

YOUNG LIVING'S UPDATED POLICIES AND PROCEDURES FAQ

(United States)



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We're updating the global Policies and Procedures. These updates have been published and will take effect on August 1, 2018. On July 2, the updated version can be found in Virtual Office for you to review. To help you understand the updates, below are some questions and answers about the most notable updates and changes.



SPONSORS AND ENROLLERS

How many days do members have to change sponsors after enrollment?

Members can make one free sponsor/enroller change request within the first 30 calendar days of enrollment. Under the last version, members were allowed 20 calendar days.

For further information, please see section 12.1.1 of the Policies and Procedures.

What happens when a member enrolls without a designated sponsor or enroller?

When a member enrolls without a designated sponsor or enroller, the member is placed in the Young Living Placement Program, which is operated at the sole discretion of Young Living. Typically, the member is assigned a sponsor and an enroller who resides in or near the same area code or geographical area and/or who speaks the same languages as the member. Eligible sponsors and enrollers generally include Executive, Silver, and Gold members who actively support their downlines and have growing sales results.

For further information, please consult section 12.1.3 of the U.S Policies and Procedures.

SUCCESSION AND HOUSEHOLD ACCOUNTS

Can I have interest in more than one account?

In the past, a member could only have a beneficial interest in one account. Young Living has created an exception if you receive an interest in another account as an inheritance—either through direct inheritance or as a beneficiary of a trust—from another member. Young Living reserves the right in its sole and absolute discretion, and for any reason and at any time, to deny you the option of owning an interest in your original account and an inherited account or to deny you the right to earn Generation Leadership Bonuses on the inherited account.

For further information, please see section 3.4 of the U.S Policies and Procedures.

Can my spouse/partner and I have separate accounts?

In the past, a member and their spouse/partner were required to share an account. Young Living still encourages and prefers that members work together with their spouse/partner (if applicable) in building a single sales organization. However, due to divorce, separation, mutual agreement, etc., there may be an exception to this general rule. Beginning August 1, 2018, a member and their spouse/partner may have separate accounts as long as the second account is sponsored as the first or second level to the other spouse's account. Young Living will periodically audit these two accounts and may terminate the latter-created account if it is found, in Young Living's sole discretion, that the latter-created account is used to manipulate the Compensation Plan, or the spouses are not complying with the 70 percent rule as outlined in Section 6.1 of the Policy and Procedures.

DISCLOSURE OF PERSONAL INFORMATION

To whom can Young Living disclose my personal information?

To provide support to your sales organization, Young Living can disclose your personal contact information to:

- Members of your downline
- Young Living's parent and affiliate companies
- Applicable government agencies or regulatory bodies as required by law
- Companies who sell supporting products that Young Living believes you may be interested in

You may opt out of sharing by contacting Member Services by phone at 1.800.371.3515.

For further information, please see section 3.17 of the U.S Policies and Procedures.

RANK RECOGNITION

Are there changes in the way members receive recognition for their rank?

Yes; the definitions for qualifying to be recognized by Young Living at a rank and maintaining a rank have changed:

- Qualifying for rank recognition: Achieving a rank for three consecutive months
- Maintaining a rank recognition: Achieving a rank at least once within six months of qualifying for the rank

As of August 1, 2018, Young Living will change the recognized rank requirements for Silvers and above. On August 1, you will continue to be recognized at your highest achieved rank. This means that if you achieved the rank of Diamond at some point on or before July 31, 2018, you will be recognized as a Diamond on August 1, 2018.

To maintain your current recognized rank as of August 1, 2018, you will need to achieve that rank again at least once within six months of August 1, 2018. If you fail to achieve that rank within six consecutive months, you will be recognized at the highest achieved rank for which you have been paid (achieved) during that sixmonth period, and you will be required to requalify for the lost rank(s) before you can be recognized at that rank again. Requalification for a lost rank(s) includes achieving that rank for three consecutive months before receiving recognition. You will be recognized at the higher rank beginning in the fourth month.

To maintain your recognized rank going forward, you will need to achieve that rank at least once within six months of being recognized at that rank. You will need to requalify for this recognized rank every six months to maintain the recognized rank.

Recognized Rank should not be confused with your Highest Achieved or Paid Rank (commissions payout). If you hit a certain rank in a month, your compensation under the Compensation Plan will be paid out at that "Paid Rank" under the Compensation Plan.

For further information, please see section 3.19 of the U.S. Policies and Procedures.

PROMOTION OF YOUR YOUNG LIVING BUSINESS

What should I be aware of when promoting my Young Living business online?

There are many great resources to use when promoting your Young Living business online. Product descriptions, photographs, videos, and other media available to members through official Young Living websites, including Virtual Office, Young Living's Flickr, Young Living's YouTube channel, and Young Living's Vimeo account, can be used to help promote your business online. It is important to use the Young Living Independent Distributor logo and your member number on your website and social media content. Members should avoid using any Young Living trademark or similar terms relating to 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.

For further information, please see section 5.5 of the U.S. Policies and Procedures.

Are there restrictions on how I can use Young Living's brands and logos and Young Living text and media? If so, what are they?

As a member of Young Living, you may use Young Living's trademarks—e.g., Young Living's brand names and logos—and Young Living's product and marketing materials, videos, and photographs, which are available on Young Living's Flickr webpage and YouTube page, to develop online and printed materials for use in building and managing your sales organization. However, you are not permitted to use Young Living's trademarks and copyrighted materials for other purposes. These include using them on essential oil accessories, swag, jewelry, software or mobile apps, book, brochures, movies, or other branded merchandise that you directly or indirectly sell to others, including other members. You are also prohibited from using Young Living's trademarks in online paid marketing, such as pay-per-click online advertising, Google AdWords, paid social ads, video content, content syndication, and display marketing.

For further information, please see section 5.5 of the U.S. Policies and Procedures.

Can I get exclusive territory rights?

Young Living does not grant exclusive territories, nor does it require members to pay franchise fees. Young Living also reserves the right to offer its products through other sales channels.

INCOME CLAIMS

Can I disclose the amount of my commission check to promote the Young Living opportunity?

No, you should not disclose your commission check to promote the Young Living business. This includes sharing photos of your check or disclosing your check amount. It is important that you do not lead a prospective member to believe that he or she can be successful as a Young Living member without the time and work that is typically required to build a successful business. Disclosing the amount of your commission check is considered an improper representation of the Compensation Plan. This does not mean that you cannot discuss the Compensation Plan or earning potential to prospective members. However, when you do, you must ensure that you are truthful, that you avoid claims regarding wealth and luxury, and that you provide a copy of the Income Disclosure Statement (YoungLiving.com/IDS).

For further information, please see section 5.3.2 of the U.S. Policies and Procedures.

INVOLVEMENT WITH OTHER BUSINESS VENTURES AND/OR ANOTHER DIRECT SALES COMPANY

Can I invite Young Living members to join other business ventures?

You and the members of your immediate household may not recruit Young Living members to join other business ventures, regardless of the type of products or services offered through the business venture. This policy extends to a period of 12 months after a cancellation or termination of your Young Living account.

For further information, please see section 3.12.2 of the U.S. Policies and Procedures.

Can I be a part of another direct sales company if I am a member of Young Living?

Yes, but you are prohibited from being a part of any company specifically listed in section 3.12.3 of the Policies and Procedures. The exception to this general rule is that members reaching the prestigious rank of Diamond and above may not be a part of any other direct sales company. Diamonds will be given a grace period until December 1, 2018, to comply with this policy.

If you are part of another direct selling company, you must run the two businesses completely separately. However, if there is any comingling of your second business with your Young Living business, you will be subject to applicable penalties, including the potential termination of your Young Living business. Comingling includes promoting another direct sales product to your Young Living membership, as well as all the other forms of prohibited activities outlined in the updated section 3.12.2.

All ranks may, as consumers, purchase products from other direct selling companies that are not strictly prohibited under Young Living's Policies and Procedures.

For further information, please see section 3.12.3 of the U.S. Policies and Procedures.

CALIFORNIA PRODUCT SALES

Can I resell Young Living products in California?

Certain Young Living products cannot be sold to California consumers unless Young Living has labeled the product for the California market. Due to the complexity and uniqueness of California laws, such as Proposition 65, Young Living asks all members to allow Young Living to fulfill orders destined for California. If you decide to sell any Young Living product in California, you indemnify Young Living against any claims or liabilities that arise from the sale.

For further information, please see section 6.2 of the U.S. Policies and Procedures.

PROFESSIONAL ACCOUNT CUSTOMERS

What are the requirements of becoming a Professional Account?

To become a Young Living Professional Account customer in the U.S, you must meet the following requirements:

- Provide a Federal Tax Identification Number (TIN), Employer Identification Number (EIN), or Social Security Number (SSN)
- Provide a current state business license, registration certificate, or professional license
- Complete, sign, and submit a Professional Account Application & Agreement to Young Living, along with the required business documents
- Read and agree to the Policies and Procedures

Please contact professional@youngliving.com for an application package or for additional information. Young Living reserves the right, in its sole discretion, to reject your Professional Account Agreement and Professional Account Application for any reason.

For further information, please see section 3.3 of the U.S. Policies and Procedures.

CROSS-LINE RECRUITING

What is cross-line recruiting?

Cross-line recruiting is the enrollment of an individual who already has a current membership with Young Living or has had an agreement within the last six months within a different line of sponsorship.

For further information, please see section 3.12.5 of the U.S. Policies and Procedures.

INTERNET AND ONLINE SALES

Can members sell Young Living products online?

Members and Professional Account customers can sell Young Living products on their individual URLs and independent member retail sites. To do so, they must register their URL with Young Living by emailing onlinesales@youngliving.com. Members must display the Independent Distributor logo and their member number on the URL.

For further information, please see section 5.8 of the U.S. Policies and Procedures.

Can members sell Young Living products on Internet classified ad sites, marketplace sites, auction sites, shopping sites, or order fulfillment stores?

No; members and Professional Accounts may not sell Young Living products on Internet classified ad sites, marketplace sites, auction sites, shopping sites, or order fulfillment stores. This includes but is not limited to: Craigslist, Facebook Marketplace, Walmart Marketplace, eBay, Amazon, OrderDog.com, and Overstock.com. Young Living reserves the right to strictly prohibit, monitor, charge a fee, and take all enforcement efforts necessary, including, but not limited to, termination of an online seller's member account if the member is in violation of any laws, regulations, and these Policies and Procedures. If attorneys' fees and related costs are incurred by Young Living for enforcing its rights in any action in which it is found that a member violated the terms of this provision, the member will be responsible for paying Young Living's attorneys' fees and

related costs.

For further information, please see section 5.8 of the U.S. Policies and Procedures.

Can a member allow or sell products to a third party that may sell Young Living products on any Internet classified ad sites, marketplace sites, auction sites, shopping sites, or order fulfillment stores?

No; members cannot knowingly allow a third party to sell Young Living products on any Internet classified ad sites, marketplace sites, auction sites, shopping sites, or order fulfillment stores.

For further information, please see section 5.8 of the U.S. Policies and Procedures.

Are there any exceptions to the online sales policy?

Young Living reserves the right to grant specific permission at Young Living's sole discretion to allow exceptions, provided the member has registered the seller name and member number with Young Living.

For further information, please see section 5.8 of the U.S. Policies and Procedures.

