selection.
- The Parties will be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure.
- The Parties will be entitled to appeal any arbitration award to an Appeal Panel under JAMS Optional Arbitration Appeal Procedures. The Parties agree to and request oral argument for any appeal filed under the Optional Arbitration Appeal Procedures.

NEITHER THE YL PARTNER NOR YOUNG LIVING AGREES TO ANY ARBITRATION ON A CLASS BASIS, AND THE ARBITRATOR(S) WILL HAVE NO AUTHORITY TO PROCEED ON SUCH A BASIS. A PARTY MAY ASSERT A CLAIM OR COUNTERCLAIM ONLY IN THAT PARTY'S INDIVIDUAL CAPACITY AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS PROCEEDING. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE JAMS RULES, THE ARBITRATOR(S) MAY NOT CONSOLIDATE MORE THAN ONE PERSON'S CLAIMS AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF CLASS PROCEEDING. UNDER THE ARBITRATION PROCEDURES OUTLINED IN THIS SECTION, AN ARBITRATOR(S) WILL NOT COMBINE OR CONSOLIDATE MORE THAN ONE PARTY'S CLAIMS WITHOUT THE WRITTEN CONSENT OF ALL AFFECTED PARTIES TO AN ARBITRATION PROCEEDING.



In the event the prohibition against class arbitration is deemed invalid or unenforceable, then the entire agreement to arbitrate will be null and void.

Except as provided below, no Party will 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 mediation and arbitration policy, either Party may apply to a court of competent jurisdiction as necessary to enforce an arbitration award, or to seek a temporary restraining order 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. The institution of any action will not constitute a waiver of the right or obligation of any Party to submit any claim seeking relief other than injunctive or enforcement relief to arbitration. Further, any Party seeking to enforce an award of an arbitrator(s) will 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.

10.2.3 EQUITABLE RELIEF

Each YL Partner agrees that Young Living has a protectable interest in its goodwill, customer-base, YL Partner network, confidential information, and trade secret information. Each YL Partner further acknowledges that any breach of its non-solicitation, non-competition, or confidentiality obligations under the Agreement will cause immediate and irreparable harm to Young Living for which monetary damages and other legal remedies could not adequately compensate. Each YL Partner further acknowledges that the non-solicitation, non-competition, and confidentiality obligations of the Agreement are reasonable and necessary to protect, maintain, and preserve the legitimate business interests of Young Living and other YL Partners and that such provisions restrict the YL Partner's conduct only to the extent necessary to protect, maintain, and preserve Young Living's legitimate business interests. Each YL Partner further warrants that it understands the legal and other consequences of entering into the non-solicitation, non-competition, and confidentiality covenants and agreements contained in the Agreement and that the enforcement of these provisions will not cause such YL Partner any undue hardship. Each YL Partner agrees that the restrictions herein do not prevent such YL Partner from working or otherwise earning a living. Notwithstanding anything to the contrary contained in the Agreement, each YL Partner acknowledges and agrees that if such YL Partner breaches or threatens to breach any of its non-solicitation, non-competition, or confidentiality obligations, Young Living shall, in addition to any and all other rights and remedies that may be available to it at law, at equity, or otherwise, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction, without any requirement to (i) post a bond or other security, or (ii) prove actual damages or that monetary damages will not afford an adequate remedy. Each YL Partner agrees not to oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in either case, consistent with the terms of this Section. Further, nothing in this Agreement shall be interpreted to prevent either

Party from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, a preliminary injunction, a permanent injunction, or other relief available to safeguard or protect its intellectual property rights or to enforce its rights under the non-solicitation, non-competition, or confidentiality provisions of the Agreement.

10.3 JURISDICTION AND VENUE

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

10.4 LOUISIANA RESIDENTS

Notwithstanding the provisions in Sections 10.2.1, 10.2.2, and 10.3, in any dispute between Young Living and a YL Partner who is a resident of the State of Louisiana, such YL Partner will be entitled to bring an action against Young Living in their home forum and pursuant to Louisiana law.

10.5 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.

10.6 BREACH OF AGREEMENT

Young Living may terminate the Agreement if, in its sole and absolute discretion, it determines that a YL Partner has breached the terms and conditions of the Agreement. Allegations that a YL 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 YL Partner materially breached the Agreement, Young Living may terminate the Agreement immediately. A material breach of the Agreement includes, but is not 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 nutritional supplement and 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 team recruiting or creating duplicate accounts.

If Young Living determines that a YL Partner breached the Agreement, Young Living may provide the YL Partner with fifteen (15) days to cure their breach or appeal Young Living's determination. Young Living will provide written notice to the breaching YL Partner on how the YL Partner can cure the



breach and the date by which the breaching YL Partner must cure or appeal. Young Living may terminate the Agreement if the breaching YL Partner fails to cure the breach within fifteen days of receiving notice. Examples of curative measures include, but are not limited to, one or more of the following:

- When a YL Partner communicates a misleading, deceptive, or false product, lifestyle, income, or compensation claim related to Young Living through any medium in breach of the Agreement, Young Living may require the YL Partner to cure the breach by providing a written statement correcting the misleading, deceptive, or false product, lifestyle, income, or compensation claim.
- When a YL Partner breaches any provision of the Agreement, Young Living may require the YL Partner to cooperate with additional follow-up monitoring to ensure that the breach is not ongoing.
- If a YL Partner breaches any provision of the Agreement, Young Living may require the YL 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 YL Partner's account, including, but not limited to, the right to order products and receive commissions or bonuses. If the YL Partner's Agreement is terminated because of the YL Partner's breach, the YL 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 YL Partners to cure a breach of the Agreement is not a waiver of the breached provision or its right to institute legal proceedings.

10.7 APPEALS OF DETERMINATIONS OF BREACH OF THE AGREEMENT

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

II. TERMINATION AND RECLASSIFICATION

11.1 RECLASSIFICATION

If a Brand Partner does not engage in or accomplish any of the following activities for a period of twelve consecutive months this Agreement will be automatically terminated and the Brand Partner will be reclassified as a Customer:

- Enroll a YL Individual;
- Earn a commission payment;
- Achieve the rank of Star or higher in the Compensation Plan; or
- Purchase a sales tool from Young Living.

Young Living, in its sole discretion, will determine which of its products are considered sales tools. If a PAC does not purchase 50 PV worth of Young Living products for a period of twelve consecutive months the PAC's account and this Agreement will be automatically terminated and the PAC will be reclassified as a Customer.

A YL Partner may voluntarily reclassify into a Customer at any time by emailing resolutions at resolutions@youngliving.com. For purposes of this Agreement a YL Partner who is reclassified as a Customer will be referred to as a "Reclassified Customer".

11.2 INVOLUNTARY TERMINATION

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

If a YL Partner's Agreement with Young Living is involuntarily terminated (excluding being terminated for inactivity), the former YL Partner may reapply to become a YL Partner twelve calendar months from the date of the involuntary termination. To reapply, the former YL Partner must submit a letter to the Conduct Success team (conduct@youngliving.com) setting forth the former YL 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 YL Partner's re-application request.

11.3 VOLUNTARY TERMINATION

A YL Partner may voluntarily terminate their Agreement at any time and for any reason by providing written notice to Young Living that includes the YL Partner's signature, printed name, account number, address, PIN and telephone number. If a YL Partner terminates the Agreement with Young Living and then re-enrolls within six months the YL Partner must enroll under his or her former Sponsor.

11.4 EFFECTS OF TERMINATION AND RECLASSIFICATION

Upon termination or reclassification, YL Partners release all rights to their Team, Business Organization and their YL Partner benefits, including but not limited, to all future compensation under the Compensation Plan, and, in cases of involuntary termination, those commissions or bonuses generated during the periods of activity investigated. Termination does not affect a YL Partner's rights as a Customer of Young Living and former YL Partners may continue to purchase products under Customer accounts if the former YL Partner continues to abide by the Terms of Service of the Young Living website. In the event that a YL Individual's account is terminated or a YL Partner is reclassified as a Customer, each Team Member in the first level immediately below the terminated YL Individual or Reclassified Customer, as applicable, will "roll up," (which means to move up one or more levels to a new Sponsor) to the same level as the terminated YL Partner first Brand Partner in the Support Team of such terminated YL Individual or Reclassified Customer. Subject to previous sentence, a Reclassified Customer will remain in the same position within its respective Business Organization. Terminated YL Partners



that wish to re-enroll as a Brand Partner must satisfy the enrollment requirements outlined in Section 2.1.

Upon termination or reclassification, YL Partners must immediately cease representing themselves as a YL Partner and immediately return and delete all intellectual property of Young Living, including Reports and other lists of YL Individuals and contact information.

12. MISCELLANEOUS

12.1 DELAYS

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

12.2 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 portions and provisions 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.

12.3 WAIVER

Young Living never forfeits its right to require compliance with the Agreement or with applicable laws and regulations governing business conduct. 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 Young Living's acquiescence to the conduct. Failure to enforce any provision of the Agreement against any YL Partner does not waive Young Living's right to enforce that or other provisions. Only in rare circumstances will a policy be waived, and an authorized agent of Young Living will convey such waiver in writing. The waiver will apply only to that specific case.

12.4 TITLES NOT SUBSTANTIVE

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

