

# YOUNG LIVING AUSTRALIA POLICIES AND PROCEDURES

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From November 2021, the term brand partner will replace the terms member or distributor in the updated Global Compensation Plan, Compensation Plan Terms & Definitions, Policies & Procedures documents and Application and Agreement form. Brand partner is already used in the U.S. market. AUNZ, along with other international markets will gradually transition to this new terminology in all materials and resources.

## 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 homebased 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 Essential Oils, LC 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 partner, your personal brand partner account along with the team that you build is referred to as your sales organisation.

The term "Sponsor" refers to a brand partner's immediate support team member. A brand partner account is referred to as being "active" if the brand partner enrolled as a new brand partner and purchased product within the previous 12 months and is "inactive" if he/she has not.

The term "Enroller" is the Young Living brand partner who enrols a new brand partner into Young Living. An individual can be enrolled only once in 12 months. If any brand partner does not place a minimum order for 12 consecutive months, that brand partner is considered inactive. See section 12.1 for further details and discretion.

Importantly, Young Living recognises and rewards loyalty to the company and is careful to protect both the valuable intellectual property of the company and the business interests of Young Living brand partners. Accordingly, the company shares valuable strategic information with brand partners who are solely focused on the Young Living business. That information, including strategic planning and confidential product launch schedules, are not shared with brand partners who are not solely focused on the Young Living business,

nor are such brand partners invited to participate in invitational functions or events.

#### 1.2 Purpose

The purpose of these Policies and Procedures is to:

- Set standards of acceptable business behaviour expected of you;
- Define your relationship with Young Living, your customers, other brand partners;
- Assist you in building and protecting your Young Living business.

# 1.3 Policies and Compensation Plan Incorporated into the Brand Partner Agreement

Throughout these Policies and Procedures, whenever the term "Agreement" is used, it refers collectively to your Young Living Brand Partner Agreement (or simply "Brand Partner Agreement"), these Policies and Procedures 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 Partner 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 <u>YoungLiving.com.au</u>

#### 1.4 Ethics

You are required to abide by the following Code of Ethics in the operation of your sales organisation and your opportunity to participate in the Young Living business. Violations of the Code of Ethics may result in disciplinary action.

#### **CODE OF ETHICS**

You will follow the highest standards of honesty, professionalism and integrity in the development and operation of your sales organisation. You will give prompt and efficient service to anyone to whom you have introduced Young Living products, as well as to your team.

- You will not make negative or disparaging remarks about Young Living, Young Living founders, any Young Living competitor or their people, products or organisations.
- You will not make disparaging remarks or make unfounded claims about any business or organisations or their products in the marketplace.
- You will not engage in activities that may cause losses to Young Living or another Young Living brand partner.
- 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 your immediate support team, fellow 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 organisation 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 thirty (30) days after first published by Young Living through official Young Living publications distributed to all active brand partners (e.g., e-News) 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 Partner Agreement, you agree to abide by all amendments or modifications that Young Living elects to make.

If a brand partner is not willing to accept these changes, Young Living must be notified in writing within the seven (7) days prior to the change being effective. Any continued business, ordering, acceptance of a commission or bonus payout or any other benefit by a brand partner pursuant to this Agreement constitutes acceptance of this Agreement in whole with any and all amendments. If a brand partner is not willing to accept changes, then the business may be terminated.

# 1.6 Compliance with Policies & Procedures

Compliance with the principle and specifics of these Policies and Procedures is fundamental to the ongoing success of your Young Living business. Young Living's aim is to ensure you have the best opportunity to create an environment to achieve a successful Young Living enterprise.

## 1.7 Inclusion and Anti-Discrimination

You are required to abide by the Young Living Inclusion and Anti-Discrimination Policy (IAP) brand partners which policy is available at <a href="https://brand.com/brand-nate-ital-breaches-of-the-Agreement">bit.ly/IAPAUSNZ</a>. Violations of that policy are material breaches of the Agreement.

## 1.8 10 Day Cooling Off Period

Young Living Essential Oils (Australasia) Pty Ltd stands behind its products and Business Plan. If you are not satisfied with your purchase, for any reason, return the product to your point of sale within ten (10) days of purchase to exchange for an equivalent price product or for a full refund of your purchase price. This Satisfaction Guarantee is in addition to the Young Living thirty (30) days warranty allowing customers to return unused product for a full refund of purchase price less shipping charges.

## 2: BECOMING A BRAND PARTNER

## 2.1 Requirements to Become a Brand Partner

To become an Australian Young Living brand partner, you must meet the following requirements:

- If you are an individual, be at least 18 years of age and provide a valid identification document or Individual Tax File Number (TFN).
- Be an Australian resident or must hold a visa which allows the applicant to have sources of income in Australia.
- If you are a business entity, provide an Australian Business Number (ABN). Also, a copy of the ASIC Certificate of Registration is to be provided within thirty (30) days of application.
- Read and agree to these Policies and Procedures and the Compensation Plan.
- Complete, sign and submit a Brand Partner Agreement to Young Living within thirty (30) days of your enrolment.
- Purchase a Young Living Starter Bundle.

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

## 2.2 Brand Partner Agreement

You can submit your Brand Partner Agreement through mail, email, fax or the Young Living website (YoungLiving.com.au). This application must be received within thirty (30) days of your enrolment for you to receive brand partner benefits. If the Brand Partner Agreement is not received within thirty (30) days, your brand partner account will be placed on hold until the agreement is received.

# 2.3 Web Applications

If you enrol on the Young Living website and click on "I agree" and accept the rights and obligations of Young Living brand partnership, you will not need to submit a paper application.

While your sponsor may assist you in completing the online enrolment as a brand partner, you must personally review and agree to the online Brand Partner Agreement, these Policies and Procedures and the Compensation Plan.

## 3: OPERATING YOUR SALES ORGANISATION

#### 3.1 Independent Contractor Status

As a Young Living brand partner, 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 all taxes due from 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 this 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

Individuals may join Young Living as retail customers. Retail customers can purchase product directly from Young Living for personal consumption but do not participate in the Young Living brand partner organisation or Compensation Plan. Retail customers are not required to sign a Brand Partner Agreement. Retail customers purchase products at the published retail price. Retail customers' purchases apply toward their sponsor's Organisation Group Volume (OGV). Thus, orders placed by any retail customers will be included in the total sales volume for their sponsor's sales organisation. A retail customer may become a Young Living brand partner 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 partner may operate or have an interest, legal or equitable, in only one brand partner account, unless expressly permitted in this section. If Young Living finds that a brand partner has an unpermitted interest in multiple accounts, it will terminate the duplicate account(s), leaving only the brand partner account created first.

You are specifically prohibited from creating duplicate accounts in an attempt 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 partner 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 partner, you notify Young Living of the inheritance in writing (as specified in Sections 3.7 and 3.7.1) 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 organisation by failing to engage in leadership activities such as contacting and training your team, participation in meetings, increasing enrolments and/or increasing PGV 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 organisation. 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 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 organisation 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 this Agreement, such activity will be deemed a violation by you; and Young Living may take disciplinary action against you pursuant to these Policies and Procedures. Similarly, if any individual associated in any way with a corporation, partnership, 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 disciplinary action against the entity. Likewise, if a brand partner enrols 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 this Agreement.

It is your responsibility to ensure each of your affiliated parties has been provided with a copy of the Agreement and have agreed to be bound by the terms and conditions of the Agreement.

## 3.5 Actions of Support team brand partners

If any support team brand partners encourages, aids or supports a team brand partners in any activity which, if performed by the support team brand partner, 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 partner; and Young Living may take disciplinary action against that support team brand partner pursuant to these Policies and Procedures. If such violations continue, Young Living reserves the right to terminate the support team brand partner's brand partner account.

# 3.6 Corporations, Partnerships, Limited Liability Companies and Trusts

A partnership, corporation, limited liability company or trust may become a Young Living brand partner by submitting to Young Living a partnership agreement, certificate of incorporation, articles/ certificate of organisation 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 organisation. 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 organisation because no individual may participate in more than one sales organisation in any form. A brand partner may change status under the same sponsor from individual to partnership or corporation by submitting the appropriate documentation mentioned above, as well as a Change of Dealings form.

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

## 3.7 Sale, Transfer or Assignment

Subject to approval in writing by Young Living a brand partner may sell, transfer or assign (collectively "Transfer") your entire team organisation by submitting a request to Young Living along with a \$50 USD processing fee. For your request to be considered, 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 organisation. This request must be signed and witnessed by a Justice of the Peace.
- Young Living must approve of the receiving party prior to the Transfer.
- The receiving party must be (or must become) a Young Living brand partner in good standing.
- After the transaction, the transferring party must not retain any copies, digital or otherwise, of personal information belonging to his/her team organisation brand partners.
- If the receiving party has an existing team, he/she must first transfer that sales organisation or have a transfer in place and approved by Young Living before accepting the new sales organisation.
- 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 organisation is sold and/or
  transferred, will be expected to meet leadership qualification in
  order to be eligible for leadership commission payments.
- A Sale of any organisation 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 organisation for any reason. You may not transfer your sales organisation 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 organisation. As a new owner of a pre-existing sales organisation, you may be responsible for violations of the Agreement made by the prior owner in connection with your sales organisation. Any action that may be taken on a sales organisation with the previous owner under Section 13.4 may carry over to you.

# 3.7.1 Inheritance and Succession

Upon a brand partner's death or incapacitation, their business organisation will pass to the brand partner's legal heir(s) or legal representative(s) who provide (to accountupdates@youngliving.com) Young Living with proof of the brand partner's 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 organisations. If Young Living denies you the right to have a beneficial interested 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.

3.8 Separation of a Young Living Brand Partner Business

You may, with others, operate a single sales organisation as a husband-wife partnership, regular partnership, corporation or trust (the latter three entities are collectively referred to herein as "entities"). If your marriage ends in divorce or your entity is dissolved

or otherwise restructured, 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 any other business support team or team. 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 this Agreement; and Young Living may terminate the Agreement pursuant to these Policies and Procedures.

During the proceedings of 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 an assignment in writing, witnessed
  by a Justice of the Peace, whereby the relinquishing party(ies)
  requests Young Living to deal directly and solely with the other
  party(ies). A request, witnessed by a Justice of the Peace, from
  the person being removed is required. A new Brand Partner
  Application is required from the person remaining on the account.
- The parties may continue to operate the sales organisation 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 naming the parties.
- If one of these requirements is not met, Young Living will maintain the status quo as to how commissions are paid.

Young Living will not divide your sales organisation with a divorcing spouse or with affiliate parties of a dissolving business. Similarly, Young Living will not split your commission or bonus payments between you and a divorcing spouse or affiliate parties of a dissolving entity. Young Living will recognise only one sales organisation and will issue only one commission payment per sales organisation per commission cycle. Commission payments will always be issued to the same individual or entity, unless all parties to a sales organisation 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 organisation, you are free to enrol as a new brand partner 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 organisation. In that instance, you must develop the new business in the same manner as would any other new brand partner.

## 3.9 Roll Up of Marketing Organisation

When a vacancy occurs in the Young Living brand partner organisation due to the cancellation or termination of a brand partner account, each brand partner in the first level immediately below the terminated brand partner on the date of the cancellation will "roll up," which means to move to the first level ("front line") of the terminated brand partner's sponsor. For example, A sponsors B and B sponsors C1, C2 and C3. If B terminates his/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 maintain its place and ultimately sell the sales organisation that has been cancelled or terminated for inappropriate behaviour.

## 3.10 Taxes

## 3.10.1 Income Taxes

You are responsible for complying with relevant taxation laws in the jurisdiction where you reside. In Australia, you are responsible for paying income taxes on any earnings generated through your sales organisation. When you enrol as a brand partner, you are required to provide Young Living with your Tax File Number (TFN) for application compliance purposes.

Retail customers are not required to provide any tax information.

When a sales organisation is owned by two or more individuals, taxes will be reported on the primary brand partner's tax number.

## 3.10.2 Goods and Services Tax

Young Living and Young Living brand partners are required to comply with the requirements of the Goods and Services Tax provision.

#### 3.11 Prohibited Practices

## 3.11.1 Unauthorised Recruiting

## 3.11.1.1 Recruiting

During your brand partnership with Young Living and after your brand partnership has terminated, you may engage in other non-competing business ventures; however, you may not take advantage of your knowledge of or association with, other Young Living brand partners, including your knowledge resulting 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.

Young Living may not invite a brand partner who is engaged with another MLM or Direct Selling company to invitational or strategic Young Living events.

## 3.11.2 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 organisation.

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 organisations 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 partner, including you, who recruits any Young Living retail customers or brand partner to participate in a Competing Business Venture (defined below). To protect the efforts of all brand partners in building and maintaining their sales organisations and customer bases and in order to protect Young Living's interest and investment in the overall customer base, brand partners and all members of their immediate household are required to abide by the following policies:

- A. Non-Solicitation of Young Living Retail Customers and Brand Partners:
  - i. During the period that this Agreement is in force, you and all members of your immediate household are prohibited from directly, indirectly or through a third party, recruiting any Young Living retail customers or brand partner to participate in a Competing Business Venture, regardless of who initiates the contact;
  - ii. For a period of twelve (12) months after cancellation or termination for any reason of this Agreement, you and all members 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:
    - Who were in your sales organisation 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 members 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 members 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 partner and implicitly or explicitly encouraging any Young Living retail customers or brand partner 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 partner. It is your responsibility to first determine whether the prospect is a Young Living retail customer or brand partner 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 organisation or attempt to do so; 2) to promote, influence or encourage an individual or entity to join a business, program or organisation or attempt to do so; or 3) to present or participate or assist in the presentation of, a business, program, organisation 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.

- B. During the period that this Agreement is in force and for a period of twelve (12) months after the cancellation or termination thereof for any reason, you and all members 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;
  - ii. 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.
- C. Violation of any provision of this Section 3.11.2 constitutes your voluntary resignation and cancellation of this Agreement, effective as of the date of the violation and:
  - 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 3.11.2. Young Living, may, at its option, elect to enforce this Policy by lawsuit in

- a court of competent jurisdiction in Sydney, Australia 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 3.11.2, Young Living and any brand partner that experiences an adverse financial impact as a result of such person's or entity's violation of this Section 3.11.2 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.
- v. You recognise 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.
- D. Violations of this Section 3.11.2 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 partner has violated this Policy must immediately report that information to Young Living's Policy Administration Department. The failure of a brand partner to report such information to Young Living will also constitute a violation of this Policy. The names of those reporting violations of this Section 3.11.2 will be held in confidence.

## 3.11.3 Business Separation/Non Competition

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 organisation 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 partner, representative, consultant, employee, agent, officer, director, shareholder, partner, brand partner, seller, brand partner 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 organisation) serviced or within which you (or your sales organisation) 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 organisation) serviced or within which you (or your sales organisation) physically worked during the term of this Agreement. Any brand partner who has achieved the rank of Diamond and is violating this policy as of July 2nd, 2018 will be given a grace period until December 1st, 2018 to comply with this Policu.

Diamond ranking brand partners may, however, purchase products from other multi-level marketing, party planning or other direct sales 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 3.11.2, 3.11.3 and 3.14 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 3.11.2, 3.11.3 and 3.14 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 3.11.2, 3.11.3 and 3.14 of the Agreement and that the enforcement of these provisions will cause no undue hardship to you. You agree that the restrictions herein will not prevent you from working or otherwise earning a living. If any restriction contained in Sections 3.11.2, 3.11.3 and 3.14 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.

## 3.11.4 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.

## 3.11.5 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 organisation; 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 File Number or fictitious identification numbers to circumvent this Policy is strictly prohibited.

You may not demean, discredit or defame another Young Living brand partner, especially in an attempt to entice another brand partner to become part of your marketing organisation. Young Living reserves the right to terminate your sales organisation for failure to

comply with this Policy.

## 3.11.6 Bonus Buying and 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 partner 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 partner 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 partner 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 organisation
- The use of a credit card or other similar payment method by or on behalf of another brand partner or customer when that brand partner 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 re-sell, in the pursuit of commissions, bonuses or other compensation

#### 3.12 International

Compliance with foreign laws regarding intellectual property, data privacy and protection, customs, economic sanctions, export controls, taxation, literature content and other direct selling guidelines is critical to successful international expansion of Young Living into new markets. Consequently, you are authorised to recruit and sponsor other brand partners only in countries or jurisdictions 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 and other applicable law. Unauthorised premarket opening activity may jeopardise 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 unauthorised premarket opening activity. You are not authorised 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.

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

If you want to sponsor brand partners in a country officially recognised as open, you must satisfy all of 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 Australia and sales to customers in Australia. If Young Living authorises 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 Australia may be promoted and sold in Australia.

Without expanding the foregoing, brand partners may sponsor and/ or enrol 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 authorisations by Young Living and terms or policies related to sales in those countries. Brand partners may not import products into any country that are not legally importable or saleable. 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 organisation in a foreign country.

If you are not a resident of the United States, then you agree that all services you perform in connection with your Young Living business are performed outside the United States. If you perform services within the United States in connection with your Young Living business, to ensure compliance with federal and state laws and regulations, you agree to and will contact Young Living at <a href="USbusinesstrips@youngliving.com">USbusinesstrips@youngliving.com</a> within 30 days of performing such services to report the time you spent in the United States on business activities in connection with your Young Living business.

## 3.12.1 NFR (Not For Resale)

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 display, advertise or resell them. You must not make any claims, therapeutic or otherwise, on any product in a NFR market.

In markets where Young Living is authorised, you must not make unapproved therapeutic claims on NFR products you bring in through the NFR program. Approved claims in other markets cannot be made on products classified as NFR in your market.

## 3.12.2 Anti-Briberu

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.

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 prospective brand partner or existing brand partner to manipulate the Compensation Plan or circumvent the Agreement.

# 3.13 Repackaging and Relabelling

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 partner uses Young Living products as an ingredient of any product for resale, the brand partner is strictly prohibited from using Young Living trademarks or logos in conjunction with selling such product. Such relabelling or repackaging could result in severe criminal penalties. Violation of

this section may subject a brand partner to disciplinary actions as outlined in Section 13.4. Additionally, you agree to indemnify Young Living against any harm resulting from use of Young Living products as an ingredient and the repackaging or relabelling of any of its products.

## 3.14 Confidentiality Agreement

As a brand partner of Young Living, you may have access to information including, but not limited to, confidential information such as line of sponsorship and organisation 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 partner profiles and product purchase information), brand partner lists, manufacturer and supplier information, business reports, commission or sales reports, marketing strategies and plans, product formulae, product 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 organisation for the purpose of assisting you to build your Young Living business. You shall keep such information confidential and must not disclose any such information to a third party directly or indirectly. You must not use the information to compete with Young Living or for any purpose other than for promoting Young Living's program and its products and services. 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, Young Living may further require a signed non-disclosure agreement before releasing any business information to you.

In the event of the cancellation, expiration or termination by either party for any reason of the Agreement, the obligations contained in this Section 3.14 survive and are subject to legal enforcement by injunction. 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 recover costs and reasonable attorneys' fees incurred in enforcing its rights under this Section 3.14.

## 3.15 Reporting Policy Violations

You should report any violations of these Policies and Procedures by any brand partner to the Young Living Compliance Team by emailing <u>conduct.au@YoungLiving.com.au</u> or calling Member Services at 1300 AU YLEO / 1300 28 9536.

3.16 Authorisation to Transfer and Disclose Personal Information In order to provide support for your sales organisation, you authorise Young Living to disclose personal and/or confidential information that you have provided Young Living in connection with your sales organisation or that you have developed as a result of your activities as a brand partner. You authorise Young Living to transfer and disclose this information to its parent and affiliate companies, to your support team when necessary to assist with support team support to you and your sales organisation and to applicable government agencies or regulatory bodies if required by law.

You further authorise Young Living to reasonably use your personal information for brand partner recognition and marketing materials.

## 3.17 Authorisation to Take and Use your Photo or Video

By becoming a brand partner 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, please notify a brand partner of Young Living's staff at the event where photographs and videos are being taken. The provisions of this section will permanently survive the term of the Agreement.

## 3.18 Rank Recognition

The Young Living Compensation Plan pays compensation based on different ranks and the criteria set forth in that plan. Each month you may qualify for payment according to the rank in which you qualify. Brand partners are recognised by Young Living in various ways and at various times as they achieve certain ranks. To be recognised at and enjoy the perks of a new, higher rank that is Silver or above, you must qualify for that rank (or above) for one month. In order to maintain recognition at a rank of Silver or above, after initially qualifying for that rank, you must requalify for that rank (or above) again within six months of the last month in which you qualified for that rank. If you fail to requalify for a rank for six consecutive months, you will be recognised at the highest rank you qualified for during that six month period on the seventh month and be required to requalify for the higher rank for at least one month before you can be recognised at the higher rank again. To be recognised at a Young Living event, you must maintain that rank, as outlined above and not be under a compliance hold or investigation. Requirements to attend recognition retreats are published at YoungLiving.com.

## 3.19 Non-Exclusivity

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

3.20 Non-Disparagement, Anti-Harassment and Employee Privacy Brand partners 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 to remember that Young Living employees have personal lives, personal opinions and privacy outside the bounds of their employment at the company. Employees do not speak for the company when communicating via their personal e-mails, social media pages, phone calls, etc. Even when an employee is speaking in his or her capacity as a Young Living employee, every employee is only human and may at times misspeak or speak imperfectly. Young Living asks its brand partners to exhibit grace not only in their dealings with one another but also when dealing with corporate employees. Brand partners who personally attack or verbally abuse Young Living staff may face disciplinary action under these Policies and Procedures. In addition, brand partners of all ranks are expected to follow the appropriate corporate channels for resolving account issues or providing feedback (e.g. customer service teams, Diamond Support, etc.) rather than attempting to contact Young Living employees directly through improper channels.

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

# 4: SPONSOR'S RESPONSIBILITIES

# 4.1 Sponsoring

Brand partners have the right to sponsor other Young Living brand partners. Each prospective brand partner has the ultimate right to choose his/her own sponsor. If two brand partners claim to be the sponsor of the same new brand partner or customer, the new brand partner 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 partner, you must provide the most current version of these Policies and Procedures and the Compensation Plan before he/she signs a Brand Partner Agreement or ensure that such individual has online access to these materials.

## 4.2 Sponsoring Online

When sponsoring a new brand partner through the online enrolment process, you may assist the new applicant in filling out the enrolment materials. The applicant must personally review and agree to the online Brand Partner Agreement, these Policies and Procedures and the Compensation Plan. You may not fill out the online application and Agreement on behalf of the applicant.

## 4.3 Brand Partner 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 enrollees 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 Member Services at 1300 AU YLEO / 1300 28 9536 to determine further support team leadership to whom you could go for help. As a sponsor, you also agree to make your contact information (telephone number/email address) available to your team for training and support purposes.

You should monitor the brand partners in your team to ensure 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

Young Living brand partners shall 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 Young Living business.

## 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 organisation in accordance with the Young Living Privacy Statement available at YoungLiving.com.au. 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.

## 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.

All Young Living materials, whether printed, on video or DVD, produced by sound recording, digital or any other electronic formats are copyright. You may reproduce these materials for use in developing your own advertising materials that you use in connection with the development of your Young Living business and that of your team. You may not, however, use these materials in connection with any business activity outside of the scope of your brand partnership.

There is no recording permitted during any Young Living convention or meeting. Anyone found recording the Young Living convention or any other Young Living meeting will be removed and subject to disciplinary action and the recording will be confiscated. Reproduction or distribution of a brand partner's notes from any Young Living event is prohibited.

5.2 Brand Partner-Developed Advertising Materials and Products If you choose to produce or use advertising materials that were not developed by Young Living, you must clearly identify that the material is from an "Independent Brand Partner" and not Young Living.

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. Violations may subject a brand partner to disciplinary actions as outlined in Section 13.4.

You and any company that you have an ownership interest in are not permitted to use Young Living trademarks, copyrights or other intellectual property on marketing materials (including physical or electronic), essential oil accessories, software, branded merchandise or other products that you sell to others (including other Young Living brand partners), unless you first acquire a license from Young Living. Violation of this policy may result in legal liability and disciplinary action, as outlined in Section 13.4.

Without approval, brand partners must not be part of any advertised story or article to promote their Young Living business, whether print or digital, nor may any brand partner conduct Public Relations activities. All Public Relations activities must be referred to the Young Living Marketing Manager via Member Services by emailing <a href="mailto:custserv@YoungLiving.com.au">custserv@YoungLiving.com.au</a>

## 5.3 Advertising Claims and Representation

## 5.3.1 Product Claims

You are prohibited from making unauthorised 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 products. You must comply with all laws, both state and federal, 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 authorised to do so. Anyone improperly diagnosing or prescribing Young Living products may jeopardise the future of Young Living and all of its brand partners and may therefore have his/her sales brand partnership terminated.

## 5.3.2 Income Claims

Federal law prohibits individuals engaged in direct selling or network marketing from making any false, misleading or potentially misleading claims regarding earnings, income or lifestyles. You are prohibited from making improper income claims, which includes any testimonial, statement or other representation, whether written or oral, that pertains to the following in connection with the Young Living business opportunity:

- · Exaggerated or guaranteed incomes, earnings or profits
- Hypothetical, potential or estimated incomes, earnings or profits that are in any way misleading

- · Exaggerated or luxurious lifestyles
- Any other false, untruthful, incomplete or otherwise misleading or potentially misleading information regarding income, earnings or lifestyles

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

- · Early retirement
- Income equivalent to a full-time career ("career-level income")
- · A luxury lifestyle
- A large home
- Luxury automobiles
- Exotic vacations
- · A spouse no longer having to work
- Financial freedom
- Or anything similar thereto

Additionally, you may not mention Young Living in a social media post near one suggesting a luxurious lifestyle. Further, you may not disclose the amount of any bonus or commission you receive from Young Living, including images of any commission check or any images of bank accounts, balances, tax statements or similar financial records. Young Living has prepared an Income Disclosure Statement (IDS) designed to convey truthful, timely and comprehensive information about the income that its brand partners have earned. The IDS is a tool that assists brand partners to understand the income opportunity and should be shared in its entirety. Brand partners should not share a portion of the IDS without directly linking to it or disclosing the entire document.

A copy of the IDS is available online at <a href="bit.ly/IDSAUNZ">bit.ly/IDSAUNZ</a>. Any time that you present or discuss the Young Living business opportunity, you MUST provide any prospective brand partners with a copy of the IDS. The copy of the IDS must be visible at the same time the information is provided (i.e., not via a hyperlink) and Young Living recommends using the enlargeable thumbnail image provided at

## bit.lu/IDSAUNZipa

## 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.

Examples of misrepresentations in this area include:

- Anyone can succeed with little or no effort.
- Failure to succeed is just a lack of effort.
- It's a turnkey system.
- 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 partner to believe that he or she can be successful as a Young Living brand partner without commitment of time and work effort.

## 5.3.4 Governmental Approval or Endorsement

State and federal 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 organisation. This provision will survive the termination of the Agreement.

## 5.4 Testimonials and Meetings

At brand partner-sponsored meetings, brand partners should not arrange for a disease-cure, disease-prevention or disease-treatment testimonial, as described in Section 5.3.1. 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 partner 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."

This also includes testimonials shared one on one, through digital media or through any printed materials or third party literature. Third-party scientific literature that is compliant with local, state and federal law 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, 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 authorised 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 organisation. 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 authorisation, 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 (10) days of Young Living's written request.

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

## 5.6 Domain Names and Email Addresses

You may not use, register or own any Internet domain name either in Australia or abroad that includes any of Young Living's trade names, trademarks, service names, service marks, product names, company names or any derivative thereof. Nor may you incorporate or attempt to incorporate any of Young Living's trade names, trademarks, service names, service marks, product names, the company names or any derivative thereof into any email address. In accordance with this policy, all existing brand partner-owned domain names that violate this provision will be expected to be brought into conformance within 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 partner Sites"). Brand Partner Sites used to promote Young Living, Young Living products or Young Living events must display a current Young Living Independent Brand partner logo (as described in Section 5.2) in a prominent location. Brand Partner Sites must further include the brand partner number.

Brand Partner 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 address; (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; or (d) contain false or misleading information. Brand partners are responsible to ensure that all users of their Brand Partner Sites comply with these requirements.

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

You agree by signing a Young Living Brand Partner Agreement that you will give the Young Living Compliance Team access to all social media sites for review at any time.

When using social media, brand partners may not use as their user name, 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 Partner" 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 Fulfilment Stores Restricted

Brand partners may not sell or display Young Living products on any Internet classified ad site (e.g., Gumtree, etc.), marketplace (e.g. Facebook® marketplace, Walmart® marketplace, etc.), auction site, shopping site or order fulfilment store (e.g., eBay®, Amazon®, TradeMe, OrderDog™.com, Overstock®.com, 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 fulfilment store or (2) sell products to a third party that the brand partner has reason to believe will sell such products on any Internet classified ad site, auction site, shopping site or order fulfilment store. 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.

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 partner 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 cold calling telephone operators to solicit potential brand partners. In addition, any email messages distributed to solicit for your business must conform to the Spam Act 2003 and contain appropriate opt-out provisions for the recipient. Failure to opt respondents out of your email may subject you to the disciplinary action outlined in Section 13.4. You may not opt out for another brand partner in your organisation.

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 personalised website to assist in your marketing efforts. You should contact Member Services on 1300 AU YLEO / 1300 28 9536 for more details or log in to your Young Living Virtual Office (YoungLiving.com.au) 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

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. Approval must be obtained through the Young Living Australia Compliance Manager by emailing <a href="mailto:conduct.au@YoungLiving.com.au">conduct.au@YoungLiving.com.au</a>

## 5.12 Minimum Advertised Price

You may establish the price at which you resell Young Living products, as long as such sales are within the Policies outlined in this Agreement. However, certain advertisements can threaten healthy competition of essential oils and wellness products, can reduce sales of Young Living products and can cheapen the image that Young Living has worked hard to develop. Advertising with such potential effects is not acceptable to Young Living.

Notwithstanding the Policies in this Section 5.12 and Section 3.11.6 of this Agreement, brand partners may offer up to only \$40 AUD in enrolment incentives (e.g. Young Living product credit, gift cards or a gift), plus additional reference materials as desired as incentives to new enrollees or reactivated brand partners. No other discount, promotion or monetary 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 13.4.

## 5.13 Trade Shows, Markets and Expositions

Subject to the requirements in this Agreement and with written permission from Young Living Australia, you may display and sell Young Living products at trade shows, markets and expositions. All literature displayed at the event must be official Young Living

literature or Young Living approved brand partner developed advertising materials as per Section 5.2 and you must clearly identify yourself as an Independent Brand Partner. Approval will be given on a first in basis and the numbers of brand partners participating will be limited to each event. You must obtain written permission before using Young Living logos (other than the Independent Brand Partner logo) or trademark.

## 5.14 Media Inquiries

Young Living brand partners must refer all media inquiries regarding Young Living, its products or services or their sales organisation to the Young Living Australia Compliance Manager by emailing <a href="mailto:conduct.au@YoungLiving.com.au">conduct.au@YoungLiving.com.au</a> to ensure that accurate and consistent information reaches the general public.

## **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 fulfil specified personal and team sales requirements (as well as meet other responsibilities set forth in these Policies and Procedures) in order to be eligible for bonuses, commissions and advancement to higher levels of achievement. The following sales requirements must be satisfied in order for you to be eligible for commissions:

- You agree not to stock excessive inventory. 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. 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 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 federal or state law. In accordance with such laws, you must 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 partner 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' 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 partner and customer orders satisfy customer sales requirements.

# 6.4 Excessive Purchases of Inventory Prohibited

Brand partners will not encourage their team or any other brand partner to make unnecessary product purchases that could result in a large stagnant inventory. This is called "front-end loading" or "inventory loading" and refers to the purchase of products that are stored, destroyed or otherwise disposed of without being consumed, 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 partner 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 partner account on hold until it can fully investigate the qualification buying.

## 6.5 Used Product

All product sold must be new, unused and unopened. Where a product has a stamped expiry date or use by date it must not be sold past this date. If any brand partner stocks product for sale to customers they must be conscious of the expiry, best before or use by dates on their stock.

## 6.6 DSA Code of Practice

As a brand partner of Direct Selling Australia ("DSA"), Young Living must comply and must ensure that its brand partners comply, with the DSA Code of Practice (copy available from www.directselling.org. au).

As at the date of the Agreement, under the DSA Code of Practice, you must offer a ten (10) day, money-back guarantee to customers. This ten (10) day money-back guarantee is in addition to any money-back guarantee offered on Young Living products to customers. This ten (10) day money-back guarantee means that a customer may, for any reason, request that the customer's agreement to purchase products from you ("Purchase") is cancelled and that the customer be given a full refund of the purchase price. The only conditions are that the customer must request the refund within ten (10) days of Purchase and must return the unused portion of product. You must make the refund within ten (10) days of the customer's request. If the customer prefers, you may make a product exchange instead of a refund.

## 6.6.1 Unsolicited Consumer Agreements

The Unsolicited Consumer Agreements provisions in the Fair Trading Act relevant to your state and Australian Consumer Law set out requirements that must be complied with by you when making unsolicited sales, in addition to the DSA requirements set out above. You must ensure that any unsolicited sales of Young Living products you make comply with the Unsolicited Consumer Agreements provisions. A brief overview of the Unsolicited Consumer Agreements provisions and compliance requirements for the Unsolicited Consumer Agreements provisions are set out below. You must consider whether contact with a consumer may result in an "unsolicited direct sales agreement". An "unsolicited direct sales agreement" means an agreement for selling Young Living products (see further below) in circumstances where the agreement was negotiated at the customer's workplace, home or by telephone and the customer did not invite you to that place or make that phone call, for the purposes of entering into negotiations for the sale of the Young Living product(s) that the sale agreement covers.

The price to be paid or payable by the customer under the agreement must also be more than \$100, (or unascertained at the time of sale) in order for the Unsolicited Consumer Agreements provisions to apply. Only the Young Living products that are of a "kind" ordinarily acquired for personal, domestic or household use or consumption are relevant. The Unsolicited Consumer Agreements provisions do not apply to any Young Living products that are of a "kind" ordinarily acquired for business purposes. Unsolicited Consumer Agreements provisions also limit unsolicited direct sales activities with regard to time of day and location.

# 6.6.2 Situations Where Unsolicited Consumer Agreements Provisions May Not Apply

Based on the above requirements, the Unsolicited Consumer Agreements provisions are NOT likely to apply to the following selling arrangements between you and a customer:

- The sale is made to your customer for the purpose of resale;
- All discussions preceding the sale take place wholly at your business or trade premises or online;
- Your approach to the customer resulted from an invitation from that customer (excluding where the customer has provided their contact details to you for another purpose or for the sale of another product);
- The value of the single sale transaction is less than \$100; or
- You have previously entered into an "unsolicited sales agreement" with the customer and the customer is simply renewing the agreement for the same products.

# 6.6.3 Compliance Requirements For Unsolicited Consumer Agreements

If your approach, sale or presentation does NOT fall within any of the situations described above in section 6.6.2, then the selling arrangement is likely to constitute an "unsolicited direct sales agreement" and is subject to the Unsolicited Consumer Agreements provision requirements. These include:

- The purchase agreement must include certain information, such as: clear description of the goods; summary of the customer's right of cancellation; the personal details of the customer as well as your personal details; and the total price to be paid under the agreement (or the method by which the total price will be calculated).
- You must provide the customer with a completed copy of the purchase agreement (which has been signed by the customer) at the time of signing and keep an identical copy for your records. If you make the agreement over the telephone then you must ensure that the customer receives a hard copy of the agreement within five (5) working days of the agreement being signed.
- You must verbally disclose to the customer before executing a
  purchase agreement that there is a cooling off period of five
  (5) working days during which the customer may cancel the
  agreement (note that these details must also be included on the
  purchase agreement).
- If the customer does cancel the agreement, you must immediately repay all money that the customer has already paid under the agreement and arrange to collect any goods that you have already supplied to the customer (at the customer's own expense). Remember that this is a brief summary of the Unsolicited Consumer Agreements provisions. For more specific information and to read the Unsolicited Consumer Agreements provisions in full, please visit the following website: www. ConsumerLaw.gov.au and see the relevant sections of Australian Consumer Laws or seek legal advice.

## 7: COMMISSIONS AND BONUSES

## 7.1 Commissions and Bonus Payments

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 partner account. Commissions will be paid in accordance with the Compensation Plan, the current version of which is available through the Virtual Office (YoungLiving.com.au). As long as you comply with the terms of the Agreement, Young Living will pay commissions on approximately the 20th of each month for the prior month's sales. Commissions will be 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 Member Services for more information at 1300 AU YLEO / 1300 28 9536.

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 <u>YoungLiving.com.au</u>. If you do not have Internet access, you may request that the report be faxed or mailed to you for a small fee.

## 7.3 Adjustments

You agree that adjustments will be made to your commission payment 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 cheques, including that of the support team. Any other debt may be offset against commission payments.

In the event that you fail to properly provide your Tax File Number (TFN) or Australian Business Number (ABN) to Young Living, Young Living may be required deduct the necessary withholdings from your commission payments.

## 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 forty-five (45) days from the date of the payment. Errors or discrepancies that are not brought to Young Living's attention within forty-five (45) days will be deemed waived.

#### 7.6 Recipient Created Tax Invoices

This section applies to Recipient Created Tax Invoices, where:

- "Supplier" is the Brand partner;
- "Supplies" is the provision of services for which bonuses or commissions are paid;
- "Recipient" is Young Living Australia Pty Ltd (Young Living);
- "RCTI" is Recipient Created Tax Invoice;
- "Tax Invoice" includes an adjustment notice.

**7.6.1.1:** The Supplier warrants that the Supplies are Taxable Supplies for GST purposes and will advise the Recipient should any Supplies be GST-free, input taxed or outside the scope of GST.

7.6.1.2: The Recipient and Supplier agree that:

- a. The Recipient can issue RCTI in respect of the Supplies;
- b. The Supplier will not issue tax invoices in respect of the Supplies;
- The Supplier acknowledges that it is registered when it enters into the agreement and that it will notify the Recipient if it ceases to be registered;
- d. The Recipient acknowledges that it is registered when it enters into the agreement and that it will notify the Supplier if it ceases to be registered or if it ceases to satisfy any of the requirements of any Australian Taxation Office (ATO) ruling required for the issuance of an RCTI.
- e. The Supplier indemnifies the Recipient for any liability to tax, over claimed credits and penalties as a result of an error by the Recipient on any supply for which it issues a RCTI that might arise due to the failure of the Supplier to notify cessation of registration or other ATO requirements;
- f. The above terms are modified in accordance with current GST law and ATO Rulings as required for the issuance of a RCTI from time to time: and
- g. The Supplier will inform the recipient if he/she considers that relief from GST should be afforded under the transitional provisions of the GST law. The Recipient will then examine the legal position to determine availability of relief.

## 7.6.2 PAYG Withholding Tax

I/We acknowledge that until I am/we are advised by Young Living that I/we have achieved the 'in business' criteria for the ATO purposes, I/we will not be conducting an enterprise for taxation purposes and consequently will not be required to quote an Australian Business Number (ABN) to Young Living; OR I/We am/are carrying on a business under general law and will immediately provide the ABN for my/our enterprise to avoid the requirement for Young Living to deduct PAYG withholding from bonuses payable to my/our enterprise.

## 8: ORDERING

# 8.1 Ordering Methods

All brand partners may place orders by telephone, fax, mail, email, website or through the Essential Rewards Subscription program.

## 8.1.1 Phone

When ordering, modifying account information or accessing your account by phone, be prepared to present all information requested on the Young Living order form, including brand partner number and PIN

## 8.1.2 Email and Mail

When ordering by email or mail, print information legibly on the order form. You must include your brand partner number on the order form along with your contact information and PIN.

#### 8.1.3 Young Living Website

The Young Living website makes ordering and accessing information online quick and easy. Available 24 hours a day, 7 days a week, the website allows you to place online orders. You will need your brand partner number and password (which should be kept confidential) at YoungLiving.com.au. You must keep your password secure and order only on your own account.

## 8.2 Essential Rewards Subscription Program

The Young Living Essential Rewards Subscription Program enables you to have Young Living products automatically shipped to you each month. Through this program you can earn bonus products, qualify for brand partners-only specials and qualify for compensation under the Compensation Plan. You may learn more and sign up for the Essential Rewards Subscription Program in the Virtual Office (YoungLiving.com.au or by contacting Member Services at 1300 AU YLEO / 1300 28 9536).

It is advised that the Subscription order is set up to be processed between the 1st and 20th of each month. Subscription orders can be processed after the 24th, but these dates have limited availability. The earlier the order, the easier it is to solve any disputes with the payment and out-of-stock products. Young Living cannot be held responsible for orders that are not processed due to brand partner payment obligation and reserves the right to cancel a brand partner's Essential Rewards Subscription if the 50 PV minimum order requirement is not being met which forfeits all Essential Rewards points and rewards. If certain products are out-of-stock, Young Living reserves the right to send an alternate product to the brand partner. If the brand partner is not satisfied with the alternative product; the brand partner may return the product pursuant to Young Living's return policy or exchange the product for an item of equal value.

Once the order has been processed it cannot be changed or cancelled. There is a 25% restocking/handling fee (due to brand partner's failure to update or cancel his or her ER template before the processing date) for any returns if your order has been processed. Therefore, we encourage you to update your ER template at least two (2) days before the processing date.

Return of any Essential Rewards order forfeits all Essential Rewards points earned from that order. Please refer to the Essential Rewards information pages on the Virtual Office.

## 8.3 General Ordering Policies

On orders with invalid or incorrect payment types or anything else that may prevent Young Living from placing the order, Young Living will attempt to contact you by phone or email to correct the order. Young Living will make two attempts to correct the order. If these attempts are unsuccessful after five (5) business days, the order will be cancelled.

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

If an item ordered is out-of-stock or discontinued, Young Living will attempt to contact you by phone or email so that you may select an alternative item, if qualifications are negatively affected. If we are unable to contact you or do not receive a response from you within two (2) business days, Young Living will remove the item and process the order. It is your responsibility to verify that the products in your order are available when shipped.

No cash-on-delivery (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

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

#### 8.3.2 Month-End Order Processing Cutoff

The month-end order processing cutoff is the last calendar day of the month at 11:59 PM, Australian EST. Faxed orders must be received by the last day of the month. All mailed-in orders must be post marked by the last day of the month and received within the next three (3) business days of the following month. If not received within the following three (3) business days, the orders will be credited to the following month. 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. Only mail-in orders fall under the three (3) business day exception.

# 9: SHIPPING

## 9.1 Shipping Methods and Charges

Domestic orders are generally shipped within two (2) business days (excluding weekends and holidays). A packing slip is included in each shipment. It contains the order number, brand partner number and name, product code and product name. Brand partners should keep these packing slips for personal accounting records.

## 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 (5) business days of receipt of shipment will forfeit your right to request a correction.

The Return Authorisation Number (RAN) is required for the processing of all shipping discrepancies or damage claims. If the RAN number is not included, Young Living will not process shipping discrepancies, issue credits or replace damaged products. Please call Member Services on 1300 AU YLEO / 1300 28 9536 for a RAN if a return is required.

To correct any problems you may have encountered with your shipments, please contact Member Services. A Member Services representative will discuss the steps to rectify the situation and issue a Return Authorisation Number.

## 10: PAYMENT

## 10.1 Methods of Payment

Young Living accepts the following payment methods:

- Credit Cards VISA®, MasterCard®. Using someone else's credit card without his/her written permission is illegal and may be grounds for termination of your Young Living business as well as possible legal action.
- Paypal<sup>®</sup>
- Personal Cheques, Cash Direct Deposit and money orders (standard orders only).

Each brand partner is financially responsible for their own account. If you grant another brand partner permission to order on your account or to use their payment method on your account, written approval must be sent to Young Living stating that permission is granted. A regular audit will be conducted on brand partner accounts where this permission has been granted.

## 10.2 Returned Cheques and Insufficient Funds

You are responsible to ensure that sufficient funds are available in your account to cover regular orders and Essential Rewards Subscription orders. If a personal cheque is returned for non-sufficient funds (NSF), you will not be able to place orders using personal cheques until the balance is paid with a credit card or a money order. An NSF cheque will be sent to a collection service, appropriate processing fees will be charged and your account will be placed on suspension. Failure to promptly resolve an NSF cheque may result in legal action and possible termination of your Young Living business. Any uncollected amount may be deducted from commissions.

## 11: PRODUCT RETURNS

## 11.1 Return Policy

Young Living reserves the right to review each return or exchange on a case-by-case basis. Returns will cause promotions, credits, commissions and bonuses to be adjusted or reversed, both for the person making the return and for any support team 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 thirty (30) days after shipment for a full refund in the same method of payment of the purchase price and GST (inc. reasonable shipping charges).
- Any opened product within thirty (30) days after shipment for a credit on your Young Living account of the purchase price and GST (inc. reasonable shipping charges).
- Any opened or unopened product up to ninety (90) days after shipment for a credit on your Young Living account of the purchase price and GST (less shipping charges and a 25% 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 25% handling fee) will be applied to your Young Living account.

If you, as a brand partner sell product to non-brand partners, you are required to provide the same return policy to the non-brand partner as outlined in this Section 11.1. You are also responsible for returning the product to Young Living within ten (10) days of receiving the return from the non-brand partner. 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 organisation. 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 Agreement and receive a refund. Upon receipt of the products, you will be reimbursed 90% of the net cost of original purchase price, less shipping charges. Young Living will deduct from the reimbursement any commissions, bonuses or other incentives received by you as a result of the product you are returning. If your account is terminated, you have ninety (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 ninety (90) days from the date of termination.

## 11.1.3 Product Bundles and Collections

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

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 partner, as Young Living will assume the returned item(s) is the promotional product(s). If all promotional products are returned, Young Living will credit the brand partner for the product purchased.

## 11.2 Procedures for Returns

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

- The customer or brand partner who purchased it directly from Young Living must return the products.
- The product(s) must be returned in its original container.
- The return must have a Return Authorisation Number (RAN) that
  may be obtained by calling Member Services at 1300 AU YLEO
  / 1300 28 9536, by emailing <u>custserv@youngliving.com.au</u>.
  The RAN 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 cash-on-delivery (COD) packages.
- If returned product is not received by Young Living's distribution centre, it is the responsibility of the brand partner to trace the shipment. Young Living is not liable for items lost or damaged in transit.
- Volume for exchanges will be counted in the month the exchange transaction was made.
- No refund will be made for subsequent returns of the same product, except when the product is damaged or defective.
- Credits will be issued when Young Living has processed the return.

## 12: BRAND PARTNER ACCOUNT MANAGEMENT

## 12.1 Changes to a Brand Partner Account

You must immediately notify Young Living of all changes to the information contained on your Brand Partner Agreement. You may update your existing information by submitting a Change of Dealings form indicating the changes by email to <a href="mailto:custserv@YoungLiving.com.au">custserv@YoungLiving.com.au</a> or by making such changes in the Virtual Office (YoungLiving.com.au).

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 organisation and to safeguard the hard work of all brand partners, Young Living strongly discourages changes in sponsorship. Young Living recognises, however, that extenuating circumstances may exist that necessitate a change in sponsorship. Therefore, a request for sponsorship change will be considered only under the following circumstances:

Only one free sponsor/enroller change request can be made within the first 30 calendar days of enrolment with the approval of the brand partner 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 mail, email, fax, or other method or form required by Young Living. Requests after the initial 5 days must be submitted via email should be sent to resolutions@youngliving.com. The email or form must come directly from the new brand partner 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 partner, even in the form of a forwarded email.

- Sponsor changes must be made prior to the end of the last calendar day of each month to be recognised in that month. If the sponsor change is submitted after the last calendar day of the month but within the 30 days of enrolment, the sponsor change will not be recognised until the following month. Young Living will not be responsible for a delay in sponsor change due to the timeliness of the submission of a sponsor change request as outlined herein and within the 30 days. If within the 30 days both the enroller and the team brand partner submit a request for a sponsor/enroller change, the team brand partner's request will always take precedence. The brand partner or enroller can contact Member Services to submit the sponsor change request during the thirty (30) day period. Only newly enrolled brand partners and reactivating brand partners or their current enroller are authorised to request any sponsor change for their individual accounts within 30 days of the enrolment or reactivation. Such changes cannot be made at the request of other support team or family brand partners.
- Under exceptional, extenuating conditions, a brand partner may request a sponsor change after the 30 days of enrolment by completing a Support Team Approval Sponsor Change Request Form and submitting a nonrefundable \$35USD processing fee to Young Living via email at <u>aunz-resolutions@youngliving.com</u>. The required signatures to be obtained are: the current Enroller, the Active Support Team brand partner, defined as the brand partner's next immediate support team brand partner that has met the 100 PV requirement in the Young Living Compensation Plan for the immediately prior 6 consecutive months and the Gold leader, the Gold leader is considered the closest support team brand partner whose highest achieved rank is Gold or higher. The nonrefundable \$35USD processing fee must be paid either by credit card, account credit or PayPal 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 and the non-refundable payment.
- If one of the support team brand partners does not respond within a period of 60 days, the brand partner may request to be moved under the sponsor of their choice. The brand partner must demonstrate that they have made a good faith effort to contact all required support team sponsors. The good faith effort will require the brand partner to provide sufficient evidence to prove they have tried for a period of 60 days to contact the support team brand partner via email, certified mail, etc. and the support team brand partner has ignored or has been nonresponsive to the request. The evidence must be submitted to the Conduct Team at conduct.au@youngliving.com.au. If the brand partner cannot provide evidence of a good faith effort, Young Living may deny the request at its sole discretion. If a sponsor change is successful through the Support Team Approval, the brand partner's original organisation 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 Support Team, the Conduct Team will investigate the approvals and Young Living may reject the sponsor change request and restore the brand partner to the original sponsor. No enroller changes will be allowed after 30 days of the initial brand partner enrolment. Young Living reserves the right to approve and/or deny all sponsor change requests in its sole discretion. If after an investigation there is evidence to prove that a brand partner used the Sponsor change Policy in violation of the Agreement, Young Living in its sole discretion can reverse the Sponsor Change regardless of when the violation was discovered.
- If a brand partner is unable to get approval from their Support Team, the brand partner may choose to go "inactive" by not placing an order for 6 months to effect a change to a new sponsor. "Inactive" means no orders are placed and no business activity is undertaken, including attending meetings, until the completion of the 6 month period. At the end of six months, the brand partner may request a sponsor change by emailing resolutions@youngliving.com and paying a \$35USD fee. The new sponsor cannot become the enroller. When a brand partner 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 partner's sponsor has not provided support to the brand partner for over a period of 2 years and the brand partner has filed a grievance with Young Living that includes the following: (a) The sponsor/support team brand partner does not contact the brand partner over the period of 2 years; (b) the sponsor/support team brand partner does not respond to requests for help; (c) the sponsor/support team brand partner does not offer support, mentoring, business building information, etc. The brand partner must submit the grievance to conduct.au@youngliving.com.au along with supporting documentation. Young Living will conduct a full investigation into the grievance; and if the grievance appears substantiated, Young Living may allow the sponsor change. The brand partner requesting the change must pay the nonrefundable \$35 USD processing fee.
- If the brand partner has not placed an order or generated at least 50 cumulative PV for 12 consecutive months, the brand partner account will be dropped for inactivity around the middle of the following month after 12 months of inactivity. The existing team will roll up to the next support team brand partner and remain in the original genealogy. Upon reactivation of an account terminated for inactivity, the brand partner may sign up under a new sponsor and enroller.

Requests cannot be submitted by another brand partner. Young Living will not approve sponsor change requests that it deems to be intended to manipulate payment under the Compensation Plan. Any sponsor change that immediately causes the rank up of a support team brand partner, will be denied.

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

## 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 organisation in a sales organisation under a new sponsor, Young Living reserves the sole and exclusive right to determine the final placement of your new teams organisation. 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 organisation that develops below an organisation that has improperly changed lines of sponsorship.

## 12.1.3 Sponsor Placement Program

When a new brand partner enrols 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 organisations 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 Essential Rewards Subscription program and conscientiously engaged in the Young Living business.

The new brand partner has thirty (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 AUD each. Brand partners who do not have a Young Living-sponsored personal website will pay \$5 AUD for each email report requested. Brand partners who wish to have the report faxed or mailed will pay \$5 AUD 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 3.14 of the Agreement. Without limiting your obligations under Section 3.14 of the Agreement, you may not use reports for any purpose other than for developing and supporting your sales organisation. 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 partu:
- Use reports to compete with Young Living in violation of Section 3.11.2 of the Agreement;
- Use reports to solicit any brand partner or customer listed on the reports or to engage in any conduct prohibited by Section 3.11 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, Young Living Foundation

By enrolling as a Young Living brand partner, you are automatically enrolled as a non-voting member of The D. Gary Young, Young Living Foundation. The privileges associated with this class of brand partnership include the invitation to participate (at the brand partner's own expense where applicable) in certain brand partner-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 partner regarding any practice or conduct in relationship to your sales organisation, you should first discuss the problem with the other brand partner. 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 Australia Compliance Manager by emailing

conduct.au@YoungLiving.com.au. 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 Australia Compliance Manager will investigate the matter, review the applicable Policies and render a decision on how the dispute will be resolved. The Young Living Australia Compliance Manager in conjunction with Young Living Conduct Head Office may impose disciplinary sanctions as provided in Section 13.4.

## 13.2 Disputes with Young Living

## 13.2.1 Mediation

Prior to instituting an arbitration with Young Living, as provided in Section 13.3 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 non-binding

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mediation. One individual who is mutually acceptable to the parties will be appointed as mediator. The mediation will occur within sixty (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 ten (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 the Young Living Australian Office and will last no more than two (2) business days.

## 13.3 Resolution of Disputes

In the event of a dispute occurring between a Young Living brand partner and Young Living or between Young Living brand partners, this section provides for the appointment of an independent mediator or arbitrator, under the auspices of the Australian Commercial Disputes Centre, to mediate or to hear and resolve contentious issues.

- 13.3.1 Any dispute, controversy or claim arising out of the
  relationship between an Approved Provider and a Young Living
  brand partner or relating to the contract of which these Policies
  form a part or breach of these Policies, the termination of a Young
  Living brand partners business, the de-sponsorship of a Young
  Living brand partner or the placing of a Young Living brand
  partner on probation, shall be settled by mediation administered
  by the Australian Commercial Disputes Centre Limited (ACDC)
  and the following provisions shall apply:
- 13.3.2 The mediation shall be conducted at Sydney, Australia;
- 13.3.3 The mediator shall be selected by Young Living and the Young Living brand partner from a panel of mediators nominated by ACDC and failing agreement within fourteen (14) days as to a mediator, by the Secretary-General for the time being of ACDC;
- 13.3.4 Each of the Parties shall be entitled to be represented by one duly qualified legal practitioner or other representative in addition to the party himself/herself or in the case of a corporation an executive of the corporation, whether legally qualified or not.
- 13.3.5 In the event that the dispute, controversy or claim is
  not resolved by mediation within twenty-one (21) days of the
  appointment of the mediator (or such longer period as is agreed
  between Young Living and the Young Living brand partner or an
  Approved Provider and the Young Living brand partner) either
  party may refer the dispute, controversy or claim to arbitration
  administered by ACDC and the following provisions shall apply:
- 13.3.6 The arbitration shall be conducted at Sydney, Australia;
- 13.3.7 The arbitration shall be conducted in accordance with the current Rules for the Conduct of Commercial Arbitrations issued by the Institute of Arbitrators Australia;
- 13.3.8 The arbitrator shall be selected by Young Living and the
  Young Living brand partner from a panel of arbitrators nominated
  by ACDC and failing agreement within fourteen (14) days as to
  an arbitrator, by the Secretary-General for the time being of
  ACDC. The arbitrator shall be a person other than the mediator
  who has conducted the mediation pursuant to Section 13.2.1;
- 13.3.9 The arbitrator shall have the powers of a Court of relevant jurisdiction only;
- 13.3.10 Each of the parties shall be entitled to be represented by one duly qualified legal practitioner or other representative in addition to the party himself/herself or in the case of a corporation, an executive of the corporation, whether legally qualified or not;
- 13.3.11 Examination of witnesses by the parties and by the arbitrator shall be permitted, but compliance with the rules of evidence shall not be required.
- 13.3.12 The costs of any mediation shall be borne equally by the Young Living brand partner and Young Living. A Young Living brand partner proposing to exercise his/her rights under Section

13.2 shall promptly notify Young Living Australia at its head office by post, email (<a href="mailto:conduct.au@YoungLiving.com.au">com.au</a>) or facsimile to the Compliance Manager within twenty-eight (28) days of receiving notice of Young Living's or an Approved Provider's determination. Correspondence should be addressed to the attention of the Compliance Manager, Young Living Australia.

## 13.4 Disciplinary Actions

At Young Living's discretion, 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 payments. These violations include, but are not limited to, any illegal, fraudulent, deceptive, unprofessional or unethical business conduct; non-payment of your account with Young Living; or declination of credit card payments. After an investigation is confirmed, Young Living may impose any or all of the following sanctions:

- 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 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 a sales organisation, including, but not limited to, placing a product order, participating in Young Living programs, progressing in the Compensation Plan or participating as a brand partner for a specified period of time or until you satisfy certain specified conditions;
- Suspension and/or termination of access to the Virtual Office;
- Withholding commissions or bonuses for a specified period of time or until the brand partner 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 partner;
- Reassign all or part of the brand partner's organisation;
- 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 partner's policy violation of contractual breach.

During the 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 organisation 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.

## 13.5 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 fifteen (15) days from the date of the disciplinary action. If the appeal is not received within the fifteen (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: INACTIVITY, REACTIVATION and CANCELLATION

## 14.1 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's organisation. 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 partner.

#### 14.2 Reactivation

If you are a brand partner and your sales organisation is deemed inactive, you may reactivate your brand partner account by contacting Member Services and purchasing 50 PV in product or by purchasing a Starter 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 partner. You will have no claim to the team that was lost when you were dropped for inactivity.

## 14.3 Involuntary Cancellation or Termination

If your account is involuntarily cancelled 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 organisation.

Young Living may, in its sole discretion, terminate, upon notice, the brand partnership of any brand partner who (a) breaches any provision of the Brand Partner Agreement, the Brand Partnership Application or these Policies and Procedures; (b) 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 (c) violates government laws, regulations, ordinances or any Young Living guideline. Young Living may also, upon notice, terminate the brand partnership of any brand partner who, through his or her capacity as a brand partner, 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 discretion, to be without legal foundation or basis in fact. Young Living may also terminate a sales organisation at any time and for any reason upon a thirty (30) day written notice.

If your sales organisation 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 partner and immediately return and delete all intellectual property of Young Living, including reports and other lists of team and contact information.

If your sales organisation is terminated, you may reapply to become a brand partner twelve (12) calendar months from the date of termination. To reapply, you must submit a letter to the Young Living Member Conduct and Education Department

(to <u>conduct.au@YoungLiving.com.au</u>) setting forth the reasons why you believe you should be allowed to operate a sales organisation. It is within Young Living's sole discretion whether to permit your request. Young Living would not do so unreasonably to import an element of procedural fairness to the disciplinary process.

## 14.4 Voluntary Cancellation

You may cancel your Agreement at any time and for any reason. Written notice must be provided to Young Living through the completion of the termination form in the Virtual Office under Member Resources. Upon receipt of this notice, you must immediately cease representing yourself as a Young Living brand partner and immediately return and delete all intellectual property of Young Living, including reports and other lists of team and contact information.

If you voluntarily cancel the Agreement, you may become a retail customer or brand partner under your original sponsor. Additionally, you may reapply to become a brand partner under a new sponsor after six (6) months from your cancellation date.

#### 14.5 Effects of Cancellation

Upon cancellation or termination, you release all rights to your brand partner 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 organisation, sell it, roll it up to the next active support team brand partner or dissolve and remove it from the sponsor's team.

#### 15. MISCELLANEOUS

#### 15.1 Delays

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

## 15.2 Partial Validity

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

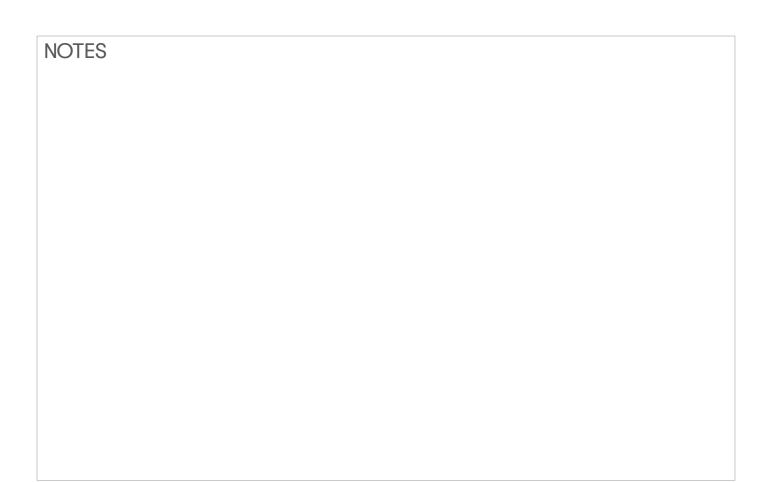
#### 15.3 Waiver

Young Living never forfeits its right to require compliance with the Agreement or with applicable laws and regulations governing business conduct. While Young Living attempts to enforce the Agreement uniformly, failure to enforce any provision of the Agreement against you does not waive Young Living's right to enforce that or other provisions. Only in rare circumstances will a Policy be waived and an authorised agent of Young Living will convey such waivers in writing. The waiver will apply only to that specific case.

## 15.4 Titles Not Substantive

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

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# **CONTACT US**

PHONE 1300 AU YLEO (1300 28 9536)

EMAIL custserv@YoungLiving.com.au

WEB YoungLiving.com.au

**POSTAL** Young Living Essential Oils

PO Box 7707, Baulkham Hills BC

NSW 2153 Australia

FACEBOOK facebook.com/YoungLivingAustralia (Public)

facebook.com/YLMembers (YL Members)

INSTAGRAM instagram.com/YoungLivingAUNZ

PINTEREST pinterest.com/YoungLivingAUNZ

ISSUU issuu.com/YoungLivingAustralia

FLICKR Flickr.com/photos/YoungLivingAustralia

YOUTUBE youtube.com/YoungLivingAustraliaAndNewZealand

**BLOG** YoungLiving.com/blog/Australia

SYDNEY Sydney Experience Centre & Product Pickup

Address: Building B, Level 3, 3 Columbia Court,

Baulkham Hills NSW 2153

**HOURS** Monday - Friday: 10 AM - 6 PM AEST

Saturday: 9 AM - 3 PM AEST

Orders need to be picked up within 5 business days.

Member Services: Monday - Friday

8 AM - 6 PM AEST - Standard Time (Apr - Sept)

 $8\ AM$  -  $7\ PM$  AEDT - Daylight Savings Time (Oct - Mar)

PERTH Perth Experience Centre & Product Pickup

Address: Unit 1, 30 Haydock Street, Forrestdale

Business Park, Forrestdale WA 6112

HOURS Monday - Friday: 9 AM - 5 PM AWST

Saturday: 9 AM - 1 PM AWST

Orders need to be picked up within 5 business days.

Member Services: Monday - Friday

6 AM - 4 PM AWST (Apr - Sept) 5 AM - 4 PM AWDT (Oct - Mar)



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NZ

NZ New Zealand Member Services: Monday - Friday

HOURS 10 AM - 8 PM NZST - Standard Time (Apr - Sept)

10 AM - 9 PM NZDT - Daylight Savings Time (Oct - Mar)