

AFRICA POLICIES AND PROCEDURES

EFFECTIVE 1ST NOVEMBER 2021

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1: INTRODUCTION

1.1 WELCOME

Welcome to Young Living! We are pleased that you have chosen to join the world leader in essential oils. We are dedicated to providing you with the very best products and a world-class home-based business.

Leading financial experts and business gurus agree that the home-based business sector is the wave of the future. The time you invest in becoming familiar with the Young Living business opportunity, including these Policies and Procedures, will make a significant difference in your business experience.

In these Policies and Procedures, Young Living Africa (Pty) Ltd is referred to as "Young Living"; and you, the individual entering the Agreement (as defined below), is referred to as "you." If you are a Brand Partners, your personal Brand Partners account along with the team that you build is referred to as your sales organization.

The term "Sponsor" refers to a Brand Partners' immediate support team Brand Partners. A Brand Partners account is referred to as being "active" if the Brand Partner enrolled as a new Brand Partners and purchased 50 PV in product within the previous 12 months and is "inactive" if he/she has not.

The term "Enroller" is the Young Living Brand Partners who enrolls new Brand Partners into Young Living. An individual can be enrolled only once in 12 months. If any Brand Partner does not order a minimum of 50 PV for 12 consecutive months, that Brand Partner is considered inactive. See Section 12.1.1 for further details.

1.2 PURPOSE

The purpose of these Policies and Procedures is:

- To set standards of acceptable business behavior expected of you
- To define your relationship with Young Living, your customers, other Brand Partners, and customers
- To assist you in building and protecting your Young Living business

1.3 POLICIES AND COMPENSATION PLAN INCORPORATED INTO THE BRAND PARTNERS AGREEMENT

Throughout these Policies and Procedures, whenever the term "Agreement" is used, it refers collectively to your Young Living Brand Partners Agreement (or simply "Brand Partners Agreement"), these Policies and Procedures, the Young Living Privacy Policy, and the Young Living Compensation Plan, which includes the Terms and Definitions for the Compensation Plan (or simply, "Compensation Plan"). These documents are incorporated by reference into the Brand Partners Agreement in their current form and as amended by Young Living from time to time. It is your responsibility to read, understand, adhere to, and ensure that you are operating under the most current version of these Policies and Procedures, as found online at https://www.youngliving.com/en_ZA

1.4 ETHICS

You are required to abide by the following Code of Ethics in the operation of your sales organization and your opportunity to participate in the Young Living business. Violations of the Code of Ethics will result in a breach of this Agreement and may result in penalties and sanctions, including termination of this Agreement, as outlined in Section 13.3.

CODE OF ETHICS

- You will follow the highest standards of honesty, professionalism, and integrity in the development and operation of your sales organization.
- You will give prompt and efficient service to anyone to whom you have introduced young living products, as well as to your team Brand Partners.
- You will not make negative or disparaging remarks about Young Living, Young Living founders, any Young Living competitor, or their people, products, or organizations.
- You will not engage in activities that may cause losses to Young Living or another Young Living Brand Partners



- You will perform all duties of a sponsor and a leader as you build your Young Living business, including providing the necessary training and support.
- You will respect the privacy of both your support team and team Brand Partners and customers.
- You will not recruit Young Living Brand Partners to other business opportunities.
- You will abide by all rules, regulations, laws, and ordinances that are applicable to the operation of your sales organization as an independent Brand Partner.

1.5 AMENDMENTS/ACCEPTANCE

Young Living may amend the terms and conditions of the Agreement from time to time. The changes will become effective 30 days after first published by Young Living through official Young Living publications distributed to all active Brand Partners (e.g., eNews) or posted on an official Young Living website. Amendments shall not apply retroactively to conduct that occurred prior to the effective date of the amendment.

By executing the Brand Partners Agreement, you agree to abide by all amendments or modifications that Young Living elects to make. If a Brand Partners is not willing to accept these changes, Young Living must be notified in writing within the 30 days prior to the change being effective. Any continued business, ordering, acceptance of a commission or bonus pay-out, or any other benefit by a Brand Partner pursuant to this Agreement constitutes acceptance of this Agreement in whole with all amendments.

1.6 INCLUSION AND ANTI-DISCRIMINATION

You are required to abide by the Young Living Inclusion and Anti-Discrimination Policy (IAP) for Brand Partners Brand Partners and, which is available at www.youngliving.com/en_za. Violations of that policy are material breaches of the Agreement.

2: BECOMING A BRAND PARTNERS

2.1 REQUIREMENTS TO BECOME A BRAND PARTNERS

To become a Young Living Brand Partners, you must meet the following requirements:

- If you are an individual, be at least 18 years old.
- If you sign up as an individual, provide a valid ID or passport number.
- If you sign up as a business entity, provide a registration number and vat number if applicable
- Read and agree to these Policies and Procedures, the Young Living Privacy Policy, and the Compensation Plan.
- Complete, sign, and submit a Brand Partners Agreement to Young Living within 30 days of your enrollment.
- Initial Purchase of products to the value of 50 PV

Young Living reserves the right, in its sole discretion, to reject your Brand Partners Agreement for any reason.

2.2 BRAND PARTNERS AGREEMENT

You can submit your Brand Partners Agreement through emailing africasupport@youngliving.com

This application must be received within 30 days of your enrolment for you to receive Brand Partners benefits. If the Brand Partners Agreement is not received within 30 days, your Brand Partners account will be placed on hold until the agreement is received.

2.3 TELEPHONE ENROLLMENT

You may enroll as a Brand Partners or customer of Young Living by contacting Brand Partners Services on +27100209900.

2.4 WEB ENROLLMENTS

If you enroll on the Young Living website or on any Young Living-sponsored replicated website, you will not need to submit a paper application. While your sponsor may assist you in completing the online enrollment as a Brand Partners, you must



personally review and agree to the online Brand Partners Agreement, these Policies and Procedures, the Young Living Privacy Policy, and the Compensation Plan.

3: OPERATING YOUR SALES ORGANISATION

Individuals may join Young Living as retail customers or Brand Partners

3.1 INDEPENDENT CONTRACTOR STATUS

As a Young Living Brand Partners, you are an independent sales contractor and are not a purchaser of a franchise or business opportunity. The agreement between you and Young Living does not create an employer/employee relationship, agency, partnership, or joint venture. You will not be treated as an employee for your services or for tax purposes. You are responsible for paying taxes due from all compensation earned as a Brand Partner. You have no authority (expressed or implied) to bind Young Living to any obligation. You are encouraged to establish your own goals, hours, and methods of sale, as long as you comply with applicable laws and the terms and conditions of the Agreement. Brand Partners purchase product from Young Living at the published wholesale price and have the potential of earning commissions and bonuses based on qualification and achievement rank, as outlined in the Compensation Plan.

3.2 RETAIL CUSTOMERS

Retail customers can purchase product directly from Young Living for personal consumption but do not participate in the Young Living Brand Partners organization or Compensation Plan. Retail customers are not required to sign a Brand Partners Agreement. Retail customers purchase products at the published retail price.

Retail customers' purchases apply toward their sponsor's Organization Group Volume (OGV). Thus, orders placed by any retail customers will be included in the total sales volume for their sponsor's sales organization. A retail customer may become a Brand Partners at any time by completing the requirements outlined in Section 2.1.

3.3 BENEFICIAL INTEREST IN MORE THAN ONE ACCOUNT AND DUPLICATE ACCOUNTS

A Brand Partners may operate or have an interest, legal or equitable, in only one Brand Partners account, unless expressly permitted in this section. If Young Living finds that a Brand Partners has an unpermitted interest in multiple accounts, it will terminate the duplicate account(s), leaving only the Brand Partners account created first. You are specifically prohibited from creating duplicate accounts to change lines of sponsorship, manipulate the Compensation Plan, or circumvent the Agreement in any way.

You may have a beneficial interest in more than one Brand Partners account if you receive an interest in another account as an inheritance (either through a direct inheritance or as beneficiaries of a trust) from another Brand Partners if you notify Young Living of the inheritance in writing (as specified in Sections 3.8 and 3.8.1), and Young Living approves of the transfer in writing. Young Living reserves the right, in its sole and absolute discretion and for any reason and at any time, to (1) deny you the option of owning an interest in your original account and an inherited account or (2) to deny you the right to earn the Generation and Diamond Leadership Bonuses on the inherited account (e.g., if Young Living determines you have not demonstrated the ability to operate two sales organization by failing to engage in leadership activities such as contacting and training your team, participation in meetings, increasing enrollments, and/or increasing PGV (Personal Group Volume) and OGV within the payment levels of your team in the recent past). If Young Living denies you the right to have a beneficial interest in a second account that you received through inheritance, it may allow you a four-month grace period to sell your interest in one of your accounts. After that grace period the inherited account will be placed on hold or terminated.

Young Living strongly encourages and prefers that Brand Partners 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. You and your 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% rule as outlined in Section 6.1. A joint sales organization will be treated as a joint tenancy with rights of survivorship.

3.4 ACTIONS OF HOUSEHOLD BRAND PARTNERS OR AFFILIATED PARTIES



If any individual in your immediate household engages in any activity which, if performed by you, would violate any provision of the Agreement, such activity will be deemed a breach or violation by you; and Young Living may take the relevant action against you pursuant to these Policies and Procedures. Similarly, if any individual associated in any way with a close corporation, company, partnership, LLC, trust, or other entity (collectively “entity”) violates the Agreement, such action(s) will be deemed a violation by the entity; and Young Living may take the relevant action against the entity. Likewise, if a Brand Partners enrolls in Young Living as an entity, each affiliated party of the entity will be personally and individually bound to, and must comply with, the terms and conditions of the Agreement.

3.5 ACTIONS OF SUPPORT TEAM BRAND PARTNERS

If any support team Brand Partner encourages, aids, or supports a team Brand Partners in any activity which, if performed by the support team Brand Partners, would violate any provision of the Agreement (e.g., creating duplicate accounts or cross team recruiting), such activity will be deemed to be a violation by the support team Brand Partners; and Young Living may take the relevant action against that support team Brand Partners pursuant to these Policies and Procedures. If such violations continue, Young Living reserves the right to terminate the support team Brand Partners’ account.

3.6 CORPORATIONS, PARTNERSHIPS, LIMITED LIABILITY COMPANIES, AND TRUSTS

A partnership, close corporation, limited liability company, or trust may become a Young Living Brand Partners by submitting to Young Living a partnership agreement, certificate of incorporation or registration, 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 of the shareholders, officers, Brand Partners, managers, partners, or trustees of the entity (“affiliated parties”), or have such included with the submission to Young Living. The entity must demonstrate that no part or participant within the entity has participation in another sales organization because no individual may participate in more than one sales organization in any form. A Brand Partners may change status under the same sponsor from individual to partnership or corporation by submitting the appropriate documentation mentioned above.

Young Living reserves the right to approve or disapprove any Brand Partners’ change of business names, formation of partnerships, close corporations, companies and trusts for tax, estate planning, and limited liability purposes. In addition, by submitting a copy of the certificate of partnership or incorporation or other substantiating documentation for the entity, it is certifying that no person with an interest in the new business entity has had an interest in another sales organization within six (6) months of the submission of the certificate (unless it is the continuation of an existing sales organization that is changing its form of doing business).

3.7 SALE, TRANSFER, OR ASSIGNMENT

You may sell, transfer, or assign (collectively “Transfer”) your entire team organization by submitting a request to Young Living along with a \$50 processing fee. For your request to be granted, the following criteria must be met:

- You and the receiving party must notify Young Living in writing of your intent to sell or transfer the sales organization. This request must be signed and notarized.
- Young Living must approve of the receiving party prior to the Transfer.
- After the transaction, the transferring party must not retain any copies, digital or otherwise, of personal information belonging to his/her team organization Brand Partners.
- The receiving party must be (or must become) a Young Living Brand Partners in good standing.
- If the receiving party has an existing team, he/she must first transfer that sales organization or have a transfer in place and approved by Young Living before accepting the new sales organization.
- No changes in your line of sponsorship or your team can result from the Transfer.
- Before a Transfer will be approved, all debt obligations that you and the receiving party may have with Young Living must be satisfied.
- Before any Transfer will be approved, you and the receiving party must each be in compliance with all the terms of the Agreement.



- The individual, to whom the sales organization is sold and/or transferred, will be expected to meet leadership qualification in order to be eligible for leadership commission pay-outs.
- Any sale of any organization with OGV 50,000 or higher must be approved by Young Living in writing.

Young Living reserves the right to approve or disapprove your request to Transfer your sales organization for any reason. You may not Transfer your sales organization to any person or entity without Young Living's written approval. Young Living does not waive any violations of the Agreement, even though a violation may have occurred under a prior owner of your sales organization. As a new owner of a pre-existing sales organization, you may be responsible for violations of the Agreement made by the prior owner in connection with your sales organization. Any action that may be taken on a sales organization with the previous owner under Section 13.3 may carry over to you.

3.8 INHERITANCE & SUCCESSION

Upon a Brand Partners' death or incapacitation, their business organization will pass to the Brand Partners' legal heir(s) or legal representative(s) who provide to Young Living (accountupdates@youngliving.com) with proof of the Brand Partners' death or incapacitation, appropriate legal documentation, and a signed Agreement. 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 if Young Living determines you have not demonstrated the ability to operate two sales organizations. If Young Living denies you the right to have a beneficial interest in a second account that you received through inheritance, it may allow you a four-month grace period to sell your interest in one of your accounts. After that grace period, the inherited account will be placed on hold or terminated.

3.9 SEPARATION OF A YOUNG LIVING BRAND PARTNERS/BRAND PARTNERS BUSINESS

You may, with others, operate a single sales organization as a husband-wife partnership, regular partnership, close corporation, company, or trust (the latter four entities are collectively referred to herein as "entities"). If your marriage ends in divorce or your 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 other business SUPPORT TEAM or TEAM of sponsorship. If divorcing spouses or a dissolving business entity fail to provide for the best interests of other Brand Partners and Young Living, such actions will constitute a breach of the Agreement; and Young Living may terminate the Agreement pursuant to these Policies and Procedures.

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 notarized assignment in writing 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 Partners Agreement and tax clearance certificate are required from the person remaining on the account.
- The parties may continue to operate the sales 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 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 your sales organization with a divorcing spouse or with affiliate parties of a dissolving business. Similarly, Young Living will not split your commission or bonus checks between you and a divorcing spouse or affiliate parties of a dissolving entity. Young Living will recognize only one sales organization and will issue only one commission check per sales organization per commission cycle. Commission checks will always be issued to the same individual or entity, unless all parties to a sales organization agree that commissions will be due and paid to another party or by order of a court having jurisdiction over Young Living. If you have completely relinquished all of your rights as a former spouse or a former affiliate party to a sales organization, you are free to enroll as a new Brand Partners under any sponsor of your choosing. However, in such case you will have no rights to any Brand Partners or customers from your former sales organization. In that instance, you must develop the new business in the same manner as would any other new Brand Partners.

3.10 ROLL UP OF MARKETING ORGANIZATION



When a vacancy occurs in the Young Living Brand Partners organization due to the cancellation or termination of a Brand Partners account, each Brand Partners in the first level immediately below the terminated Brand Partners on the date of the cancellation will “roll up,” which means to move to the first level (“front line”) of the terminated Brand Partners’ sponsor. For example, A sponsors B, and B sponsors C1, C2, and C3. If B terminates her business, then C1, C2, and C3 will roll up to A and become part of A’s first level. Young Living also reserves the right, in its sole discretion, to sell the sales organization that has been canceled or terminated for inappropriate behavior.

3.11 TAXES

3.11.1 INCOME TAXES

You are responsible for complying with the tax laws in the jurisdiction where you reside. In South Africa, you are responsible for paying all local income taxes on any earnings generated through your sales organization.

3.11.2 SALES TAXES

Young Living is registered as a vendor in terms of the Value-Added Tax Act No. 89 of 1991 ("VAT Act"), Young Living would be obliged to levy, collect and remit VAT at the rate of 15% on products that are sold to you in any given order. Young Living undertakes to issue you with a tax invoice as required by the VAT Act, and if you are registered as a vendor in terms of the VAT Act, the possession of a tax invoice may entitle you to claim an input tax credit on products purchased from Young Living.

3.12 DECEPTIVE PRACTICES

3.12.1 UNAUTHORIZED RECRUITING

During your Brand Partnership with Young Living and after your Brand Partnership has terminated, you may engage in other noncompeting business ventures; however, you may not take advantage of your knowledge of, or association with, other Young Living Brand Partners, including your knowledge, confidential information and trade secrets that were acquired from or relating to your SUPPORT TEAM and TEAM in order to promote and expand such other business ventures. Such conduct constitutes an unwarranted and unreasonable interference with the business of other Brand Partners and Young Living.

3.12.2 NON-SOLICITATION

To qualify for compensation under Young Living’s Compensation Plan, you have the ongoing responsibility to help, educate, train, motivate, and assist the Brand Partners in your sales organization. You also have the responsibility to promote Young Living products and the Young Living income opportunity. Young Living and its Brand Partners have made a great investment in the establishment of organizations consisting of Retail Customers, and Brand Partners, of which you will benefit. This constitutes one of Young Living’s most valuable assets. Young Living reserves the right to cease paying compensation to any Brand Partners, including you, who recruits any Young Living retail customers, or Brand Partners to participate in a Competing Business Venture (defined below). To protect the efforts of all Brand Partners in building and maintaining their sales organizations and Customer bases, and in order to protect Young Living’s interest and investment in the overall customer base, Brand Partners and all Brand Partners of their immediate household are required to abide by the following policies:

3.12.2.1 Non-Solicitation of Young Living Retail Customers and Brand Partners:

- (i) During the period that this Agreement is in force, you and all Brand Partners of your immediate household are prohibited from directly, indirectly, or through a third party, recruiting any Young Living retail customers or Brand Partners to participate in a Competing Business Venture, regardless of who initiates the contact.
- (ii) For a period of twelve months after cancellation or termination for any reason of this Agreement, you and all Brand Partners of your immediate household are prohibited from directly, indirectly, or through a third party, recruiting, regardless of who initiates the contact, any Young Living retail customers or Brand Partners to participate in a Competing Business Venture:
 - (1) who were in your sales organization or support team at any time during the term of his or her association with Young Living?
 - (2) with whom you had contact during the term of your association with Young Living



- (3) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time during the term of your association with Young Living; or
- (4) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time from another person who obtained the information because of any other person's association with Young Living.

As used herein, the term "Competing Business Venture" means any business venture offering a similar business opportunity or similar or alternative products or services to those offered by Young Living. The prohibitions under clauses (a)(i) and (a)(ii) above include but are not limited to presenting or assisting in the presentation of Competing Business Ventures to any Young Living retail customers, or Brand Partners, and implicitly or explicitly encouraging any Young Living Retail Customers or Brand Partners to join any Competing Business Ventures that would detract from their relationship with Young Living (as determined by Young Living in its sole discretion). It is a violation of this policy to recruit any Young Living retail customers or Brand Partners to participate in a Competing Business Venture even if you do not know that the prospect is also a Young Living retail customer or Brand Partners. It is your responsibility to first determine whether the prospect is a Young Living retail customer or Brand Partners before recruiting the prospect to participate in a Competing Business Venture. As used herein the term "recruit" or "recruiting" means: 1) to enrol, enlist, or solicit an individual or entity to join a business, program or organization, or attempt to do so; 2) to promote, influence or encourage an individual or entity to join a business, program or organization, or attempt to do so; or 3) to present, or participate or assist in the presentation of, a business, program, organization or its products to an individual or entity. Such recruitment constitutes a violation of this provision whether the individual or entity ultimately leaves their relationship with Young Living. To constitute recruiting, such efforts or attempts may be performed either directly through personal contact (including, but not limited to electronic and social media means) or indirectly through a third party.

The term "immediate household," as used herein, refers to married couples and other persons residing in the same home. With respect to Brand Partners and retail customers which are entities (e.g., corporations, tax exempt entities, trusts, etc.) rather than individuals, "immediate household" means the shareholders, owners, directors, officers, Brand Partners, 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, Brand Partners, trustees, responsible parties, etc. of such entities.

3.12.2.2 During the period that this Agreement is in force, and for a period of twelve months after the cancellation or termination thereof for any reason, you and all Brand Partners of your immediate household are further prohibited from the following: (i) Producing any literature, tapes or promotional material of any nature (including but not limited to websites and emails) which is used by you or any third person to recruit Young Living retail customers or Brand Partners to participate in a Competing Business Venture;

- (5) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time during the term of your association with Young Living; or
- (6) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time from another person who obtained the information because of any other person's association with Young Living. As used herein, the term "Competing Business Venture" means any business venture offering a similar business opportunity or similar or alternative products or services to those offered by Young Living. The prohibitions under clauses (a)(i) and (a)(ii) above include but are not limited to presenting or assisting in the presentation of Competing Business Ventures to any Young Living retail customers, or Brand Partners, and implicitly or explicitly encouraging any Young Living Retail Customers or Brand Partners to join any Competing Business Ventures that would detract from their relationship with Young Living (as determined by Young Living in its sole discretion). It is a violation of this policy to recruit any Young Living retail customers or Brand Partners to participate in a Competing Business Venture even if you do not know that the prospect is also a Young Living retail customer or Brand Partners. It is your responsibility to first determine whether the prospect is a Young Living retail customer or Brand Partners before recruiting the prospect to participate in a Competing Business Venture. As used herein the term "recruit" or "recruiting" means: 1) to enrol, enlist, or solicit an individual or entity to join a business, program or organization, or attempt to do so; 2) to promote, influence or encourage an individual or entity to join a business, program or organization, or attempt to do so; or 3) to present, or participate or assist in the presentation of, a business, program, organization or its products to an individual or entity. Such recruitment constitutes a violation of this provision whether or not the individual or entity ultimately leaves their relationship with Young Living. To constitute recruiting, such efforts or attempts may be performed either directly through personal contact (including, but not limited to electronic and social media means) or indirectly through a third party.

The term "immediate household," as used herein, refers to married couples and other persons residing in the same home. With respect to Brand Partners and retail customers which are entities (e.g., corporations, tax exempt entities, trusts, etc.) rather than individuals, "immediate household" means the shareholders, owners, directors, officers, Brand Partners, 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, Brand Partners, trustees, responsible parties, etc. of such entities.



3.12.2.3 During the period that this Agreement is in force, and for a period of twelve months after the cancellation or termination thereof for any reason, you and all Brand Partners of your immediate household are further prohibited from the following: (ii) Producing any literature, tapes or promotional material of any nature (including but not limited to websites and emails) which is used by you or any third person to recruit Young Living retail customers or Brand Partners to participate in a Competing Business Venture;

- (7) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time during the term of your association with Young Living; or
- (8) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate

household obtained at any time from another person who obtained the information because of any other person's association with Young Living.

As used herein, the term "Competing Business Venture" means any business venture offering a similar business opportunity or similar or alternative products or services to those offered by Young Living. The prohibitions under clauses (a)(i) and (a)(ii) above include but are not limited to presenting or assisting in the presentation of Competing Business Ventures to any Young Living retail customers, or Brand Partners, and implicitly or explicitly encouraging any Young Living Retail Customers or Brand Partners to join any Competing Business Ventures that would detract from their relationship with Young Living (as determined by Young Living in its sole discretion). It is a violation of this policy to recruit any Young Living retail customers or Brand Partners to participate in a Competing Business Venture even if you do not know that the prospect is also a Young Living retail customer or Brand Partners. It is your responsibility to first determine whether the prospect is a Young Living retail customer or Brand Partners before recruiting the prospect to participate in a Competing Business Venture. As used herein the term "recruit" or "recruiting" means: 1) to enrol, enlist, or solicit an individual or entity to join a business, program or organization, or attempt to do so; 2) to promote, influence or encourage an individual or entity to join a business, program or organization, or attempt to do so; or 3) to present, or participate or assist in the presentation of, a business, program, organization or its products to an individual or entity. Such recruitment constitutes a violation of this provision whether the individual or entity ultimately leaves their relationship with Young Living. To constitute recruiting, such efforts or attempts may be performed either directly through personal contact (including, but not limited to electronic and social media means) or indirectly through a third party.

The term "immediate household," as used herein, refers to married couples and other persons residing in the same home. With respect to Brand Partners and retail customers which are entities (e.g., corporations, tax exempt entities, trusts, etc.) rather than individuals, "immediate household" means the shareholders, owners, directors, officers, Brand Partners, 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, Brand Partners, trustees, responsible parties, etc. of such entities.

3.1.2.2.4 During the period that this Agreement is in force, and for a period of twelve months after the cancellation or termination thereof for any reason, you and all Brand Partners of your immediate household are further prohibited from the following: (iii) Producing any literature, tapes or promotional material of any nature (including but not limited to websites and emails) which is used by you or any third person to recruit Young Living retail customers or Partners Brand Partners to participate in a Competing Business Venture;

(9) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time during the term of your association with Young Living; or

(10) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time from another person who obtained the information because of any other person's association with Young Living.

As used herein, the term "Competing Business Venture" means any business venture offering a similar business opportunity or similar or alternative products or services to those offered by Young Living. The prohibitions under clauses (a)(i) and (a)(ii) above include but are not limited to presenting or assisting in the presentation of Competing Business Ventures to any Young Living retail customers, or Brand Partners, and implicitly or explicitly encouraging any Young Living Retail Customers or Brand Partners to join any Competing Business Ventures that would detract from their relationship with Young Living (as determined by Young Living in its sole discretion). It is a violation of this policy to recruit any Young Living retail customers or Brand Partners to participate in a Competing Business Venture even if you do not know that the prospect is also a Young Living retail customer or Brand Partners. It is your responsibility to first determine whether the prospect is a Young Living retail customer or Brand Partners before recruiting the prospect to participate in a Competing Business Venture. As used herein the term "recruit" or "recruiting" means: 1) to enrol, enlist, or solicit an individual or entity to join a business, program or organization, or attempt to do so; 2) to promote, influence or encourage an individual or entity to join a business, program or organization, or attempt to do so; or 3) to present, or participate or assist in the presentation of, a business, program, organization or its products to an individual or entity. Such recruitment constitutes a violation of this provision whether or not the individual or entity ultimately leaves their relationship with Young Living. To constitute recruiting, such efforts or attempts may be performed either directly through personal contact (including, but not limited to electronic and social media means) or indirectly through a third party.

The term "immediate household," as used herein, refers to married couples and other persons residing in the same home. With respect to Brand Partners and retail customers which are entities (e.g., corporations, tax exempt entities, trusts, etc.) rather than individuals, "immediate household" means the shareholders, owners, directors, officers, Brand Partners, 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, Brand Partners, trustees, responsible parties, etc. of such entities.

3.1.2.2.5 During the period that this Agreement is in force, and for a period of twelve months after the cancellation or termination thereof for any reason, you and all Brand Partners of your immediate household are further prohibited from the following: (iv) Producing any literature, tapes or promotional material of any nature (including but not limited to websites and emails) which is used by you or any third person to recruit Young Living retail customers or Brand Partners to participate in a Competing Business Venture;



(11) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time during the term of your association with Young Living; or

(12) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time from another person who obtained the information because of any other person's association with Young Living.

As used herein, the term "Competing Business Venture" means any business venture offering a similar business opportunity or similar or alternative products or services to those offered by Young Living. The prohibitions under clauses (a)(i) and (a)(ii) above include but are not limited to presenting or assisting in the presentation of Competing Business Ventures to any Young Living retail customers, or Brand Partners, and implicitly or explicitly encouraging any Young Living Retail Customers or Brand Partners to join any Competing Business Ventures that would detract from their relationship with Young Living (as determined by Young Living in its sole discretion). It is a violation of this policy to recruit any Young Living retail customers or Brand Partners to participate in a Competing Business Venture even if you do not know that the prospect is also a Young Living retail customer or Brand Partners. It is your responsibility to first determine whether the prospect is a Young Living retail customer or Brand Partners before recruiting the prospect to participate in a Competing Business Venture. As used herein the term "recruit" or "recruiting" means: 1) to enroll, enlist, or solicit an individual or entity to join a business, program or organization, or attempt to do so; 2) to promote, influence or encourage an individual or entity to join a business, program or organization, or attempt to do so; or 3) to present, or participate or assist in the presentation of, a business, program, organization or its products to an individual or entity. Such recruitment constitutes a violation of this provision whether or not the individual or entity ultimately leaves their relationship with Young Living. To constitute recruiting, such efforts or attempts may be performed either directly through personal contact (including, but not limited to electronic and social media means) or indirectly through a third party. The term "immediate household," as used herein, refers to married couples and other persons residing in the same home. With respect to Brand Partners and retail customers which are entities (e.g., corporations, tax exempt entities, trusts, etc.) rather than individuals, "immediate household" means the shareholders, owners, directors, officers, Brand Partners, 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, Brand Partners, trustees, responsible parties, etc. of such entities.

3.12.2.6 During the period that this Agreement is in force, and for a period of twelve months after the cancellation or termination thereof for any reason, you and all Brand Partners of your immediate household are further prohibited from the following:

Producing any literature, tapes or promotional material of any nature (including but not limited to websites and emails) which is used by you or any third person to recruit Young Living retail customers or Brand Partners to participate in a Competing Business Venture;

(13) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time during the term of your association with Young Living; or

(14) whose contact information (name, address, phone number or email address, etc.) you or Brand Partners of your immediate household obtained at any time from another person who obtained the information because of any other person's association with Young Living.

As used herein, the term "Competing Business Venture" means any business venture offering a similar business opportunity or similar or alternative products or services to those offered by Young Living. The prohibitions under clauses (a)(i) and (a)(ii) above include but are not limited to presenting or assisting in the presentation of Competing Business Ventures to any Young Living retail customers, or Brand Partners, and implicitly or explicitly encouraging any Young Living Retail Customers or Brand Partners to join any Competing Business Ventures that would detract from their relationship with Young Living (as determined by Young Living in its sole discretion). It is a violation of this policy to recruit any Young Living retail customers or Brand Partners to participate in a Competing Business Venture even if you do not know that the prospect is also a Young Living retail customer or Brand Partners. It is your responsibility to first determine whether the prospect is a Young Living retail customer or Brand Partners before recruiting the prospect to participate in a Competing Business Venture. As used herein the term "recruit" or "recruiting" means: 1) to enrol, enlist, or solicit an individual or entity to join a business, program or organization, or attempt to do so; 2) to promote, influence or encourage an individual or entity to join a business, program or organization, or attempt to do so; or 3) to present, or participate or assist in the presentation of, a business, program, organization or its products to an individual or entity. Such recruitment constitutes a violation of this provision whether or not the individual or entity ultimately leaves their relationship with Young Living. To constitute recruiting, such efforts or attempts may be performed either directly through personal contact (including, but not limited to electronic and social media means) or indirectly through a third party. The term "immediate household," as used herein, refers to married couples and other persons residing in the same home. With respect to Brand Partners and retail customers which are entities (e.g., corporations, tax exempt entities, trusts, etc.) rather than individuals, "immediate household" means the shareholders, owners, directors, officers, Brand Partners, 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, Brand Partners, trustees, responsible parties, etc. of such entities.



3.12.2.7 During the period that this Agreement is in force, and for a period of twelve months after the cancellation or termination thereof for any reason, you and all Brand Partners of your immediate household are further prohibited from the following:

Producing any literature, tapes or promotional material of any nature (including but not limited to websites and emails) which is used by you or any third person to recruit Young Living retail customers or Brand Partners to participate in a Competing Business Venture;

(v) Offering any non-Young Living products, services or Competing Business Ventures 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.

3.12.2.8 Violation of any provision of this Section 3.12.2 constitutes your voluntary resignation and cancellation of this Agreement, effective as of the date of the violation, and:

(i) The forfeiture by you of all commissions or bonuses payable for and after the calendar month in which the violation occurred. (ii) If Young Living pays any bonuses or commissions to you after the date of the violation, all bonuses and commissions for and after the calendar month in which the violation occurred shall be refunded to Young Living.

(iii) Young Living may seek and obtain both injunctive relief and damages for violations of this Section 3.12.2. Young Living, may, at its option, elect to enforce this Policy by lawsuit in a court of competent jurisdiction in Utah rather than by arbitration.

(iv) In addition to being entitled to a refund of bonuses and commissions and to damages as described above, in the event a person or entity violates this Section 3.12.2, Young Living and any Brand Partners that experiences an adverse financial impact as a result of such person's or entity's violation of this Section 3.12.2 shall be entitled to an accounting and repayment of all profits, compensation, commissions, remunerations or other benefits which the person or entity directly or indirectly receives and/or may receive as a result of, growing out of, or in connection with any violation of this Section. Such remedy shall be in addition to and not in limitation of any damages, or injunctive relief or other rights or remedies to which Young Living is or may be entitled at law or in equity.

(iv) You recognize that the restrictions herein are reasonable and necessary to protect the legitimate business interests of Young Living and other Brand Partners, and that such restrictions will not prevent you from working or otherwise earning a living.

3.12.2.9 Violations of this Section 3.12.2 are especially detrimental to the growth and sales of other Brand Partners' Independent Young Living businesses and to Young Living's business. Consequently, Brand Partners who have knowledge that any Brand Partners has violated this Policy must immediately report that information to Young Living's Conduct Success Team at conduct.za@youngliving.com. The failure of a Brand Partners to report such information to Young Living will also constitute a violation of this policy. The names of those reporting violations of this Section 3.12.2 will be held in confidence.



3.12.3 NONCOMPETITION

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

- You may not display Young Living promotional materials, sales aids, products, or services (“Promotional Materials”) with or in the same location as any 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. For example, you may not present Young Living Promotional Material and non-Young Living Promotional Material on or in the same website, blog, tweet, post, text, brochure, or other printed marketing material, signage, or electronic or other communication.
- You may not offer Young Living programs, opportunities, products, or services to prospective or existing Young Living customers or Brand Partners in conjunction with any non-Young Living programs, opportunities, products, or services.
- You 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.

Notwithstanding the foregoing, during the term of the Agreement and for a period of six (6) months after the cancellation, expiration, or termination by either party for any reason of the Agreement, you agree not to directly or indirectly serve in any capacity as a Brand Partners, representative, consultant, employee, agent, officer, director, shareholder, partner, Brand Partners, seller, distributor, or owner of or with doTERRA International, LLC or any parent or affiliate company of this company. This restriction applies to any geographic market which you (or your sales organization) serviced or within which you (or your sales organization) physically worked during the term of this Agreement.

Reaching the rank of Diamond and above is very prestigious and requires a significant time commitment to Young Living. Additionally, Brand Partners who have achieved the rank of Diamond and above are privy to additional Young Living confidential and trade secret information. To achieve this rank and participate in the Diamond Leadership Bonuses, it is important to be an example in all facets of the Young Living business and be dedicated to Young Living. Accordingly, notwithstanding the foregoing, during the term of the Agreement and for a period of six (6) months after the cancellation, expiration, or termination by either party for any reason of the Agreement, once you have achieved the rank of Diamond or above, you will not directly or indirectly serve in any capacity as a Brand Partner, representative, consultant, employee, agent, officer, director, shareholder, partner, seller, Brand Partner, or owner of or with any other multi-level marketing, party planning, or other direct sales company, regardless of the type of products or services offered by that new entity. This restriction applies to any geographic market which you (or your sales organization) serviced or within which you (or your sales organization) physically worked during the term of this Agreement. Diamond ranking Brand Partners may, however, purchase products from other multi-level marketing, party planning, or other direct sales company companies solely for their personal use.

You agree that Young Living has a protectable interest in its goodwill, customer-base, Brand Partner network, confidential information, and trade secret information. You further acknowledge that any breach of your obligations under Sections 3.12.2, 3.12.3, and 3.15 of the Agreement will cause immediate and irreparable harm to Young Living for which monetary damages and other legal remedies could not adequately compensate. You further acknowledge that the restrictions set forth in Sections 3.12.2, 3.12.3, and 3.15 of the Agreement are reasonable and necessary to protect, maintain, and preserve the legitimate business interests of Young Living and other Brand Partners, and restrict your conduct only to the extent necessary to protect, maintain, and preserve such business interests. You further warrant that you understand the legal and other consequences of entering into the covenants and agreements contained in Sections 3.12.2, 3.12.3, and 3.15 of the Agreement and that the enforcement of these provisions will cause no undue hardship to you. Brand Partner agrees that the restrictions herein will not prevent Brand Partner from working or otherwise earning a living. If any restriction contained in Sections 3.12.2, 3.12.3, and 3.15 of the Agreement is deemed to be unenforceable by a court of competent jurisdiction, you agree that such court shall modify and enforce such restrictions to the extent it believes to be reasonable under the circumstances existing at that time.

3.12.4 TARGETING OTHER DIRECT SELLERS

Young Living does not condone Brand Partners specifically or consciously targeting the sales force of another direct sales company to sell Young Living products or to become Brand Partners for Young Living. Nor does Young Living condone the solicitation or enticement of Brand Partners of the sales force of another direct sales company to violate the terms of their contract with such other company. Should you engage in such activity, you bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against you alleging that you have engaged in inappropriate recruiting activity of its sales force or customers, Young Living will not pay any of your defense costs or legal fees, nor will Young Living indemnify you for any judgment, award, or settlement.

3.12.5 CROSS TEAM RECRUITING

Actual or attempted cross team recruiting or sponsoring is strictly prohibited and will not be tolerated. “cross team recruiting” is defined as (i) the enrolment, indirect or otherwise, of an individual or entity that already has a current Brand Partnership with Young Living, or who has had an Agreement within the preceding six (6) calendar months, within a different line of sponsorship, (ii) training current Young Living Brand Partners from different lines of sponsorship how to change sponsors in a non-permitted way in order to facilitate their move to your organization; or (iii) aiding, encouraging, or facilitating the actions outlined in (i) or (ii) of this definition. The use of a spouse’s or relative’s name, trade names, DBAs (Doing Business As), assumed names, corporations, trusts, tax Numbers, or fictitious identification numbers to circumvent this policy is strictly prohibited.

You may not demean, discredit, or defame another Young Living Brand Partners, especially in an attempt to entice another Brand Partners to become part of your marketing organization. Young Living reserves the right to terminate your sales organization for failure to comply with this policy.

3.12.6 BONUS BUYING & STACKING

Young Living’s business model operates on the principle that 100% of sales by Young Living are made to end consumers who are purchasing Young Living products solely on the merits of the products themselves. Any device or scheme whereby a Brand Partners directly 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 Partners and is a violation of this policy. To ensure compliance with local regulations, the following activities are strictly and absolutely prohibited and may result in the termination of your Agreement:

- Enrolling Brand Partners without their knowledge
- Signing of the Agreement for another person or entity without their knowledge
- Fraudulently enrolling another person or entity as a Brand Partners or customer
- Enrolling fake individuals or entities as Brand Partners, or customers
- Providing financial assistance to Brand Partners, or customers, buying products, or drop shipping through another’s account for the purpose of increasing the payout of your business organization
- The use of a credit card or other similar payment method by or on behalf of another Brand Partners or customer when that Brand Partners or customer is not the account holder of such credit card or other payment method account
- Purchasing more product than he or she can reasonably consume or resell, in the pursuit of commissions, bonuses, or other compensation

3.13 INTERNATIONAL

Compliance with foreign laws regarding intellectual property, data privacy and protection, customs, taxation, literature content, and other direct selling guidelines is critical to successful international expansion of Young Living into new markets. Consequently, you are authorized to recruit and sponsor other Brand Partners only in countries in which Young Living has approved and that are listed in official Young Living literature, and only when following the policies and procedures of those countries. Unauthorized premarket opening activity may jeopardize Young Living’s ability to enter a new market and may result in loss of opportunity for many other Brand Partners. Because of the severe possible consequences, Young Living may terminate its Agreement with Brand Partners who engage in unauthorized premarket opening activity. You 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. You agree to indemnify Young Living for any such activity of yours that damages Young Living, including, but not limited to, loss of profit, loss of goodwill, any damages, and reasonable attorneys’ fees.

If you want to sponsor Brand Partners in a country officially recognized as open, you must do all the following:

- Be in good standing in your 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
- Agree to any tax withholdings that may be required for that country

These Policies and Procedures apply only to sales by Brand Partners in South Africa and sales to customers in South Africa. If Young Living authorizes you to sell products to customers in another territory, then there may be additional terms and/or another set of Policies and Procedures to which you agree to be bound. Only products that have been registered for sale in South Africa may be promoted and sold in South Africa.



Without expanding the foregoing, Brand Partners may sponsor and/or enrolls Brand Partners 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 3 sales in those countries. Brand Partners may not import products into any country that are not legally importable or saleable. You agree to follow all laws in any country into which you sponsor Brand Partners, including, but not limited to, all direct selling laws, all solicitation laws, all advertising laws, all claims laws, all tax laws, and any other laws that apply to operating a business organization in a foreign country.

If you are not a resident of United States, then you agree that all services you perform in connection with your Young Living business are performed outside South Africa. If you perform services within South Africa in connection with your Young Living business, to ensure compliance with Local Laws and regulations, you agree to and will contact Young Living at USbusinessstrips@youngliving.com within 30 days of performing such services to report the time you spent in South Africa on business activities in connection with your Young Living business.

3.13.1 NOT FOR RESALE (NFR) PRODUCTS & LOCATION WHERE SERVICES ARE PERFORMED

In some countries, Brand Partners may purchase Young Living products on a not-for-resale (NFR) basis as retail customers. If you purchase NFR products, you may not resell them.

If you are not a resident of the South Africa, then you agree that all services you perform in connection with your Young Living business are performed outside the South Africa. If you perform services within the South Africa in connection with your Young Living business, you agree to and will contact Young Living at USbusinessstrips@youngliving.com within 30 days of performing such services to report the time you spent in the South Africa on business activities in connection with your Young Living business.

3.13.2 ANTI-BRIBERY

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

3.14 REPACKAGING AND RELABELING

You may not relabel, alter the labels of, repackage, or refill any Young Living product. Young Living's products must be sold in their original containers only. Young Living strongly recommends that you do not use Young Living products as ingredients in or components of any product for resale. If a Brand Partners uses Young Living products as an ingredient of any product for resale, the Brand Partners 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. Breach or violation of this section may subject a Brand Partners to the penalties and sanctions as outlined in Section 13.3. Additionally, you agree to indemnify Young Living against any harm resulting from use of Young Living products as an ingredient and the repackaging or relabeling of any of its products.

3.15 CONFIDENTIALITY AGREEMENT

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

All Confidential Information (whether in written, oral, or electronic form) is transmitted to you in strictest confidence on a need to-know basis for use solely in your sales organization for Young Living business purposes only. In certain instances (for



example, with respect to promotional information supplied to high ranking Brand Partners in advance of the applicable promotions) you may not share such information within your sales organization until the promotion is disclosed to all Brand Partners by Young Living. You shall keep such information confidential, adopt reasonable security practices to safeguard the confidentiality of the information, and must not disclose any such information to a third party directly or indirectly. You and your sales organization agree to indemnify Young Living against damages incurred from any and all such unauthorized disclosures caused by you. You must not use or disclose the information to compete with Young Living or for any purpose other than for promoting Young Living's program and its products and services. You 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 at its sole discretion (for example, high ranking Brand Partners may not disclose promotional information made available early to them to anyone else—including within their team—until Young Living makes such promotional materials generally available to all Young Living Brand Partners.

Upon cancellation, expiration, or termination by either party, for any reason, of the Agreement, you must discontinue the use of such Confidential Information and destroy or promptly return to Young Living any Confidential Information in your possession. Without limiting your obligations as set forth in this Section 3.15, Young Living may further require a signed nondisclosure agreement before releasing any business information to you, and may require you to certify that you have returned or destroyed all Confidential Information upon termination of your Brand Partnership.

In the event of the cancellation, expiration, or termination by either party for any reason of the Agreement, the obligations contained in this Section 3.15 survive and are subject to legal enforcement by injunction, damages, and all other available remedies. You further agree that in the event Young Living prevails in any legal action to enforce its rights under this Section 3.14, Young Living shall be entitled to all costs and reasonable attorneys' fees incurred in enforcing its rights under this Section 3.15.

3.16 REPORTING POLICY VIOLATIONS

You should report any violations of these Policies and Procedures by any Brand Partners to the Young Living Conduct Success team by emailing conduct.za@youngliving.com or calling Brand Partners Services at +27 10 020 9900

3.17 AUTHORIZATION TO TRANSFER AND DISCLOSE PERSONAL INFORMATION

In order to provide support for your sales organization, you authorize Young Living to disclose personal and/or confidential information provided to Young Living in connection with your sales organization or that you have developed as a result of your activities as a Brand Partners. You authorize Young Living to transfer and disclose this information to its parent and affiliate companies, to your support team to ensure proper support team support to you and your sales organization, and to applicable government agencies or regulatory bodies if required by law. You also authorize Young Living to share this information with companies we do business with who offer products or services we believe may be of interest to you and your customers; you may opt out of this sharing by contacting Brand Partners Services at +27 10 020 9900. You also authorize Young Living to disclose your personal contact information to Brand Partner of your team.

You further authorize Young Living to use your personal information for Brand Partners recognition and marketing materials.

3.18 AUTHORIZATION TO TAKE AND USE YOUR PHOTO OR VIDEO

By becoming a Brand Partners of Young Living, you consent to having your 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. You will not be compensated for this usage. If you have a religious or moral objection to having your picture taken or appearing in a video, it is your responsibility to notify a Brand Partners 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.

3.19 RANK RECOGNITION

The Young Living Compensation Plan pays compensation based on different ranks and the criteria set forth in that plan. Each month you may qualify for payment according to the rank in which you qualify. Brand Partners are recognized by Young Living in various ways and at various times as they achieve certain ranks. To be recognized at and enjoy the perks of a new, higher rank that is Silver or above, you must qualify for that rank (or above) for three consecutive months. You will be recognized as being at that new, higher rank beginning in the fourth month. In order to maintain recognition at a rank of Silver or above, after initially qualifying for that rank, you must re-qualify for that rank (or above) again within six months of the



last month in which you qualified for that rank. If you fail to re-qualify for a rank for six consecutive months, then you will be recognized at the highest rank you qualified for during that six month period on the seventh month and be required to re-qualify for three consecutive months before you can be recognized at the higher rank again. On the date of publication of these Policies and Procedures, all Brand Partners will be recognized at the highest rank they have achieved as of the date of publication and will be deemed to have initially qualified for that rank, meaning they will not be required to achieve that rank for three consecutive months to be recognized at that rank. To continue to be recognized at that rank, however, they must maintain that rank, as outlined in this section.

3.20 NON-EXCLUSIVITY

As a Brand Partners you will not be granted an exclusive territory nor required to pay franchise fees. Young Living reserves that right to offer its products and services through any sales channel, including through its customer program and through other companies (e.g., a direct sales company in China).

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

Brand Partners and customers must not disparage, slander, or defame Young Living, other Brand Partners, Young Living employees or officers, or Young Living founders. You, 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 Young Living Brand Partners must also not be libelous, harassing, abusive, obscene, vulgar, sexually explicit, or inappropriate with respect to race, gender, ethnicity, or other intrinsic characteristics.

Young Living 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 Brand Partners and customers to Brand Partners 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 the company when communicating via their personal emails, social media pages, phone calls, etc. Even when an employee is speaking in his or her capacity as a Young Living employee, every employee is only human and may at times misspeak or speak imperfectly. Young Living asks its Brand Partners and customers to exhibit grace not only in their dealings with one another but also when dealing with corporate employees. Brand Partners and customers who personally attack or verbally abuse Young Living staff may face disciplinary action under these Policies and Procedures. In addition, Brand Partners and customers of all ranks are expected to follow the appropriate corporate channels for resolving account issues or providing feedback (e.g., Brand Partners Service teams, VIP Support, etc.) rather than attempting to contact Young Living employees directly through improper channels.

Violations of this Section constitutes a material breach of the Brand Partners Agreement and may result in Young Living terminating its Brand Partners Agreement with the breaching Brand Partners.

4. SPONSORING

4.1 SPONSORING RESPONSIBILITY

You have the right to sponsor other Young Living Brand Partners. Each prospective Brand Partners has the ultimate right to choose his/her own sponsor. If two Brand Partners claim to be the sponsor of the same new Brand Partners or customer, the new Brand Partners has the right to choose between the two within the first thirty (30) days. After that time, Young Living will regard the first application received by Young Living as binding.

When sponsoring a new Brand Partners, you must provide the most current version of these Policies and Procedures and the Compensation Plan before he/she signs a Brand Partners Agreement or ensure that such individual has online access to these materials.

4.2 SPONSORING ONLINE

When sponsoring a new Brand Partners through the online enrolment process, you may assist the new applicant in filling out the enrollment materials. However, the applicant must personally review and agree to the online Brand Partners Agreement, these Policies and Procedures, and the Compensation Plan. You may not fill out the online application and Agreement.



4.3 BRAND PARTNERS AND SPONSOR RESPONSIBILITIES

As a sponsor, you are expected to train, supervise, and communicate with your team through letters, newsletters, meetings, telephone contacts, voice mail, email, trainings, and by accompanying enrolees to Young Living's training meetings. If you feel you are not getting the necessary level of support from your sponsor, you are encouraged to consult with your next support team leader or call Brand Partners Services at +27100209900. As a sponsor, you also agree to make your contact information (telephone number/email address) available to his/her team for training and support purposes.

You should monitor the Brand Partners in your team to ensure that they do not make improper product or business claims or engage in any illegal or inappropriate conduct that violates the Agreement.

As you progress through the various levels of leadership, you will become more experienced in sales techniques, product knowledge, and understanding of the Young Living program. In that event, you may be called upon to share this knowledge with lesser experienced Brand Partners within your team.

4.4 NON-DISPARAGEMENT

In setting the proper example for your team, you must not disparage, slander, or defame other Young Living Brand Partners, Young Living products, the Compensation Plan, Young Living employees, or Young Living founders. Such disparagement constitutes a material breach of these Policies and Procedures and may result in termination of your sales organization.

4.5 PRIVACY

You must safeguard and protect all private information provided to you by Brand Partners and customers in the operation of your business organization in accordance with the Young Living Privacy Statement available at youngliving.com. You 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, you agree to use and store the private information according to the following data storage guidelines:

- Store hard copies of the private information in a secure location where only you can access it, in a locked cabinet if possible.
- View electronic copies of the private information only on password-protected computers, laptops, and devices to which you have exclusive access.
- Take reasonable security precautions on devices on which you store and process private information such as antimalware software and up-to-date software patches.
- In cases where saving electronic documents is necessary, save private information to password-protected computers, laptops, and devices to which you have exclusive access and do not save any private information to any unencrypted portable storage device (i.e., memory sticks, external hard drives, etc.).
- **It is essential that Young Living Brand Partners follow the data protection laws that are put in place to protect how our Personal Information is used and handled. It is for this reason that the Protection of Personal Information Act, 4 of 2013 (the "POPI Act" or "POPI") is relevant and important.**
- **This allows protection of privacy and personal information for both Young Living and Brand Partners**

5. ADVERTISING

5.1 USE OF YOUNG LIVING MATERIALS

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

5.2 BRAND PARTNERS-DEVELOPED ADVERTISING MATERIALS AND PRODUCTS

If you choose to produce products or advertising materials that were not produced by Young Living you must clearly identify that the material is produced by an independent Brand Partner and not Young Living. Please do not use any references to Young Living in the self-produced products.



Any use of advertising materials not produced by Young Living must be compliant with all applicable laws and these Policies and Procedures—particularly Section 5.3. Such material must be produced in a professional and tasteful manner. Material must not be used that reflects poorly upon Young Living. Breaches or violations may subject a Brand Partners Brand Partners to the penalties and sanctions as outlined in Section 13.3.

5.3 ADVERTISING CLAIMS AND REPRESENTATION

5.3.1 PRODUCT CLAIMS

You are prohibited from making inaccurate and impermissible claims about any Young Living products. In particular, you must not make any claim that Young Living products are intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease. You must also avoid making any statements and claims that are false or misleading concerning Young Living's products. You must comply with all laws, I, regarding any statements made.

You also must not diagnose any disease or disease condition or prescribe any Young Living product unless you are a licensed medical professional authorized to do so. Anyone improperly diagnosing or prescribing Young Living products may jeopardize the future of Young Living and all of its Brand Partners and may therefore have his/her sales organization terminated.

5.3.2 INCOME CLAIMS

You are prohibited from making any income projections to prospective Brand Partners that may create false or misleading expectations. In their enthusiasm, some Brand Partners are occasionally tempted to represent hypothetical income figures based upon the inherent power of network marketing as actual income projections. This is counterproductive since new Brand Partners may be disappointed if their results do not meet their expectations. The earning potential of a Young Living Brand Partners is enough to be attractive without resorting to artificial and unrealistic projections.

Young Living has prepared an Income Disclosure Statement (IDS) designed to convey truthful, timely, and comprehensive information about the income that its Brand Partners have earned. A copy of the IDS is available online at <https://static.youngliving.com/en-ZA/PDFS/ids-2019-global.pdf>

Any time that you present or discuss the Compensation Plan or make any type of income or earning representation about the Compensation Plan, you must provide any prospective Brand Partners with a copy of the IDS. Income and earning representations include:

- Claims of actual, average, or projected earnings under the Compensation Plan
- Income testimonials
- Hypothetical examples of earnings under the Compensation Plan

Young Living's primary mission is not about creating luxury and riches, but helping people achieve wellness, purpose, and an abundant life. As such, you should not claim (expressly or impliedly, with words or images) that operating the Young Living business will lead to a luxurious lifestyle (large homes, luxury cars, exotic vacations, or the like) or to riches. Nor should you disclose your commission check to promote the Young Living business opportunity.

In any non-public meeting (e.g., a home meeting, one-on-one regardless of venue) with a prospective Brand Partners(s) in which the Compensation Plan is discussed or any type of income claim is made, you must provide the prospect(s) with a copy of the IDS. In any meeting that is open to the public in which the Compensation Plan is discussed, or any type of income claim is made, you must provide every prospective Brand Partners with a copy of the IDS. You must also display at least one 3-foot x 5-foot poster board in the front of the room in reasonably close proximity to the presenter(s) and/or continuously display a slide of the IDS throughout the duration of the Compensation Plan discussion or while making an income claim in any meeting in which any type of video display is utilized (e.g., monitor, television, projector, etc.).

5.3.3 COMPENSATION PLAN CLAIMS

When presenting or discussing the Compensation Plan, you must make it clear to prospective Brand Partners that financial success with Young Living requires commitment, effort, and sales skill. Conversely, you must never represent that individuals can be successful without diligently applying themselves over an extended period. Examples of misrepresentations in this area include:



- Anyone can succeed with little or no effort.
- Failure to succeed is just a lack of effort.
- The system will do the work for you.
- Just get in and your 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 have to do is buy your products every month.

The above are just examples of improper representations about the Compensation Plan. It is important that you do not make these or any other representations that could lead a prospective Brand Partners to believe that he or she can be successful as a Young Living Brand Partners without commitment of time and work effort.

5.3.4 GOVERNMENTAL APPROVAL OR ENDORSEMENT

Regulatory agencies and officials do not approve or endorse any direct selling or network marketing companies or programs. Therefore, you may not represent or imply that Young Living or its Compensation Plan have been “approved,” “endorsed,” or otherwise sanctioned by any government agency.

5.3.5 INDEMNIFICATION FOR UNLAWFUL ADVERTISING STATEMENTS

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

5.4 TESTIMONIALS AND MEETINGS

At Brand Partners-sponsored meetings, Brand Partners should not arrange for a disease-cure, disease- prevention, or disease-treatment testimonial, as described in Section 5.3. Nor should any disease- cure, disease-prevention, or disease-treatment testimonial be given at any such meeting. If there is an impromptu disease-cure, disease-prevention, or disease-treatment testimonial from someone, the leading Brand Partners should redirect the discussion by saying something to the effect of, “Young Living supplements are designed to improve nutrition; they are not intended to diagnose, treat, cure, or prevent any disease. However, scientific research has established a connection between nutrition and many disease conditions.”

Third-party scientific literature that is compliant with the regulation may be distributed at a meeting but must be placed separate and apart from promotional material.

5.5 TRADEMARKS AND COPYRIGHTS

The name Young Living, Young Living Essential Oils, Young Living Africa, 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 your Young Living Brand Partnership, and only during that term, you 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 your Young Living sales organization. You may not, however, use these copyrighted materials or the Young Living Trademarks in connection with any activity outside of the scope of your Brand Partnership without Young Living’s written authorization nor may you sell materials containing these properties (e.g. marketing materials (including physical or electronic), essential oil accessories, swag, software or mobile apps, branded merchandise, books, brochures, movies, or other products that you sell to others (including other Young Living Brand Partners), directly or indirectly. Upon



termination or cancellation of your Brand Partnership, this license will automatically terminate, and you must immediately cease all use of Young Living Trademarks, text, photographs, and video.

You 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 you do so or have done so, you hereby agree to assign, at no cost, the trademark registration or application to Young Living within ten days of Young Living's written request.

You are prohibited from using any Young Living Trade mark (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,

5.6 DOMAIN NAMES AND EMAIL ADDRESSES

You 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 you incorporate or attempt to incorporate any Young Living Trademarks or any derivative thereof into any email address. In accordance with this policy, all existing Brand Partners-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, withdrawn, or modified by Young Living at its own discretion at any time, and those Brand Partners with nonconforming domain name registrations who do not make such an agreement with Young Living will be expected to transfer those registrations to Young Living within the three-month time period noted above.

5.7 INTERNET POLICY

Many Brand Partners will use the Internet to further their businesses using websites, blogs, social media, etc. (collectively "Brand Partners Sites"). Brand Partners Sites used to promote Young Living, Young Living products, or Young Living events must display a current Young Living Independent Brand Partners logo in a prominent location. Brand Partners Sites must further include the Brand Partners number.

Brand Partners Sites may include current product descriptions, photographs, videos, and other media made available to Brand Partners by Young Living (e.g., through the official Young Living website, the Virtual Office, or the Young Living Flickr® account). These sites may not (a) use Young Living's trade dress; (b) make any improper product, income, or compensation plan claims, as outlined in Section 5.3; (c) promote the products or business of any other company; (d) contain false or misleading information; (e) organize raffles, promotions of lotteries using Young Living products as incentives, or (f) collect, store, process, or transmit Brand Partners or customer confidential information. Brand Partners are responsible to ensure that all users of their Brand Partners Sites comply with these requirements.

Brand Partners Sites may, at Young Living's sole discretion, be monitored by Young Living. Failure to monitor Brand Partners Sites for any period does not waive Young Living's rights to enforce the provisions of this section.

When using social media, Brand Partners may not use as their username, account name, or other identifier (collectively "Username"), any of Young Living's trade names or 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 Partners" or a similar identifier that effectively distinguishes it from a Young Living corporate account.

5.8 INTERNET CLASSIFIED AD SITES, AUCTION SITES, SHOPPING SITES, OR ORDER FULFILLMENT STORES RESTRICTED

As a general rule, Brand Partners may not sell or display 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®, etc.). Further, Brand Partners may not (1) 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 (2) sell products to a third party that the Brand Partners 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 at Young Living's sole discretion to allow exceptions to this section provided the Brand Partners has registered the online seller name and Brand Partners number with Young Living. Brand Partners may continue to sell Young Living products on their individual URL's and independent Brand Partners' retail sites provided they register their URL with Young Living and prominently display the independent Brand Partner logo and their Brand Partner number on the URL. Local South African sites include bidorbuy.com, gumtree.com and takealot.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 Brand Partner account if the Brand Partners is in violation of any laws, regulations, and these policies and procedures. Young Living shall be entitled to all and reasonable attorneys' fees and related costs incurred in enforcing its rights in any action in which it is found that you violated the terms of this provision.

5.9 TELEPHONE AND EMAIL SOLICITATION

You may not use Young Living's name or copyrighted materials with automatic calling devices or "boiler room" operations to solicit potential Brand Partners. In addition, any email messages distributed to solicit for your business must conform to local consumer protection law (including "do not contact" lists) contain appropriate opt-out provisions for the recipient and opt-in provisions to the extent that any changes are made to existing consumer protection and data protection law. Failure to opt respondents out of your email may subject you to the penalties and sanctions outlined in Section 13.3. You may not opt out for another Brand Partner in your organization.

You may not engage in telemarketing to promote Young Living products or the Young Living opportunity or to solicit potential Brand Partners. For purposes of this Section, telemarketing refers to placing of one or more outbound telephone calls to an individual without that individual's express prior permission or invitation to call. If you violate this policy, you agree that you will indemnify Young Living and Young Living's directors, officers, Brand Partners, shareholders, managers, employees, and agents and hold them harmless from any and all liability, including judgments, civil penalties, refunds, attorneys' fees, court costs, or lost business incurred by Young Living as a result of your telemarketing activities.

5.10 YOUNG LIVING PERSONAL WEBSITES

Young Living offers a personalized website to assist in your marketing efforts. You should contact Brand Partners Services at +27 10 020 9900 for more details or log in to your Young Living Virtual Office (https://www.youngliving.com/en_ZA) for more information. You should be advised that by using a Young Living website, your contact information will become available to the public so that they may contact you with questions. Young Living will not be held responsible for any unintended or adverse consequences of this service.

5.11 COMMERCIAL OUTLETS

Subject to the provisions of Section 5.12, you 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.

5.12 MINIMUM ADVERTISED PRICES

You may establish the price at which you resell Young Living products, if such sales are within the policies outlined in this Agreement.

Young Living recommends that you do not directly or indirectly advertise Young Living products for less than the 10% above the current wholesale prices (which are kept current on the official Young Living website) in any advertisement or promotional material that appears outside of a retail premises, including, but not limited to, Internet, newspaper, magazines, catalogues, billboards, and direct mail. This recommendation is not binding on you and you are free to sell Young Living products at any discount to the wholesale price that you may determine.

5.13 ENROLLMENT INCENTIVES

Notwithstanding the policies in section 5.12 and section 3.12 of this Agreement, Brand Partners may offer up to only \$25 equivalent in local currency in enrolment incentives (e.g. YL product credit, gift cards, or a gift) plus additional reference materials as incentives to new enrollees or reactivated Brand Partners. No other discount, promotion, or incentive can be associated with new enrollees and reactivated Brand Partners.

Violations of this policy constitute a material breach of the Agreement and will result in disciplinary action under Section 13.3.



5.14 TRADE SHOWS AND EXPOSITIONS

Subject to the requirements in this Agreement and prior permission of the local office and the compliance department would be required if you wish to display and sell Young Living products at trade shows and expositions. All **literature** displayed at the event must be official Young Living literature, and you must clearly identify yourself as an Independent Brand Partner or Independent Brand Partners.

5.15 MEDIA INQUIRIES

Do not attempt to respond to media inquiries regarding Young Living, its products or services, or your sales organization. All inquiries by any type of media must be immediately referred to the Young Living Conduct Success team at conduct.za@youngliving.com. This will ensure that accurate and consistent information reaches the general public.

5.16 RAFFLES AND PROMOTIONS

Brand Partners are not allowed to organize, coordinate, or manage any sort of raffles, promotions, lotteries etc. using Young Living Products as incentives. Violations of this policy constitute a material breach of the Agreement and will result in disciplinary action under Section 13.3 including termination of the account.

6. SALES REQUIREMENTS

6.1 PRODUCT SALES AND SALES RECEIPTS

The Compensation Plan is based upon the sale of Young Living's products and services to end consumers. You must fulfill specified personal and team sales requirements (as well as meet other responsibilities set forth in these Policies and Procedures) to be eligible for bonuses, commissions, and advancement to higher levels of achievement. The following sales requirement must be satisfied for you to be eligible for commissions:

- You agree not to stock excessive inventory and to abide by the 70% rule, which is that 70% of your inventory intended for sale has been sold prior to ordering more. A minimum of 70% of you and your personally enrolled customers' orders must be sold before you purchase additional products. The sales volume of your personally enrolled customers will be included with the sales determining compliance with the 70% requirement. You may not purchase additional product until at least 70% of the previous order has been sold to end consumers. By ordering product, you certify that you have sold or used at least 70% of all prior orders.
- You are required to furnish your customers with two copies of an official Young Living sales receipt, which specifies the date of sale, the amount of sale, and the items purchased. These receipts set forth the Customer Satisfaction Guarantee, as well as any consumer protection rights required by law. In accordance with such laws, you must verbally inform your customers of their cancellation rights. Additionally, if you sell product inventory to other Brand Partners, you must provide the purchaser with a sales receipt. The Brand Partners should maintain copies of all sales receipts for a period of two years and furnish them to Young Living upon request. Young Living will maintain records documenting the purchases of Brand Partners's customers and direct purchase customers.

6.2 NON BRAND PARTNERS

You may personally sell Young Living products to non-Brand Partners. Online sales, however, are governed by Section 5.8.

6.3 CUSTOMERS AND SALES REQUIREMENTS

Non-Brand Partners and customer orders satisfy customer sales requirements.

6.4 EXCESSIVE PURCHASES OF INVENTORY AND FRONT-END LOADING PROHIBITED



Brand Partners will not encourage their team or any other Brand Partners 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, not merely purchased and warehoused. Brand Partners and leaders must consume their products or sell their products to people who will consume them. If any Brand Partners is found to be buying to meet qualifications within the Compensation Plan with no provable business building, Young Living reserves the right to put the Brand Partners account on hold until it can fully investigate the qualification buying.

7: COMMISSIONS AND BONUSES

7.1 COMMISSIONS

To qualify for commission compensation under the Compensation Plan, you must have purchased product within the last 12 months and be in compliance with the Agreement with no holds on your Brand Partners account. Commissions will be paid in accordance with the Compensation Plan, the current version of which is available through the Virtual Office (https://www.youngliving.com/en_ZA). As long as you comply with the terms of the Agreement, Young Living will pay commissions on approximately the 18th of each month for the prior month’s sales. Commission amounts under \$25 will not be issued as a check but retained as a credit on account for future product purchases. You may also elect to have commissions paid via direct deposit to a bank account subject to the same rules as above. Direct deposit will be permitted based on policies determined by Young Living. Contact Brand Partners Services for more information at +27 10 020 9900.

Leaders will be required to actively meet leadership requirements defined by Young Living to qualify for their commission bonuses. For more information see the Compensation Plan.

7.2 RECAP STATEMENTS

You may access detailed commission reports from the Virtual Office at https://www.youngliving.com/en_ZA. If you do not have Internet access, you may request that the report be mailed to you for a small fee.

7.3 ADJUSTMENTS

You agree that adjustments will be made to your commission check for any processing fees, unpaid balances, or debts owed for other services. 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 support team. Any other debt may be offset against commission checks.

In addition, if you fail to properly provide your ID number or passport number and tax reference or tax number to Young Living, Young Living will deduct the necessary back-up withholdings from your commission checks as required by law.

7.4 DEDUCTIONS/MAINTENANCE FEES

A monthly maintenance fee is assessed each month and is used to cover accounting, processing, account maintenance, and other costs. The fee may be tax deductible, so consult your personal tax advisor for details. A current maintenance fee schedule is posted on the Virtual Office.

7.5 ERRORS OR QUESTIONS

You should review your 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.

8: ORDERING

8.1 ORDERING METHODS

All Brand Partners may place orders by telephone, website, live chat, or through the Essential Rewards autoship program.

8.1.1 PHONE

When ordering, modifying account information, or accessing your account by phone, be prepared to present all information requested on the Young Living order form, including Brand Partners number and personal identification number (PIN). Live operators are available Monday through Friday from 9:00 AM to 5:00 PM. Hours may be subject to change. For current hours, visit https://www.youngliving.com/en_ZA and click on the “Contact Us” link. Payments can be made credit card, or debit card.

8.1.2 YOUNG LIVING WEBSITE

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

8.1.3 LIVE CHAT

Orders may be placed through the live chat service available through the Young Living ZA website.

8.2 ESSENTIAL REWARDS AUTOSHIP PROGRAM

The Young Living Essential Rewards Autoship Program enables you to have Young Living products automatically shipped to you each month. Through this program, you can earn free products, qualify for Brand Partners-only specials, and Brand Partners that are can potentially qualify for compensation under the Compensation Plan. You may learn more and sign up for the Essential Rewards Autoship Program in the Virtual Office (https://www.youngliving.com/en_ZA) or by contacting Brand Partners Services at +27 10 020 9900.

The earlier the order, the easier it is to solve any disputes with the payment and/or out-of-stock products. Young Living cannot be held responsible for orders that are not processed due to Brand Partners payment obligation. Through the PV Assist service, if certain products are out-of-stock, you may authorize Young Living to send an alternate product.

8.3 GENERAL ORDERING POLICIES

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. This may affect commission qualification.

If an item ordered is out of stock or discontinued, Young Living will attempt to contact you by email so that you may select an alternative item, if qualifications are negatively affected. It is your responsibility to verify that the products in your order are available when shipped.

No COD orders will be accepted.

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

8.3.1 BACK ORDERS

Young Living Africa does not process back orders unless management has agreed to have an item run as a backorder. Backordered Items will be shipped at no cost to the Brand Partners when the Item becomes available.

8.3.2 MONTH-END ORDER PROCESSING CUTOFF

The month-end order processing cut-off is the last calendar day of the month at 11:59 p.m., South African time. The website is available 7 days a week, 24 hours a day, making it possible to place all orders by the end of the month.



8.3.3 ORDER ANOMALIES

If you have problems with your orders that cause you to be disqualified for commission payments please contact the Resolutions Department via email at resolutions@youngliving.com.

9: SHIPPING

9.1 SHIPPING METHODS AND CHARGES

Orders are generally shipped within 5-10 business days (excluding weekends and Public holidays). A packing slip is included in each shipment. It contains the order number, Brand Partners number and name, product code, product name, price, and the amount and method of payment. Brand Partners should keep these packing slips for personal accounting records. Package tracking is available through most major carriers.

9.2 SHIPPING DISCREPANCIES

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

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

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

10: PAYMENT

10.1 METHODS OF PAYMENT

Young Living accepts the following payment methods:

- Credit Cards, Debit Cards, and Prepaid Cards—VISA, MasterCard. Using someone else's credit card without his/her written permission is illegal and may be grounds for termination of your sales organization as well as possible legal action.

10.2 INSUFFICIENT FUNDS

You are responsible to ensure that sufficient funds are available in your account to cover regular orders and Autoship orders. Any uncollected amount may be deducted from commissions.

10.3 COMMISSION RELEASE FORM

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

11: PRODUCT RETURNS

RETURNS OF INVENTORY BY BRAND PARTNERS

11.1 RETURN POLICY

Young Living reserves the right to review each return or exchange on a case-by-case basis, subject to local consumer protection law. 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 Brand Partners who received compensation on such purchases.



11.1.1 RETURN GUIDELINES

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

- Any unopened product within 30 days after shipment for a full refund in the same method of payment of the purchase price and applicable sales tax (less shipping charges).
- Any opened product within 30 days after shipment for a credit on your Young Living account of the purchase price and applicable sales tax (less shipping charges).
- Any opened or unopened product up to 90 days after shipment for a credit on your Young Living account of the purchase price and applicable sales tax (less shipping charges and a 10% handling fee). The credit applied for opened product will be based on the percentage of the product returned. For example, if you return 50% of a product, then a credit of 50% (less shipping charges and a 10% handling fee) will be applied to your Young Living account.
- Any unopened product within 5 days after either an order has been made or the delivery of the product, if the agreement to buy the product was concluded as a result of direct marketing.
- Any opened product, within 6 months of delivery, if the product is 1) not reasonably suitable for the purposes generally intended, 2) not free of any defects, 3) not useable for a reasonable period of time, having regard to the use which they would normally be put and to the surrounding circumstances of their supply, and 4) does not comply with applicable local standards or other public regulation.

If you (as a Brand Partners) sell product to non- Brand Partners, you are required to provide the same return policy to the non- Brand Partners as outlined in Section 11.1 of the Policies and Procedures. You are also responsible for returning the product to Young Living within 10 days of receiving the return from the non- Brand Partners. Young Living will not provide refunds on or accept returns directly from non- Brand Partners. Excessive returns may be deemed an abuse of Young Living's return policy and may result in suspension of your return privileges and/or sales organization. Damaged or incorrect shipments of products will not be subject to fees.

11.1.2 RETURNS OF INVENTORY BY BRAND PARTNERS

If you choose to terminate the Agreement, you may return any product inventory or sales aids purchased in the preceding 12 months for a refund if you are unable to sell or use the merchandise. You may return only products and sales aids that are in resalable condition, unless otherwise required by law. Resalable condition is defined as the same unopened condition as it was purchased new. You must return the products to Young Living, prepay the shipping charges, and include a letter explaining that you wish to terminate the Brand Partners Agreement and receive a refund. Upon receipt of the products, you will be reimbursed 90% of the net cost of original purchase price, less shipping charges. If you are Brand Partners, Young Living will deduct from the reimbursement any commissions, bonuses, or other incentives received by you as a result of the product you are returning. If your account is terminated, you have 90 days from the date of termination to make arrangements with Young Living regarding the repurchase of all returnable products. You acknowledge that you will be unable to return products more than 90 days from the date of termination.

11.1.3 PRODUCT STARTER BUNDLE AND COLLECTIONS

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

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



11.1.4 RETURN OF PROMOTIONAL PRODUCT(S)

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

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

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

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

11.2 PROCEDURES FOR RETURNS

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

- The customer or Brand Partners who purchased it directly from Young Living must return the products.
- The product(s) must be returned in its original container.
- The return must have a Return Merchandise Authorization number (RMA) that may be obtained by calling Brand Partners Services at +27100209900 or by emailing africasupport@youngliving.com or by submitting the request via Young Living's live chat services. The RMA number must be written on the outside of each package, or the shipment will be returned to the sender.
- All returns must be shipped prepaid to Young Living. Young Living does not accept COD packages.
- If returned product is not received by Young Living's distribution center, it is the responsibility of the Brand Partners to trace the shipment. Young Living is not liable for items lost or damaged in transit.
- Volume for exchanges will be counted in the month the exchange transaction was made.
- No refund will be made for subsequent returns of the same product, except when the product is damaged or defective.

Credits will be issued when Young Living has processed the return.

12. BRAND PARTNERS ACCOUNT MANAGEMENT

12.1 CHANGES TO A BRAND PARTNERS ACCOUNT

You must immediately notify Young Living of all changes to the information contained on your Brand Partners Agreement. You may update your existing information by submitting a written request indicating the changes by email africasupport@youngliving.com by live chat, or by making such changes in the Virtual Office (https://www.youngliving.com/en_ZA). 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.

12.1.1 SPONSOR CHANGES

To protect the integrity of all marketing organizations and to safeguard the hard work of all Brand Partners, Young Living strongly discourages changes in sponsorship. Young Living recognizes, however, that there may exist extenuating circumstances



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

- Only one (1) free sponsor/enroller change request can be made within the first thirty (30) calendar days of enrollment with the approval of the Brand Partners OR current enroller. Sponsor/enroller change requests may be made directly over the phone if within the first (5) calendar days of registration. After 5 calendar days, but within 30 days, the request must be submitted in writing via, email, 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 Brand Partners or the new Brand Partner's enroller and must be sent from the email address on file with Young Living. Requests cannot be submitted by another Brand Partners, even in the form of a forwarded email.

Sponsor changes must be made prior to the end of the last calendar day of each month to be recognized in that month. If the Sponsor change is submitted after the last calendar day of the month but within the 30 days of enrollment, the Sponsor change will not be recognized until the following month. Young Living shall 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 thirty (30) days both the enroller and the team Brand Partners submit a request for a sponsor/enroller change, the team Brand Partners' request will always take precedence.

Only newly enrolled Brand Partners and reactivating Brand Partners are authorized to request any sponsor change for their individual accounts within thirty (30) days of the enrollment or reactivation. Such changes cannot be made at the request of support team or family Brand Partners.

- Under exceptional extenuating conditions, a Brand Partners may request a sponsor change after the thirty (30) days of enrolment by completing a Three Active support team Approved Sponsor Change Request Form and submitting a nonrefundable \$35 processing fee to Young Living via email at resolutions@youngliving.com. "Three Active support team is defined as the first three (3) Brand Partners in the Brand Partner's support team that have generated 100 PV actively for six (6) consecutive months. The non-refundable \$35 processing fee must be paid by credit card and will not be refunded upon a denial of a sponsor change request. Young Living will not consider a sponsor change until it receives all documentation with the required signatures.

If one of the support team Brand Partners do not respond within a period of sixty (60) days, the Brand Partners may request to be moved under the sponsor of his/her choice. The Brand Partners must demonstrate that he/she has made a good faith effort to contact all three support team sponsors. The good faith effort will require the Brand Partners to provide sufficient evidence to prove they have tried for a period of sixty (60) days to contact the support team Brand Partners via email, etc., and the support team Brand Partners has ignored or has been nonresponsive to the request. The evidence must be submitted to the Conduct Success Team at conduct.za@youngliving.com. If the Brand Partners 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 Brand Partner's original organization team 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 Brand Partners to the original sponsor. No enroller changes will be allowed after thirty (30) days of the initial Brand Partners enrollment. Young Living reserves the right to approve and/or deny all sponsor change requests in its sole discretion.

If a Brand Partners is unable to get approval from his/her three active support team, the Brand Partners 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 Brand Partners may request a sponsor change by emailing resolutions@youngliving.com and paying a \$35 fee. The new sponsor cannot become the Enroller. When a Brand Partners moves from the original team to a new TEAM, the Enroller status/bonus becomes null and void.

- A Brand Partner may request a sponsor change if the Brand Partners sponsor has not provided support to the Brand Partners for over a period of two (2) years and the Brand Partners has filed a grievance with Young Living that includes the following: (1) The sponsor/support team Brand Partners does not contact the Brand Partners over the period of two (2) years; (2) the sponsor/support team Brand Partners does not respond to requests for help; (3) the sponsor/support team Brand Partners does not offer support, mentoring, business building information, etc. The Brand Partners must submit the grievance to conduct.za@youngliving.com. Young Living will conduct a full investigation into the grievance; and if the grievance appears substantiated, Young Living may allow the sponsor change. The Brand Partners requesting the change must pay the nonrefundable \$35 processing fee.



- If the Brand Partners has not placed an order or generated at least 50 cumulative PV for twelve (12) consecutive months, the Brand Partners account will be dropped for inactivity around the middle of the following month after twelve (12) months of inactivity. The existing team will roll up to the next support team and remain in the original genealogy. Upon reactivation of an account terminated for inactivity, the Brand Partners may sign up under a new sponsor and enroller.

Requests cannot be submitted by another Brand Partners. Young Living will not approve sponsor change requests that it deems to be intended to manipulate payment under the Compensation Plan and reserves the right to make sponsor changes for any reason at any time and at its sole discretion.

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

12.1.2 WAIVER OF CLAIMS

If you have changed sponsors but did not follow the appropriate procedures, as outlined in Section 12.1.1 and you have developed a team organization in a sales organization under a new sponsor, Young Living reserves the sole and exclusive right to determine the final placement of your new team organization. **You waive any and all claims against Young Living, its officers, directors, owners, employees, and agents that relate to or arise from Young Living's decision regarding the disposition of any team organization that develops below an organization that has improperly changed lines of sponsorship.**

12.1.3 SPONSOR PLACEMENT PROGRAM

When a new Brand Partners enrolls without a designated sponsor or enroller, they are deemed an orphan. The Young Living Placement Program generally assigns orphans a sponsor and an enroller who resides in or near the same area code or geographical area of the orphan and/or who speak 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 sales organizations in the month in which a new orphan becomes available, are active in participating in Young Living events and programs (e.g., Essential Rewards), and who actively work to support the mission of Young Living.

The Young Living Placement Program is directed by Young Living's executive management team, which reserves the right to assign any orphan as it sees fit in its sole discretion.

The recipient should be enrolled in the autoship program and conscientiously engaged in the Young Living business.

The new Brand Partners has 30 days to change from the assigned new sponsor to another sponsor of his or her choice, as outlined in Section 12.1.1 who speak 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 sales organizations in the month in which a new orphan becomes available, are active in participating in Young Living events and programs (e.g., Essential Rewards), and who actively work to support the mission of Young Living.

The Young Living Placement Program is directed by Young Living's executive management team, which reserves the right to assign any orphan as it sees fit in its sole discretion.

The recipient should be enrolled in the autoship program and conscientiously engaged in the Young Living business.

The new Brand Partners has 30 days to change from the assigned new sponsor to another sponsor of his or her choice, as outlined in Section 12.1.1.

12.2 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 each. Brand Partners who do not have a Young Living-sponsored personal website will pay \$5 for each



email Report requested. Brand Partners who wish to have the Report faxed or mailed will pay \$5 for the first 10 pages and 10 cents for each additional page. Young Living reserves the right to modify the charges described in this Section 12.2.

Team Genealogy Reports constitute Confidential Information as set forth in and subject to Section 3.15 of the Agreement. Without limiting your obligations under Section 3.15 of the Agreement, you may not use Reports for any purpose other than for developing and supporting your sales organization. Specifically, during and after the expiration or termination by either party for any reason of the Agreement, you may not:

- Disclose any information contained in the Reports to any third party
- Use Reports to compete with Young Living in violation of Section 3.12 of the Agreement
- Use Reports to solicit any Brand Partners or customer listed on the Reports or to engage in any conduct prohibited by Section 3.12 of the Agreement
- Use or disclose to any person, partnership, association, corporation, or other entity any information contained in any Report

At the expiration or termination by either party for any reason of the Agreement, or upon demand by Young Living, you will return the original and all copies of Reports (including electronic files) to Young Living or destroy all copies in hard-copy, electronic, or other format of any Report in your possession. This Section 12.2 of the Agreement will survive the expiration or termination by either party for any reason of the Agreement.

12.3 THE D. GARY YOUNG FOUNDATION: YOUNG LIVING FOUNDATION

By enrolling as a Young Living Brand Partners, you are automatically enrolled as a nonvoting Brand Partners of The D. Gary Young

Foundation: Young Living Foundation. The privileges associated with this class of Brand Partnership include the invitation to participate (at the Brand Partners own expense where applicable) in certain Brand Partners-participation charitable activities, the right to receive periodic reports of the charitable activities and accomplishments of the foundation, and the invitation to contribute to the foundation for the advancement of its charitable purposes

13. DISPUTE RESOLUTION AND DISCIPLINARY ACTION

13.1 DISPUTES WITH OTHER BRAND PARTNERS

If you have a grievance or complaint with another Brand Partners regarding any practice or conduct in relationship to your sales organization, you should first discuss the problem with the other Brand Partners. If this does not resolve the problem, report the problem to your support team leader who is a Silver or above to resolve the issue at a local level. If the matter cannot be resolved, it may be reported to the Young Living Brand Partners Conduct Success team in writing via email at conduct.za@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 first-hand knowledge of the improper conduct.

Upon receipt of a written complaint, the Young Living Brand Partners Conduct Success team will investigate the matter, review the applicable policies, and render a decision on how the dispute will be resolved. The Brand Partners Conduct Success team may impose disciplinary sanctions as provided in Section 13.3.

13.2 DISPUTES WITH YOUNG LIVING

13.2.1 MEDIATION

Prior to instituting an arbitration with Young Living, as provided in Section 13.2.2 below, you and Young Living (collectively referred to as "parties") will 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. Mediation will be held in South Africa, and will last no more than two business days.

13.2.2 ARBITRATION

If mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement, or the breach thereof, will be settled by arbitration. The parties waive all rights to trial by jury or to any court. The arbitration will be filed with, and administered by, the Arbitration Foundation of South Africa (“AFSA”) under their respective rules and procedures.

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

- The parties will be entitled to all discovery rights permitted in terms of South African courts.
- Subject to the arbitrator's discretion, 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.
- The parties will be allotted equal time to present their respective cases, including cross- examinations.

All arbitration proceedings will be held in South Africa. There will be one arbitrator selected from AFSA's panel subject to AFSA's rules and procedures. Each party to the arbitration will be responsible for its own costs and expenses of arbitration, including legal and filing fees. 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. This agreement to arbitrate will survive the cancellation or termination of the Agreement.

The parties and the arbitrator 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
- The rulings of the arbitrator on the procedural and/or substantive issues involved in the case

Notwithstanding the foregoing, nothing in these Policies and Procedures will 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 and protect its intellectual property rights and/or to enforce its rights under the non- solicitation and non-competition provisions of Section 3.12.

13.2.3 JURISDICTION, VENUE, AND CHOICE OF LAW

Jurisdiction and venue of any matter not subject to arbitration will reside in any state or federal court located in South Africa, unless the laws of the state or country in which the Brand Partner resides expressly require otherwise, despite this jurisdiction clause. By signing the Agreement, you consent to jurisdiction within these two forums. The laws of the South Africa will govern disputes involving the Agreement.

13.3 PENALTIES AND SANCTIONS

At Young Living's sole discretion, the breach or violation of any of the terms and conditions of the Agreement may result in a hold on your account, which will result in an inability to place orders and earn or receive commission checks. These breaches or violations include, but are not limited to, any illegal, fraudulent, deceptive, unprofessional, or unethical business conduct; breach of any terms of this Agreement (including without limitation your breach of confidentiality obligations); non- payment of your account with Young Living; or declination of credit card or ACH authorizations. At Young Living's sole discretion, Young Living may impose any sanction or no sanction for any of the foregoing violations, including but not limited to the following:

- Written warning clarifying the meaning and application of a specific policy or procedure and advising that a continued breach will result in further sanctions
- Probation, which may include requiring you to take remedial action and will include follow-up monitoring by Young Living to ensure compliance with the Agreement
- Withdrawal or denial of an award, and incentive or recognition or restricting participation in Young Living-sponsored events for a specified period of time or until you satisfy certain specified conditions



- Suspension of certain privileges of sales organization, including, but not limited to, placing a product order, participating in Young Living programs and promotions, participating in high ranking Brand Partners phone calls, progressing in the compensation plan, or participating as a Brand Partners for a specified period of time or until you satisfy certain specified conditions
- Suspension and/or termination of access to the Virtual Office
- Withholding part or all of commissions or bonuses for a specified period of time or until the Brand Partners satisfies certain specified conditions
- Imposing fair and reasonable fines or other penalties in proportion to actual damages incurred by Young Living and as permitted by law
- Termination of the Agreement and your status as a Brand Partners
- Reassign all or part of the Brand Partners organization
- Any other measure expressly allowed within any provision of the Agreement, or which Young Living deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by a Brand Partners policy violation of contractual breach

14: INACTIVITY, REACTIVATION, AND CANCELLATION

During any period that Young Living is investigating any conduct that violates the Agreement, Young Living may withhold all or part of your bonuses and commissions. If your sales organization is involuntarily terminated, you will not be entitled to recover any commissions or bonuses withheld during the investigation period. In situations deemed appropriate by Young Living, the company may institute legal proceedings for monetary and/or equitable relief.

14.1 APPEALS OF DISCIPLINARY ACTION

In the instance that you are subject to a sanction or disciplinary action (other than a suspension pending an investigation), you may appeal the sanction to Young Living. The appeal must be in writing and be received by Young Living within 15 days from the date of the disciplinary action. If the appeal is not received within the 15-day period, the sanction will be final. The appeal should be submitted with all supporting documentation. Young Living will review and reconsider the sanction or other disciplinary action, consider other appropriate action, and notify you in writing of its decision.

14.2 INACTIVITY

If you do not meet the personal volume (PV) requirement in any particular month, you will not receive commissions or bonuses for the sales generated through the team organization. If you do not purchase a minimum of 50 accumulative PV for a period of 12 consecutive months, your account will be deemed inactive, and your existing team will roll up to your first active support team Brand Partners.

14.3 REACTIVATION

If you are a Brand Partners and your sales organization is deemed inactive, you may reactivate your Brand Partners account by contacting Brand Partners Services and purchasing 50 PV in product or by purchasing a Starter BUNDLE or other enrollment BUNDLE. When reactivating, you will be placed under your prior sponsor, unless you request a new sponsor. If your prior sponsor is inactive, you will be placed under the next active support team Brand Partners. You will have no claim to team that was lost when you were dropped for inactivity

14.4 INVOLUNTARY CANCELLATION OR TERMINATION

If your account is involuntarily canceled or terminated, you will immediately lose all rights to your team and to any commissions or bonuses generated thereby, including those commissions or bonuses generated during the periods of activity investigated. In this case, you will receive compensation for the last full calendar month in which you were in full compliance with these Policies and Procedures prior to investigation and/or termination of your sales organization.



Young Living may, in its sole discretion, immediately terminate, upon notice, the Brand Partnership of any Brand Partners who (i) breaches any provision of the Brand Partners Agreement, the Brand Partnership Application, or these Policies and Procedures; (ii) engages in any 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; or (iii) violates government laws, regulations, ordinances, or any Young Living guideline. Young Living may also, upon notice, immediately terminate the Brand Partnership of any Brand Partners who, through his or her capacity as a Brand Partners, files any legal action proceeding or induces or facilitates any government agency to file any action against Young Living, which Young Living considers, within its sole and absolute discretion, to be without legal foundation or basis in fact. Young Living may also terminate a sales organization at any time and for any reason upon a 30- day written notice.

If your sales organization is terminated, you will be notified by mail, the email on record, or other delivery method calculated to reach you at the address on file. Cancellation is effective on the date on which written notice is issued. Upon receipt of this notice, you must immediately cease representing yourself as a Young Living Brand Partners and immediately return and delete all intellectual property of Young Living, including Reports and other lists of team and contact information.

If your sales organization is terminated, you may reapply to become a Brand Partners 12 calendar months from the date of termination. To reapply, you must submit a letter to the Young Living Brand Partners Conduct Success team (to conduct.za@youngliving.com) setting forth the reasons why you believe you should be allowed to operate a sales organization. It is within Young Living's sole discretion whether to permit your request.

14.5 VOLUNTARY CANCELLATION

You may cancel your Agreement at any time and for any reason. Written notice must be provided to Young Living and must include your signature, printed name, Brand Partners number, address, PIN, and telephone number.

If you voluntarily cancel the Agreement, you may become a retail customer or Brand Partners within 6 months of cancellation in the same position as your original account and under your original sponsor. Additionally, you may reapply to become a Brand Partners under a new sponsor after 6 months from your cancellation date.

14.6 EFFECTS OF CANCELLATION

Upon cancellation or termination, you release all rights to your Brand Partners benefits, including the team and all future commissions and bonuses resulting from the team sales production. Upon termination, Young Living may at its sole discretion retain your sales organization, sell it, roll it up to the next active support team Brand Partners, or dissolve and remove it from the sponsor's team.

15. MISCELLANEOUS

DELAYS

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

15.1 PARTIAL VALIDITY

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

15.2 WAIVER

Young Living never forfeits its right to require compliance with the Agreement or with applicable laws and regulations governing business conduct. For example, any action or inaction by Young Living regarding any conduct that violates this Agreement shall not be deemed a waiver of any of Young Living's rights or acquiescence in the conduct. Young Living retains sole discretion to take or not to take any and all actions it deems appropriate in light of any conduct that violates the Agreement by any Brand Partner or customer. Failure to enforce any provision of the Agreement against you or any other



Brand Partners or customer 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 waivers in writing. The waiver will apply only to that specific case.

15.3 TITLES NOT SUBSTANTIVE

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