



Youngevity Philippines
**Policies and Procedures,
and Definitions of Terms**

A. INTRODUCTION

The success of your independent network marketing business is directly related to relationships—relationships with customers, other Distributors, and Youngevity.

The objectives of this Youngevity's Policies and Procedures is to:

- (a) define the relationship between you and Youngevity;
- (b) define your rights, duties and responsibilities;
- (c) define the relationship among and between Distributors;
- (d) establish acceptable business conduct and ethics;
- (e) facilitate equal opportunity for all involved in a Marketing Organization; and
- (f) protect and build a long-term fulfilling opportunity for Distributors.

It is with great anticipation of your success that we present to you these policies which you must follow closely and completely.

1. Interpretation

- 1.1 Capitalized terms used in these Policies and Procedures have the meanings set forth in Part F: Definitions of Terms.
- 1.2 Words importing the singular shall include the plural, vice versa, words importing the masculine gender shall include the feminine and neuter genders.
- 1.3 The headings in these Policies and Procedures are inserted for ease of reference and shall not affect the construction or interpretation of any provisions herein.
- 1.4 In these Policies and Procedures, the term “**Company**” as it is used herein, along with other literature, is to be considered synonymous, and can be used interchangeably with, Youngevity, which includes any of its subordinate and or contemporaneous companies, such as Youngevity International (Singapore) Pte. Ltd.; These companies include, but are not limited to any divisions, and or strategic alliances affiliated with or a part of Youngevity and the parent company, Youngevity International, Inc. The list of companies will change from time to time. The updated complete list can be found by visiting www.youngevity.com.
- 1.5 References to “**you**” are references to a Distributor or a Preferred Customer, as the context may require. The expression “**person**” means any individual, corporation, partnership, association, limited liability company, trust, governmental or quasi-governmental authority or body or other entity or organization.
- 1.6 References to a statute or statutory provision include that statute or provision as from time to time modified, re-enacted or consolidated, whether before or after the date of the Agreement, so far as such modification, re-enactment or consolidation applies or is capable of applying to any transaction entered into in accordance with the Agreement and (so far as liability thereunder may exist or can arise) shall include also any past statute or statutory provision (as from time to time modified, re-enacted or consolidated) which such statute or provision has directly or indirectly replaced.
- 1.7 References to “**termination**” of the Agreement include the expiry of the Agreement.
- 1.8 References to “**writing**” or “**written**” include any other non-transitory form of visible reproduction of words (including electronic mail).

2. Incorporation of Terms and Agreement

- 2.1 The Policies and Procedures contained herein are incorporated into the Application and Youngevity Compensation Plan.
- 2.2 The Application, these Policies and Procedures and Youngevity's Compensation Plan, and any other agreements, policies, guidelines, rules, programs and offers with or from Youngevity which will be made available through any official literature or media of Youngevity, and as may hereinafter be amended or supplemented, are hereinafter collectively referred to as the “**Agreement**”, and constitute the entire agreement between Youngevity and you with respect to the subject matter thereof, and supersedes any and all prior communications, agreements, arrangements and understandings relating to the subject matter thereof.
- 2.3 Youngevity may, at its sole discretion, amend any terms of the Agreement. The continuation of a Marketing Organization or acceptance of commissions and/or bonuses from Youngevity or placing further orders with Youngevity, constitutes your acceptance of any such amendments. You agree to abide by any and all such amendments and that your only remedy for not accepting any such amendments is to immediately terminate the Agreement.
- 2.4 In the event of any inconsistency between the Application and these Policies and Procedures, the latter shall prevail.
- 2.5 You shall comply with all the terms and conditions set forth in the Agreement, as well as comply with all Applicable Laws. For the avoidance of doubts, Part A, B, E and F shall apply to both distributor and Preferred Customers; Part C applies to Preferred Customers while Part D applies to Distributors.

B. GENERAL PROVISIONS

3. One Account Per Individual

All individuals who satisfy the pre-requisite for enrollment may only maintain one Preferred Customer and/or Distributor account. You may not own, operate or have a financial interest in more than one line of enrollment or placement. You shall not nor attempt to persuade any other Distributor to change Placement Distributor.

4. Completion of Documents

- 4.1 All Applications must be duly completed and signed. All applicant must submit proof of his Tax Identification Number (TIN) and one additional valid government issued identification papers (i.e. passport, driver's license, postal ID, SSS, GSIS, PAGIBIG, Philhealth, UMID) or any legal documents that will allow Youngevity to verify and confirm your residential status.
- 4.2 Youngevity will not be responsible for loss of commissions or bonuses or for delays in Preferred Customer or Brand Associate enrollments or orders due to:
 - (a) errors by you in preparing or submitting the Application, orders or other documents;
 - (b) non-receipt or missing documents;
 - (c) illegible or incomplete information on the Application, orders or other documents; or
 - (d) inability to verify the supporting documents submitted during enrollment.

5. Youngevity Identification Number

When Youngevity receives and accepts your Application and Agreement to become a Preferred Customer or Distributor, Youngevity will provide you with an Identification Number, which you must quote when placing orders or tracking your commissions and bonuses.

6. Accountability and Accuracy of Information

You shall not submit inaccurate, false or misleading information to Youngevity. You shall inform Youngevity of any changes affecting the accuracy of any information submitted to Youngevity. Youngevity may immediately terminate the Agreement with you if false or inaccurate information has been provided to Youngevity, regardless of passage of time or payment of commission.

Youngevity shall not in any event be liable for any loss, damage, cost or expense howsoever arising out of false or inaccurate information submitted to Youngevity.

7. Updates of Personal Information

You shall promptly notify and update Youngevity of any changes to your personal information. Youngevity shall not in any event be liable for any loss, damage, cost or expense howsoever arising out of your failure to update Youngevity of any changes to personal information.

8. Original Endorsement

All Application, AutoShip Order Form, and or any other official forms submitted to Youngevity must be endorsed by you. You must not submit an Application, AutoShip Order Form, or any other documentation that does not contain your endorsement. You shall not sign any Application, AutoShip Order Form, or any other documentation for or on behalf of any other person regardless of permissions implied or received, as Youngevity does not and will not accept any of these forms executed or placed under “Power of Attorney” or any other form of authority.

9. NO Purchase Required

No purchase of Youngevity Products is required to become a Preferred Customer or Distributor, as the case may be.

ORDER, PURCHASE AND SHIPPING PROCEDURES

10. Eligibility To Place Order

The Company will accept orders for Products from you only after a valid Application certified by your Placement Distributor is accepted and approved by the Company and a Youngevity Identification Number has been assigned to you.

11. Placing an Order

Orders may be placed in the Youngevity office in person or by telephone. For purposes of Product orders, the calendar month ends on the last day of the month and begins on the first day of the month. All orders are credited to the calendar month in which they are received by Youngevity. Provision for online order placement will be announced as soon as it is available.

12. Order Forms

You must use an unaltered official Product Order Form of Youngevity for all orders of Products. It must be duly completed and submitted to Youngevity in the manner set out in such Product Order Form.

13. Method of Payment

Youngevity accepts cash, Over the Counter Method (BPI/BDO), GCash, SmartMoney, Visa or MasterCard in the Youngevity office. For telephone orders, it must be paid by either Visa or MasterCard. When paying with a credit card, the card number and expiration date must be included. As an added security, our customer service executive may request for the CVV number (Card Verification Value) on the credit card, or any other verification or authorization code to complete the transaction.

14. Submitting an Order

- 14.1 Products are ordered at Wholesale prices. The overall success of the Company and its Distributors depend on Retail Sales of the Products to End Customers.
- 14.2 Distributors may not themselves order, or ask their Downline Preferred Customers or Distributors to order inventory for the sole purpose of participating in the Compensation Plan or qualifying themselves or others to earn commissions or bonuses (This practice is frequently referred to as "inventory loading").
- 14.3 Distributors may only purchase Company's Products for resale to End Customers, for personal consumption, or to provide prompt Product delivery to Downline Preferred Customers or Distributors in their own personal group. Distributors may not stockpile or acquire excessive inventories. Prior to reordering any Product, Distributors must certify that they have sold a minimum of 70% of all previous orders (the "70% Rule").
- 14.4 Distributors are required to carefully document and record all Retail Sales. The Company may, at any time, require a Distributor to produce all completed Retail Sales' receipts' previous thirty (30) days and a list of five (5) or more persons to whom the Distributor has made Retail Sales of the Products during the previous thirty (30) days.

15. Delivery Order Requirements

- 15.1 All orders for Products and other items will be processed for delivery upon the clearance of payment. Delivery is made by local courier services and delivery should be expected within 3-5 working days. As a standard, Youngevity does not deliver partial orders.
- 15.2 If you sign a delivery release with a courier service, authorizing the dispatch to leave an order at an unsecured location, without a signature, releases the Company from responsibility for such delivery. If you are absent at the time of delivery, you may be required to retrieve the packages from the designated collection office or have them delivered to a more suitable alternate location at your own cost and expense.
- 15.3 If for any reason any Products sent for delivery to the specified destination is refused or cannot be delivered, the Company may charge to your account all delivery and handling charges, and administrative charges incurred by the Company.

16. Policies and Procedures for AutoShip

Youngevity will use its best efforts to ship all AutoShip orders by the 21st of the month following the successful collection of the order on the Preferred Method of Payment on file. The following outlines the Policies and Procedure for AutoShip:

- (a) You may only setup one (1) Autoship per Youngevity ID. AutoShip requests must be made by submitting a duly completed Autoship Order Form. Any omission of information will render the AutoShip Standing Instruction invalid and must be re-submitted.
- (b) AutoShip requests will be paid by standing instruction set out in the Distributor's chosen Preferred Method of Payment. The Company accepts Visa, MasterCard or Over the Counter Method (BPI/BDO), GCash, SmartMoney as the "Preferred Method of Payment" for the purpose of AutoShip.
- (c) Youngevity accepts only original Autoship Order Forms. AutoShip requests will be accepted with the appropriate endorsement. Youngevity will not receive a request for AutoShip via the telephone.
- (d) AutoShip requests will be sent to the address specified on the Autoship Order Form.
- (e) Any and all changes to an existing AutoShip are treated as a new AutoShip request and are subject to the same requirements. Any and all changes to an existing AutoShip Order Form must be clearly identified as a change to avoid a duplicate AutoShip order being created.
- (f) The Company is not responsible for loss, damage, cost and expense arising out of any incorrect information on the Preferred Method of Payment. The Company is not responsible for unsuccessful charges to the Preferred Method of Payment for an AutoShip order. Any order that is not successfully charged to the Preferred Method of Payment will be cancelled for that month. Any order that is not successfully

charged for payment for two (2) months in any twelve (12) month period will be rendered void and will be required to be resubmitted with a valid Preferred Method of Payment. Distributors may not be allowed to participate in the AutoShip program if the unsuccessful charges situation persists after repeated attempts to resolve the situation.

- (g) The Company may, in its absolute discretion, cancel any AutoShip that is subject to a Preferred Method of Payment chargeback.
- (h) Any AutoShip that is refused delivery will be immediately canceled. Additional charges will be levied if a second shipment is requested.
- (i) The Company will deduct a 10% processing fee for all refunds issued on AutoShip orders.
- (j) AutoShip Order Form must be properly and legally endorsed in accordance with the terms of the Agreement.
- (k) An AutoShip order may be of any size. Qualifying Volume for AutoShip orders will be applied automatically, however, having an active AutoShip order, in itself, does not automatically constitute Commissions or Rank Qualification for any Representative. It is the responsibility of the individual Distributor to qualify for commissions with the required Personal Qualifying Volume and/or Group Qualifying Volume.
- (l) An existing Autoship Order may be cancelled by giving seven (7) working days prior written notice before the next Autoship. The Autoship cancellation from you shall bear your original signature, printed name, address, and Youngevity identification number.

17. Products Return Policy

If for any reason you are not completely satisfied with any Product purchased from Youngevity except personal hygiene products, Youngevity may in its absolute discretion:

- (a) replace it without charge or issue a return receipt for the amount of the purchase price of the Product (less shipping and handling charges);
- (b) upon receiving your request together with a copy of the original invoice from Youngevity, refund the purchase price (less shipping and handling charges) of the Product return within thirty (30) days of purchase;
- (c) Youngevity will not accept return or refund of all hygiene products for personal hygiene reasons, or should the product in question be consumed by more than 50%; and
- (d) Youngevity reserves the right to cancel the Membership Agreement of any customer who acts or conducts unreasonably in relation to the return policy and by excessive return of products.

C. PROVISIONS FOR PREFERRED CUSTOMERS

18. Preferred Customer's Rights

- 18.1 Upon successful enrollment with Youngevity, Preferred Customers may purchase Products at wholesale price for personal consumption.
- 18.2 Preferred Customers are not eligible for nor entitled to receive any commission, bonus or any other payment from Youngevity.
- 18.3 Either Youngevity or a Preferred Customer may terminate the Agreement by giving seven (7) working days prior written notice to the other. Unless otherwise stated by Youngevity, such termination shall take effect upon the expiry of the said seven (7) working days. The written notice of termination from you shall bear your original signature, printed name, address, and Youngevity identification number.
- 18.4 Notwithstanding the preceding provision, Youngevity may, without prejudice to any rights and remedies otherwise available to Youngevity, forthwith terminate the Agreement if Preferred Customer (i) is found to be in breach of any provision of the Agreement or any Applicable Laws; or (ii) becomes a bankrupt or is the subject of bankruptcy proceeding; or (iii) commits any illegal, fraudulent, deceptive or unethical act or conduct.
- 18.5 Upon the termination of the Agreement for any reason, you will permanently lose all rights and benefits under the Agreement, subject to the terms set out in the Agreement.

D. DISTRIBUTOR OBLIGATIONS

19. Distributor's Rights

Upon acceptance by Youngevity, Distributors are authorized to market and sell Youngevity's wide range of Products and to participate in the Youngevity Compensation Plan in a Country and such authority may be extended by Youngevity to include the other countries in which Youngevity has an official presence (each an "Other Country").

20. Restriction on International Shipping, Sponsoring and Marketing

- 20.1 Distributors enrolled in Philippines are authorized to market and sell Youngevity products and to enroll Preferred Customers and Brand Associates in the Philippines.
- 20.2 In all other countries in which Youngevity or its affiliates are authorized to conduct business, Distributors may promote and sell Youngevity Products in these Other

Country provided always that such Distributors comply with and abide by the local requirements, policies, codes, rules and regulations of business applicable to distributors of such Other Country (“Other Rules”). The Other Rules shall apply to such Distributor as if he is a distributor of that Other Country.

20.3 The Other Rules can be found in the Youngevity official websites and it is that Distributor’s responsibility to check and familiar himself with the Other Rules. However he shall not ship or sell Youngevity Products across any international border for the purpose of sales, resale or distribution in any Other Country. All orders for Other Country shall be placed with Youngevity offices in that Other Country and shall be subject to the Other Rules. Distributors shall not transfer, import, export or distribute Youngevity Products or sales aids outside of the Country, nor provide Products to any individual whom the Distributor may have knowledge or has reason to believe is exporting goods (including the Products) to any country outside of the Country or the Other Country (as the case may be).

21. No Exclusive Geographical Territory Rights and/or Special Privileges

21.1 There shall be no exclusive geographic territory rights or special privileges granted to any Distributor or Marketing Organization to market and sell Youngevity Products and conduct the Youngevity business opportunity in any Country.

21.2 Distributors enrolled in a Country are authorized to enroll Preferred Customers and/or new Distributor in that Country.

22.3 Distributors may promote and sell Youngevity Products in any Other Country provided always that such Distributors comply with and abide by the local requirements, policies, codes, rules and regulations of business applicable to distributors of such Other Country (“Other Rules”). The Other Rules shall apply to such Distributor as if he is a distributor of that Other Country. The Other Rules can be found in the Youngevity official websites and it is that Distributor’s responsibility to check and familiar himself with the Other Rules. However he shall not ship or sell Youngevity Products across any international border for the purpose of sales, resale or distribution in any Other Country. All orders for Other Country shall be placed with Youngevity offices in that Other Country and shall be subject to the Other Rules. Distributors shall not transfer, import, export or distribute Youngevity Products or sales aids outside of the Country, nor provide Products to any individual whom the Distributor may have knowledge or has reason to believe is exporting goods (including the Products) to any country outside of the Country or the Other Country (as the case may be).

22. Independent Contractor Status and Representation

22.1 Your relationship with Youngevity established under the Agreement is that of an independent contractor, and that you are not an agent, employee, legal representative, partner or franchisee of Youngevity or your Placement Distributor or Enroller.

22.2 Subject to the terms and conditions of the Agreement, you may develop your Distributorship through recruitment of applicants approved by Youngevity to join your Distributorship. For the avoidance of doubt, Youngevity is entitled, in its absolute discretion, to reject any applicant recruited by such Distributor.

22.3 Distributors are independent contractors, the Company does not dictate selling methods, specific hours, or effort levels, other than those required in Distributor/ Company interactions and except as stated herein. Distributors must at all times adhere to Youngevity compliance guidelines and acceptable marketing and business practices, as amended from time to time.

22.4 Distributors are not authorized to act on behalf of or for Youngevity nor bind Youngevity to any agreement, contract, expense, commitment, sponsorship and/ or obligation. Under no circumstances shall a Distributor represent directly or indirectly in any manner that might indicate or suggest he has influence over Youngevity’s corporate decision, or authority or representation from Youngevity.

23. Ethical Business Practices and Obligations

23.1 Distributor shall conduct his business with a high standard of integrity and professionalism throughout Youngevity’s network of independent Distributors and protect each Distributor’s individual business, as well as Youngevity’s as a whole. Distributors are committed to conduct the Youngevity business according to the following principles and will:

- (a) apply the Golden Rule of “treating others as I wish to be treated...” as the primary measuring stick in conducting all businesses;
- (b) be honest in all business dealings;
- (c) offer the highest quality of service by treating customers fairly and showing patience, courtesy and helpfulness in explaining the Youngevity Products at all times;
- (d) fulfill all obligations stated herein with regards to enrollment and placement of other Distributors including training, motivation, and support;
- (e) present the Youngevity business opportunity in a manner which is consistent with the Official Youngevity Material;
- (f) become familiar with the Youngevity’s Policies and Procedures,

Compensation Plan, and other marketing materials/literature made available by Youngevity;

- (g) work in harmony with all other Youngevity’s Distributors to help further the success of the overall Youngevity programs and the success of all Distributors thereby recognizing that, “this supports my own business too”;
- (h) conduct the Youngevity’s business professionally, keep all commitments and uphold a positive mindset at all times;
- (i) always remember that success is the result of honest effort. While working towards personal success, encourage and motivate all involved to sow the seed of diligent effort; and
- (j) endeavor to observe the spirit as well as the letter in all of Youngevity’s rules and policies, knowing they are “for my benefit” and the benefit of all Distributors.

23.2 Distributor shall not:

- (a) engage in any high pressure selling or recruiting practices;
- (b) enroll minors or persons who are not capable of making an informed decision;
- (c) order Youngevity Products for other Preferred Customers or Distributor without the express permission of such persons.

23.3 Distributor further undertakes he shall:

- (a) not be engaged in competitive business/products, particularly, but not limited to, those businesses that employ the multi-level system network of sales and distribution, or direct selling of marketing and selling;
- (b) not use any additional trade name or symbol or do or permit to be done anything which is additional to or not in accordance with the Agreement without the prior written consent of Youngevity;
- (c) comply with all advice and instructions given by Youngevity with regard to the operation of Distributorship;
- (d) diligently carry on the Distributorship and use his best endeavors to promote and develop Youngevity business and to co-operate with Youngevity and the other Distributors in this regard;
- (e) sell only Youngevity Products which he has purchased from the Youngevity and such other products or services expressly approved by Youngevity in writing for the operation of the Distributorship;
- (f) offer the Youngevity Products at such prices with charges, discounts or as part of any special offer or promotional activity as directed or approved by Youngevity;
- (g) not alter, vary or in any way tamper with the Youngevity Products or other goods and services supplied by Youngevity;
- (h) not market or resell the Youngevity Products through methods which are expressly prohibited by the provisions contained herein;
- (i) promote and preserve the goodwill and reputation associated with Youngevity’s business;
- (j) not engage in any unlawful, deceptive, unethical, dishonest or fraudulent business or practice in relation to or in connection with his Distributorship;
- (k) not defame or disparage Youngevity, Youngevity business or any other Distributor; and
- (l) not seek or attempt to circumvent the terms and conditions of the Agreement or act in any manner which would bring Youngevity in disrepute.

23.4 Any effort by a Distributor to convince or entice any Preferred Customer or Distributor to discontinue or diminish purchasing Youngevity Products, to move from one Youngevity Marketing Organization to another, to discontinue or diminish efforts to promote the Youngevity business opportunity, or to promote or pursue another direct selling opportunity, or to disparage Youngevity’s Products or marketing plan is a material breach of the Distributor’s leadership responsibility and a material breach of the Agreement, by which entitles Youngevity to avail of the remedies provided under this Agreement and any and all legal remedies available to it.

24. Legal Compliance

Distributor must comply with all Applicable Laws, codes of practice applying to the operation of Distributorship and shall not engage in any activity which may bring disrepute to himself or to Youngevity. Distributor shall operate their Distributorship strictly in accordance with the terms and conditions of the Agreement, such compliance being of the utmost importance to the successful operation of a Distributorship and the protection of the goodwill attaching to Youngevity’s business and the Proprietary Marks. Distributor shall not participate or engage in any unlawful practices.

25. Tax Responsibility

As an independent contractor, a Distributor is solely responsible for declaration and payment of personal income tax, Goods and Services Tax (GST) or Value Added Tax (VAT), and fees that may accrue in connection with the Distributorship or arising out of the Agreement.

26. Sales/Resales Location of Product

To maintain a standard of fairness and professionalism, Distributors, whether active or otherwise, may not display or sell Youngevity Products in any kind of retail settings or establishments, including, but not limited to, shops, stores, supermarket, retail outlets, drug stores, clinics, offices, agencies, establishments, fairs, exhibitions, events or the internet. Youngevity strictly prohibits the display of Youngevity Products to the public without Youngevity prior written approval.

27. Re-Packaging/Re-labelling Prohibition

Distributors, whether active or otherwise, shall not repackage or re-label any Youngevity Product. Nor shall the Product be removed from its original packaging and resold in any way or form other than its original condition.

28. Excess Inventory Purchases Prohibition

The Youngevity program and compensation is built upon sales of Youngevity's Products and services to the End Consumer. Distributors shall adhere to the 70% Rule set out under policy 14. Any device or scheme whereby a Distributor directly or through a third party purchases excess Product solely for purposes of qualifying for bonuses or commissions is strictly prohibited and constitutes fraud or misconduct on the part of the Distributor.

29. Sales Policy of Youngevity Products

Distributors shall not re-sell any Product(s) unless it is complete, factory sealed, and in its original packaging with all required labels intact. The Products shall be sold at the Suggested Retail Price except when there are Youngevity approved sales activities or promotions. Under no circumstances shall it be less than the prevailing wholesale price for the same item from time to time published by the Company. See current Products' price list for details on wholesale price and Suggested Retail Price.

Distributors shall not sell any Products in combination with any other non-Youngevity product.

30. Business Building Materials

Sales aids (business kits, business tools, marketing materials, etc.) are not items that carry a discount or a Bonus Volume credit. Placement Distributors developing their networks should have a supply of these materials on hand to serve their Downline's growth needs.

31. Non-Solicitation and Conflicts of Interest

Youngevity imposes no restrictions on any Distributor's participation or sales activities in other businesses or programs other than Youngevity unless such activities or programs would cause or result in a breach of the Agreement.

32. Third Party Materials

Unless Youngevity consents in writing, Distributor may not sell or promote any third party training, sales or leadership products, materials or programs (collectively "Third Party Products") to other Distributors, whether or not such Third Party Products are produced by the Distributor.

SPONSORING, PLACEMENT, SALES AND TRANSFER OF ORGANIZATION

33. Sponsoring

All Distributors in good standing may enroll and place prospective Distributors in their Downline organization within the Company's Distributor program. The said placement must be finalized on or prior to the 90th day of enrollment. Placement cannot be changed after 90 days of enrollment or where the organizations exceeds 10 enrollments.

34. Disclosure of Policy

Prior to enrolling a prospective Distributor:

- (a) Distributors shall provide to and review with the prospective Distributor an up-to-date copy of the Agreement; and
- (b) No Distributor will be compensated solely for enrolling prospective Distributors, as ultimately all compensation is based on the selling of Products to End Consumers, which is the core of the Company's business. This fact must be emphasized in all recruiting presentations.

35. Responsibility of a Sponsor

Enrollers and Placement Distributors:

- (a) must offer general support, information, and assistance as well as bona fide supervisory, marketing, selling, and training support to Distributors they enroll and or override, or otherwise benefit from through the compensation system;
- (b) shall exercise their best efforts to ensure that all Downline Distributors understand and comply with the most current terms and conditions of the Agreement, as well as all Applicable Laws;
- (c) should always use their best efforts to settle disputes between an End Customer, a Preferred Customer, and/or any Downline Distributor promptly and amicably.

36. Cross-Recruiting Strictly Prohibited

Distributors are strictly forbidden from cross-recruiting, and shall not sell, recruit, propose, or in any other way induce or attempt to induce any other Distributor to purchase any product or service, or to participate in any other income opportunity, scheme, investment, venture, or commit any other activity deemed, at the sole discretion of the Company, as cross-recruiting. This includes any such activities across any divisions of the Company, should any separate divisions with different compensation plans and/or hierarchy structures exist, unless, and as specifically stated otherwise. The integrity of the hierarchy and the relationships therein is of paramount importance to every Distributor as well as to the Company. Any Distributor in breach of this provision may be subject to immediate termination pursuant to the provisions above-mentioned.

37. Enroller Change or Transfer of Placement Distributorship

A Distributor may change his Enrollers and Placement Distributors by one of following methods:

- (a) through voluntary termination of his current Distributorship, followed by the re-enrollment of a new Distributorship in the desired position of enrollment and or placement. Such actions will result in the termination of the Distributor's current Distributorship, along with all rights and benefits of said Distributorship, including commissions, as well as the subsequent loss of any downline Distributors and/or Preferred Customers. This must be followed by a mandatory six (6) month period of inactivity as a Distributor prior to the submission of a new Distributor application.
- (b) through the approved movement of the Distributor's current Distributorship from one line of enrollment or placement to another. This method not only requires the approval of the Company, but it additionally requires the approval of six (6) levels of Upline Enrollers, using the Enroller/Placement change application. All Upline Enrollers must actively approve any move in writing, and verbal approvals or 3rd party approvals are not acceptable by the Company. Further, any lack of response by an Enroller within 10 days of notification will be construed as non-approval, and the Distributorship move will be summarily denied. This method of Distributorship movement within the hierarchy is valid for a single Distributorship only, and does not provide for the movement of any downline Enrollees or placed distributors. It does, however, provide for the movement of Preferred Customers that are personally enrolled by the Distributor requesting the move.

38. Sales, Assignment and Transfer of Business

A Distributor may not sell, assign or otherwise transfer his or her Distributorship, marketing position, or other Distributor rights without written approval by the Company. Distributor shall submit a Distributorship Transfer Application to apply for such a sale or transfer. Sale or transfer of a Distributorship will be automatically denied if the said transfer would cause a breach of any provision of these Policies and Procedures. Any Distributor who sells, assigns or transfers his or her Distributorship shall not be eligible to re-enroll as a Distributor for a period of at least six (6) months after the sale. The Company, after a review of the terms of the sale may, in its sole discretion, approve or disapprove a proposed purchaser's qualifications and intention to manage and develop the said Distributorship.

39. Assignment/Inheritance of Business

- 39.1 In the event of death of a Distributor, such Distributor's Marketing Organization may be assigned/inherited by an individual which complies with Youngevity's guidelines, pursuant to a written approval of the Company or a valid will, or in accordance with the intestacy laws of the country, state or province in which the Distributor resides.
- 39.2 In the event of the death of the Distributor, his rights to bonuses and marketing position, together with Distributor responsibilities, shall pass to his assignee in title subject to prior written approval by the Company. Such written application for succession must be received by the Company within ninety (90) days of the date of death of that Distributor. If Youngevity does not receive appropriate instructions within ninety (90) days of the death of a Distributor, the Distributor Position will be deemed terminated at the end of the said ninety-days' period. The person who succeeds a Marketing Organization must furnish Youngevity with the necessary documentation that he is the beneficiary and is authorized to represent the estate. He must also execute an Application, fulfil all of the functions of a Distributor and abide by the terms of Youngevity's Agreement. For the avoidance of doubt, such successor shall take over and be liable to the Company for any obligations, either payment or otherwise, outstanding and owed by the deceased Distributor to the Company.

40. Confidential Information

- 40.1 Distributor lists, including information of Marketing Organization, is proprietary and confidential information of the Company, with the exception of first level, personally enrolled Distributors. The Company may forward genealogical information at a nominal cost to Distributors, in strict and complete confidence, to help them manage their Marketing Organization and for no other purpose.

40.2 Every Distributor who is provided with such information shall treat it as confidential and undertake to maintain its secrecy as well as refrain from making any use thereof for any purpose other than the management of his/her downline sales organization. Without limiting the generality of the foregoing, no such information may be used in cross-recruiting or with the intent to entice Company Distributors into other network marketing organizations or schemes.

40.3 Any breach of this policy 40 by a Distributor will result in the immediate suspension and/or termination of the Agreement. The Distributor in breach may be subject to legal action for injunctive relief and/or damages.

40.4 This provision shall survive the Termination of this Agreement and the Distributor is not allowed to disseminate, or allow others to use this Confidential Information without the prior written consent of Youngevity.

COMMISSION AND BONUS

41. Leadership and Supervisory Responsibility

Youngevity's compensation is based on the sales of Products to the End Consumer. To qualify for this compensation, Distributors have an ongoing responsibility to promote the Youngevity business opportunity, to support Youngevity's policies, programs and personnel, and to service, supervise, motivate and train the Distributors in their Marketing Organization to sell and market Youngevity Products and promote the Youngevity business opportunity.

42. Commission, Bonus and Monthly Business Report

42.1 As long as a Distributor complies with all policies and the terms of the Agreement, Youngevity will pay all commissions and bonuses due to the Distributor in accordance with the Youngevity Compensation Plan. A Distributor's commissions and bonuses constitute the entire consideration for all of the Distributor's efforts in generating sales, and the Distributor's right to receive commissions and bonuses from Youngevity constitutes the entire value attributable to the Distributor's Marketing Organization.

42.2 Business report showing the Distributor's commission and bonus details ("Business Report") will be made available on the Youngevity Distributor online back office. Distributors should use their Business Report as a tool to manage, supervise and train the members of their Marketing Organizations. The information contained in the Business Reports is Youngevity's proprietary trade secret information, and Distributors are prohibited from disseminating the information contained therein except to manage, supervise and train members of their Marketing Organizations.

43. Payment via Paylution

43.1 Commission and bonus earned during the preceding calendar week will be credited directly into the Distributor's designated local bank account through Paynamics or other alternative direct credit to nominated bank account on or about Friday of each calendar week, or the next business day on which the designated bank operates. Banking timeframes will apply before the commission will actually be available in the designated bank account. Please note that holiday and weekends may cause delays in the payment being credited to the account.

43.2 If, for any reason, the aforesaid commission and bonus payments earned by Distributor fail to be credited directly into the Distributor's designated local bank account, such commission and bonus payments will be credited to the Distributor's account with Youngevity after deducting a processing fee of Php1,000.00. Such commission and bonus payments credited to the Distributor's account with Youngevity may be used towards future purchases of Products made by that Distributor by way of set-off. If a Distributor's account with Youngevity is inactive and it is necessary to notify the Distributor of the credit on the account, a further service charge of Php500.00 will be deducted from that account for each notice sent. Processing fee and service charges are subject to Goods and Services Tax (GST) or Value Added Tax (VAT).

44. Recovery of Commission

Income paid to Distributors for sales which Youngevity has given a refund to, may, at the Company's discretion, be charged back to such Distributors.

45. Forfeiture of Rights to Bonuses and Commissions

45.1 Upon termination of the Agreement, either voluntary or involuntary, you shall have no right, title, claim or interest to the Marketing Organization. You shall have no claim for compensation for the Marketing Organization or for bonuses or commissions stemming from sales generated within or by the Marketing Organization including any bonuses that may have been accrued to you and held in escrow by Youngevity.

45.2 Following voluntary or involuntary termination of the Agreement, you shall not hold yourself out as a Youngevity Distributor and shall not have the right to sell Youngevity Products or services or to recruit new Distributors.

ADVERTISING, PROTECTED MATERIALS, INTERNET, MEDIA AND SOCIAL MEDIA GUIDELINES

46. Company Approved Marketing Materials

It is mandatory that all Distributors use only Company generated and approved advertising materials in the promotion of the Youngevity income opportunity or any Youngevity Products. Youngevity shall not liable nor be required to, nor will it defend or hold harmless any Distributor using non-approved advertising materials, in any form, that is found to be in breach of any Applicable Laws. Please read these provisions carefully. Full compliance with them is not only expected, it is necessary to avoid breach of the laws in the countries that Youngevity operates in.

47. Regulatory Guidance

In addition to Youngevity's Policies on advertising, the company adheres to Philippines laws to name: Republic Act 9711, Medical Act of 1959 (RA No. 2382) and the Consumer Act of the Philippines (RA 7394) Regulations - relating to the advertising and sales promotion of medicinal products for human use in the public media or intended for the information of the general public, prohibits deceptive advertising, which includes any and all false and or unsubstantiated advertising. Distributors must not use false or misleading statements or material omissions of information that may be construed as deceiving the public in any advertising, whether in print, written, electronic, verbal, or any other form or media considered advertising, in contravention of any Applicable Laws. Youngevity incorporate these regulations and code in the Agreement in compliance with the regulatory guidelines. Youngevity takes these regulations seriously, and abides by them when creating any and all Company generated marketing initiatives.

48. Product Claims, Personal Testimonials and Warranties

Distributors may not make, suggest or imply that the consumption, use or application of Youngevity Products are intended, offered or considered as medical treatment of any disorder, disease or medical condition, either physical or mental. Distributors may not make claims regarding Youngevity Products, or product warranties except those that are made available in the Official Youngevity Material. Distributors shall not publish or distribute information relating to the use of Youngevity Products other than those, which are set forth in Official Youngevity Material. Distributors may not utilize Official Youngevity Material, which is approved for use in one country to make product claims or promote Youngevity Products in another country.

Personal testimonials regarding Youngevity Products posted on any company-sponsored, as well as personal social media platforms, may be considered by the Food and Drug Administration Philippines (FDA Philippines) to be product claims and therefore, subject to Philippines laws on advertising and promotion of health products and Civil Code of the Philippines on Sales. Distributor shall comply with the Applicable Laws and these Policies and Procedures, and take reasonable care to represent Youngevity's Products truthfully and accurately.

49. Representation of Government Endorsements

Regulatory agencies do not endorse direct selling programs or product or service. Unless expressly communicated in Official Youngevity Material, product literature and/or communication, Distributors may not accept endorsements by any third parties. Distributors may not state, directly or indirectly, that Youngevity Products or services or Compensation Plan has been approved, evaluated or endorsed by any other government agency; or make any claim regarding its Products not expressly authorized in writing by Youngevity.

50. Compensation, Income Claims and Testimonials

Distributors are strictly prohibited from making false, misleading, deceptive, exaggerated statements or inaccurate claims, income projections about their or other persons' compensation received under the Youngevity Compensation Plan. If actual income examples, extrapolations, or geometric progressions are used, actual typical incomes of Youngevity's Distributors at all levels must also be disclosed. Examples used to illustrate how the Plan works are allowed; however, they must be clearly marked or specified as "examples only" and any relevance to anticipated success is disclaimed.

Distributors are legally responsible and are liable for the claims made regarding the Company, products, and the business opportunity.

51. Default Rule of Advertising Use

Unless otherwise approved by Youngevity, any advertising, including, but not limited to, brochures, pamphlets, recordings, videos, e-Mail content, websites, blogs, newsletters, scripts, articles, banners, presentations, displays, mobile/phone applications or other applications of any kind that are not produced and made available directly by Youngevity are deemed to be non-approved, non-compliant advertising, and must not be used to promote any aspect of the Youngevity income opportunity or Products.

52. Esoteric, Non-Intuitive Content

The laws regulating the use of advertising, claims, and information made available regarding nutritional products, network marketing, income opportunities, and health and

or income claims are vast, containing many esoteric indications and rationale that are not always intuitive or obvious, especially to the layperson.

Youngevity is reticent to approve any Distributor generated advertising. Even in such cases where the Distributor generated advertising is approved, the Company may in its discretion deny or revoke approval on any advertising for any reason at any time, with no liability or recourse for expenses incurred by Distributor to create, distribute, or repeal the said advertising. Once notified of same, Distributor must discontinue any use of the said unapproved advertising immediately.

53. Production and Re-Production of marketing materials or Product Literature Prohibited

Distributors shall not, without the prior consent of the Company, produce, re-produce, promote, or use any copyright protected or otherwise proprietary materials, whether owned by the Company or otherwise, including without limitation materials containing the Company's Proprietary Marks that are obtained directly from the Company.

54. Recording, Reproduction and Uploading

Distributors shall not produce, re-produce or upload Youngevity produced audio and/or video contents/materials detailing the Youngevity opportunity or Products. Distributors shall not audio or video record in any manner Youngevity events and functions.

55. Supplier Confidentiality

All purchases of Youngevity Products, literature, and promotional material must be purchased from Youngevity in accordance with these Policies and Procedures. You shall not purchase Youngevity products, literature, and promotional material from a Youngevity supplier. You are not allowed to contact any Youngevity suppliers for any reason. Contact is described as, but not limited to, telephone calls, recorded voice messages (voicemail), facsimile transmission (fax), written communication, or electronic correspondence (e-mail). Any violation of this policy can, depending on severity, result in the termination of the Agreement. For the avoidance of doubt, this provision applies to both Distributors and Preferred Customers.

56. Internet Sites

56.1 The Company welcomes the use of the Internet and on-line platforms to promote the Products, services, and income opportunity. However, just as with any written or spoken advertising, ethical and compliant use of such media must be maintained. This encompasses Company-sponsored communities as well as those maintained by the Company's independent representatives and distributors. It is the intention of Youngevity that these communities are used to provide community members with a forum for discussion, community building, and the exchange of ideas.

56.2 However, Distributors may not market and/or promote the Youngevity's business opportunity and marketing plan, offer or put on sales Youngevity's Products or services on any e-commerce, auction, classified ad or social networking internet site. This is not limited to, internet sites that have their content based on user participation and user generated content, forums, message boards, blogs and podcasts such as eBay, alibaba, AliExpress, Gmarket, Qoo10, Groupon, All Deals Asia, Rakuten, Facebook, MySpace, Craig's List, Twitter, Youtube, Wikipedia, Flickr, Wordpress, Carousell or Instagram. Youngevity products, marketing plan and business opportunity may be marketed on the internet only through Youngevity approved websites and not through distributor or third party websites of any kind.

56.3 The use of Youngevity's trademarks, service marks or copyrights is explicitly prohibited on the internet.

57. Distributor Website Policy

This provision defines the creation and use of official websites created by Youngevity Distributors for the purpose of promoting themselves as a Youngevity Distributor and the Youngevity products or Dr. Joel Wallach. A website is defined as any use of a computer, the Internet, and the World Wide Web to display, comment on, or otherwise transmit information in graphic, text, or audio form. As with any advertisement or promotion, the Policies and Procedures of Youngevity shall prevail and should be followed.

- (a) The name "Youngevity" and all Products' names/brands are Proprietary Marks belonging to and owned by the Company. All Proprietary Marks of Youngevity, in its entirety, in part, or hyphenated shall not be used in any domain name, URL, or email address.
- (b) The name Dr. Joel Wallach is part of the intellectual property of Dr. Joel Wallach and shall not be used in its entirety, in part or hyphenated, in any domain name, URL, or email address.
- (c) Only websites owned, controlled, and designated by the Company as such can be considered as an "official website" or any iteration thereof. These official websites include, but are not limited to www.youngevity.com, www.90forlife.com, and many other micro sites, and subordinate sites. Only representatives of good standing may have access to the Company replicated sites, including, but not

limited to www.my90forlife.com, www.youngevityonline.com, as well as access to the tools, programs, back office access, and other areas contained therein.

- (d) Hyperlinks of Youngevity official websites to any other websites whether or not providing or promoting competing products are strictly prohibited.
- (e) No products other than Youngevity products may be mentioned or sold on any Youngevity Distributor's website. This includes but is not limited to product comparisons.
- (f) All email advertising must be in compliance with all prevailing local, state, and federal laws concerning unwanted, unsolicited emails also known as spam. Spamming is illegal and will not be tolerated by Youngevity.
- (g) It is strictly forbidden for any Distributor to represent him/herself or any Products, product packages, or affiliations through direct or indirect inference through any website, advertisement, email, or any other means as other than is actually true and as outlined herein. Any represented affiliation with any person, persons, groups, or organization(s) that is against the wishes of, or unknown to said affiliate, will be viewed upon as fraudulent and in breach of the Agreement.

58. New Media Channels and Technology

Distributors may not market and/or promote the Youngevity's business opportunity and marketing plan, offer or put on sales Youngevity's Products or services on new media channels and technology of any kind (i.e. mobile/phone Apps, or Apps of any application) that may become available over time.

59. Mass Marketing

This is the idea of maximum outreach with the broadcast of a message that will reach the largest number of people possible through whatever channels, technologies or media available. This is not limited to, unsolicited emails, email flyers, Short Message Service (SMS), Multimedia Messaging Service (MMS), blogs, publications on all social media platforms.

- (a) Distributors are responsible for all information regarding the Product and marketing program which is not expressly contained in the marketing and promotional materials from Youngevity. Any form of "spamming" as well as outreach efforts without consent is strictly prohibited.
- (b) Distributors shall not attempt to market or offer for sales any Products or services through the form of surveys, contests, chain letters, investment and pyramid schemes.

60. Media Inquiries

Distributor is not corporate representative or agent, as such Distributor is strictly prohibited from granting radio, television, newspaper, tabloid, internet, or magazine interviews, or using public appearances, public speaking arrangements, fund raising events, trade shows, or making any type of statement to the public media to publicize and promote Youngevity, the Products, services, or the Youngevity business opportunity, without express prior written approval from Youngevity. This is to ensure that accurate and consistent information reaches the general public. Therefore, Distributor may not, for any reason, discuss their Marketing Organization with the media, nor act as spokespersons for Youngevity nor talk to the media regarding Youngevity, its Compensation Plan, the Products or services. It is a breach of the Agreement to provide any information to the media, regardless of whether the information is positive or negative, accurate or inaccurate. All inquiries from the media (whether radio, television, internet or print) must be referred to the Youngevity corporate office.

61. Social Media Community Guidelines

In addition to the Distributor website specific guidelines, there are additional stipulations regarding Social Media and similar online communities. The Company's Social Media Community Guidelines are maintained separately as a part of these Policies and Procedures. As Social Media is a dynamic and rapidly changing environment, it may be necessary to update said guidelines more frequently than that of this document. As a result, the most current guidelines may or may not coincide with what is listed herein. The most current guidelines are appropriately posted in/on the official Company Social Media sites by the administrator(s) of said sites. Any violation of the Social Media Community Guidelines will be considered a violation of these Policies and Procedures, and will be subject to the remedies as stated herein. The Company welcomes the use of the Internet and on-line communities to promote the Company, its products, services, and income opportunity. However, just as with any written or spoken advertising, any and all Social Media postings including, but not limited to chats, blogs, fan pages, broadcasts, videos, tweets, text messages, and etc. must be compliant with the entirety of these Policies and Procedures. This also includes a Distributor's personal Social Media pages, if said pages are used to promote the Company, its products, or income opportunity. If it is unclear whether any information to be posted may be compliant, submit said information to the Company via mail, facsimile, or electronic mail to compliance@youngevity.com for review prior to posting. The Company audits and monitors web activity for unapproved and/or unauthorized advertising on a continuing basis. Should any non-compliant activity be discovered,

notification will be sent to the offender requesting the immediate removal of the non-compliant information, links, or other media. All notices and requests will be made as stated herein. In addition to the Company's monitoring, it is expected that all Distributors actively police their Social Media site(s) for compliance violations, take steps to correct these, and report any violations as outlined herein. The Company greatly appreciates the cooperation of all Distributors and other members of the various Social Media groups for assisting in upholding the spirit of our on line community by providing an open, safe, and compliant environment.

Fan Pages

Distributors and other members of Company sponsored social media communities (for the purposes of this section, referred to solely as "Member") may not attempt to, or appear to, represent the Company in any way on Facebook, Twitter, LinkedIn or other social media platforms. Further, no attempt to represent or appear to represent any individual person, either affiliated or not affiliated with the Company is strictly prohibited. All accounts, fan pages, and personally created websites and blogs must be personal and obviously appear as such. For example, you may not create a fan page entitled "Youngevity" or "FDI Business Opportunity" or "Youngevity Nutrition" because this would appear to represent the Company. You may create a personal fan page, such as "Youngevity Personal Health Coach" with a picture of yourself, so long as you follow the other guidelines as stated herein.

Blogs

You may create a personal blog in which you discuss the Company products and business opportunity, but you may not use the Company name(s) in your domain or claim to represent the Company in anyway, and you must follow the health and income claim guidelines as stated herein with all your marketing efforts.

Personal Facebook Profiles

You may not include the Company name anywhere in your personal Facebook profile name. Facebook profiles must be your real name; to do otherwise is a violation of both these Policies and Procedures as well as Facebook terms of service and will likely result in the deletion or suspension of your Facebook account. It is strongly discouraged that you use any Company logo or product images as your personal profile picture. To do so, will likely result as your account being designated as spam, which will hinder your relationship building efforts. An exception to this may be if the company posts or sets up "pic badges" or other uniform branding that can be added to your personal profile picture.

Marketing to Facebook Members

The Company Facebook pages and groups provide a forum for discussion, but they should not be used for marketing products or services, recommending affiliate products, or self-promotion. Anyone found to be misusing, abusing, or defaming the Company or any Distributor or Customer thereof on any and all company Facebook pages, will have all posts removed, be "unfriended" and flagged as "inappropriate" and, or "spammer" within Facebook.

Links to Competing Companies

Posting information from, or links to, competing companies is not allowed. Such activity will be viewed as crossrecruiting and is a direct violation of your representative / distributor agreement.

Spam

The Company maintains a zero tolerance policy with regard to SPAM within Social Media Communities. Common examples of SPAM include, but are not limited to:

- Unsolicited links and information sent to inboxes of those who do not wish to receive it, or without some sort of request for information.
- Posts of unsolicited links in Facebook groups or other Facebook pages not related to the Company without some request for information.
- Tags of people in any Company-related Facebook photos if they are not involved/ have expressed interest in the Company, its products, or business opportunity or who have specifically requested not to be tagged.
- Invitations or additions of individuals to the Company Corporate Group who are not involved/have expressed interest in the Company, its products or business opportunity.
- Frequent status updates promoting specific URL hyperlinks or other links.

62. Compliance to Advertising Policy

The Company audits and monitors web activity for unapproved and/or unauthorized advertising on a continued basis. Should the Company come across anything that is a breach of the Agreement, it may request that such unapproved or unauthorized advertisement be taken down or removed immediately by Distributor at his own cost and expense. All notices and requests will be made in accordance to the Agreement. Failure to comply with this provision will constitute a breach of the Agreement and may lead

to the termination of the Agreement, forfeiture of any and all commissions and other consequences set out in the Agreement.

BREACH AND TERMINATION

63. Policy Violation

All Distributors are obligated to report any and all breaches of these Policies and Procedures. Any such complaints will be promptly investigated, and appropriate action will be taken. The identity of anyone reporting such breaches will be protected and the best interests of Youngevity as well as the reporting Distributor will be considered at all times during and after the said investigation, unless this is not allowed under any Applicable Laws.

- (a) Most breaches of the Policies and Procedures occur through lack of awareness or understanding on the part of the defaulting Distributor. Distributors observing a breach should immediately point out the breach directly to the defaulting Distributor.
- (b) Distributors who observe continued violations by another Distributor following the personal contact outlined in the preceding sub-policy (a), should report the breach in writing to the Company. Details such as dates, number of occurrences, and evidence, along with any supporting testimony, should be included in the report.
- (c) Any violation, whether material or not, of the advertising, use of Company Name(s), and any section of the Agreement must be referred directly to Youngevity.
- (d) It is the obligation of every Distributor to maintain the integrity of these Policies and Procedures to ensure fairness and equal opportunities to all Distributors.
- (e) Failure of the Company to enforce any of these Policies and Procedures with one Distributor does not waive the right of the Company to enforce any such provision(s) against that same Distributor or any other Distributor.
- (f) To the fullest extent permitted by law, the Company shall not be liable for, and Distributor releases the Company from, and waives all claims for, any loss of profits, indirect, direct, special, or consequential damages or any other loss incurred or suffered by Distributor as a result of:
 - (i) any breach by the Company of any terms and conditions of the Agreement;
 - (ii) the operation of Distributor's business;
 - (iii) any incorrect or wrong data or information provided by the Distributor; or
 - (iv) the failure to provide any information or data necessary for the Company to operate its business, including without limitation, the enrollment and acceptance of a Distributor into the Compensation Plan or the payment of commissions and bonuses.

64. Corrective Measure or Remedies

64.1 Youngevity adopts a zero tolerance approach to breach of the Agreement to protect the long term interest of all involved. In the event a Distributor (i) is found to be in breach of any provision of the Agreement or any Applicable Laws; or (ii) becomes bankrupt or is the subject of bankruptcy proceeding; or (iii) commits any illegal, fraudulent, deceptive or unethical act or conduct, Youngevity may, in its discretion, take any or more of the following actions (without prejudice to any rights otherwise available to Youngevity):

- (a) take disciplinary action including without limitation issuance of a written warning or admonition;
- (b) withholding of commission and/or bonus check, which may be imposed immediately or in the future;
- (c) off-setting commission and/or bonus check, which may be imposed immediately or in the future, against any loss, damage, claim, cost and expense howsoever arising incurred by Youngevity;
- (d) reassignment of all or part of his/her Marketing Organization;
- (e) suspension of the Agreement for one or more months;
- (f) terminate the Agreement pursuant to the terms and conditions of the Agreement;
- (g) pursue legal recourse against him, as well as claiming reimbursement by him for any expenses, including attorney's fees and legal fees, howsoever arising therefrom;
- (h) any other measure expressly stated in the Agreement.

64.2 Youngevity may, in its absolute discretion, withhold from a Distributor all bonuses and commissions during the period that Youngevity is investigating the alleged breach or misconduct of the Distributor. If a Distributor's Agreement is terminated due to a breach preceding the investigation, Youngevity shall be entitled to off-set any loss, damage, claim, cost and expense howsoever arising incurred by Youngevity against any commissions or bonuses withheld by Youngevity to any commissions or bonuses withheld by Youngevity during the investigation period.

65. Termination

65.1 Youngevity may terminate the Agreement with a Distributor by giving seven (7) days written notice to that Distributor. Unless otherwise stated by Youngevity, such termination shall take effect upon the expiry of the said seven days.

65.2A Distributor may terminate the Agreement at any time by providing prior written notice to the Company bearing his original signature, printed name, address, Youngevity identification number and reason for terminating the Agreement (this is to assist Youngevity in on-going efforts to improving its customer service). Such termination notice shall take effect:

- (a) if served on the Company on or before the 25th day of a month, on the 1st day of the following month; and
- (b) if served on the Company after the 25th day of a month, on the 1st day of the month after the following month.

65.3 Upon termination of this Agreement, that Distributor is no longer entitled to sell any Products or to enroll other Distributors. In addition, said Distributor shall lose all rights to their existing downline and shall no longer be entitled to receive sales commissions, overrides, bonuses, awards, or any compensation whatsoever from the Company, nor shall they be entitled to any rights to their former downline genealogies or Distributor lists.

65.4 The termination or expiration of the Agreement shall not affect any rights and remedies of Youngevity accrued prior to such termination or expiration nor relieve any party of liability for any breach of the Agreement occurring prior to the termination or expiration.

66. Return of Goods on Termination

66.1 Subject to the provisions of the Agreement (please refer to Policy 17: Product Return Policy), any Distributor who wishes to return any Products purchased upon termination of the Agreement must notify the Company of their intention in writing ("Return Notification"). The Return Notification must include a list all the Products the Distributor intends to return, the quantities of each Product, the sales order number(s) under which each of the Products were purchased and such other information as may be required by the Company. The Return Notification must be signed by the Distributor and must include an acknowledgement by the said Distributor that he may not become a Distributor within six (6) months from such termination.

66.2 The Company shall not accept the return of any Products in the Return Notification unless the Products are unopened and in a Commercially Resalable Condition and such Products were purchased no more than sixty (60) days prior to return. The Company will purchase these returned Products at a price ninety percent (90%) of the original net cost to the Distributor returning such goods. All Products returned for refund must be complete. The Company will not accept partial return for Products previously purchased. The Company will charge a refund processing fee of 10% of the price of Product refunded.

66.3 The Company will not issue any refunds on the Products acquired or purchased in breach of the 70% Rule.

66.4 For purpose of this policy 66, Products shall not be considered to be in "Commercially Resalable Condition" if: (a) the Products' shelf-life period has passed or will expire in less than twelve (12) months after they are returned for repurchase by the Company; or (b) the Products are seasonal, discontinued, or special promotional products.

66.5 If bonuses were paid to a terminating Distributor's Upline on volume represented by returned Products, commissions related to such volume will be "claw-backed" and debited from all Upline's accounts. A "claw-back" transaction will appear in the personal purchases section of the Upline's next "adjustment summary" with the name of the Distributor whose commercial relation was terminated in the description.

66.6 Any Products returned to the Company must be fully paid by the Distributor before return. Once the Product is received, a credit will be issued and a check will be sent by the 15th day of the following month, or a credit will be issued on the credit card originally used for the purchase. The Distributor's commercial relation will then be permanently terminated.

E. MISCELLANEOUS

67. Consent to Publication

From time to time, at Youngevity events or other functions or occurrences, solely for the purposes of promoting the Products, the Company, or combination thereof, the Company may take photos, record audio and or video of events, testimonials, sessions, or interviews and the like. The said photos, video, and or audio may include the image, likeness, and or voice of any and/or all attendees of the event, function, or occurrence. Attendees may include, but are not limited to Distributors, Preferred Customers, and or prospective Distributors or Preferred Customers and/or any other guests (Hereinafter for the purposes of this provision, will be inclusively referred to as "Subject"). The Distributor agrees and

understands that it is his/her responsibility to disclose this provision to any guest that he invites to any Company event, function, or other occurrence. Any such photography, videography, and or voice recording will be obviously and or clearly disclosed to the Subject. The Company will use its best and reasonable efforts to ensure that no photos, videos, and or audio recordings will be gathered against the expressed wishes of the Subject. However, continued attendance by a Subject at any event, function, or occurrence where photos, video, and or audio are being captured will, in all cases, be construed as an agreement and acceptance of the following:

- (a) Subject grants permission to the rights of his image, likeness and sound of his/her voice as recorded on audio or video without payment or any other consideration;
- (b) Subject understands that his image may be edited, copied, exhibited, published or distributed and summarily waives the right to inspect or approve the finished product wherein his likeness appears;
- (c) Additionally, Subject waives any right to royalties or other compensation arising from or related to the use of his image or recording;
- (d) Subject also understands that these images and or recordings may be used in diverse educational, commercial or promotional settings within an unrestricted geographic area; and
- (e) there is no time limit on the validity of this understanding and subsequent release, nor is there any geographic limitation on where these materials may be distributed.

68. Confidentiality

Without prejudice to the foregoing provisions, all information and material disclosed or made known to you by Youngevity pertaining the subject matter under the Agreement, shall not be disclosed or otherwise disseminated by you without prior written approval of Youngevity, and such information and material shall not be used by you except in furtherance of the purposes of this Agreement.

69. Intellectual Properties and Proprietary Marks

69.1 Trade Mark, Service Mark and Trade Name Restrictions

- (a) Youngevity owns the Intellectual Property and all rights and subject matters comprised therein and has the exclusive right to utilize the Intellectual Property; grant any other person a license to use the Intellectual Property, and adapt, amend and modify any of the Intellectual Property by variation, addition, renewal, substitution or howsoever otherwise.
- (b) Save as otherwise consented by Youngevity in writing, Preferred Customers and Distributors shall not use, reproduce or disseminate any Proprietary Marks of Youngevity except in the use and dissemination of literature published and made available by Youngevity and on stationary and business cards produced and authorized by Youngevity.
- (c) You shall take such action as Youngevity may from time to time direct in relation to the use of, or refrain from using, any Intellectual Property.

69.2 Trade Mark, Service Mark and Trade Name Compliance

- (a) You shall not apply for registration as proprietor of any of the Proprietary Marks in any part of the world or on media of any kind. If at the time Youngevity desires to apply for registration of any Proprietary Marks in any territory and discovers that you have, in breach of this provision, so applied or registered that Proprietary Mark or a mark similar to the Proprietary Mark, then on written demand by Youngevity, you shall at your own expense file such applications as may be required and do all such acts and things and execute all such documents necessary to assign such application or registration and all rights in such Proprietary Mark to Youngevity.
- (b) Youngevity is the owner of the Proprietary Marks, and the goodwill and all other rights in and associated with the Proprietary Marks shall vest absolutely in Youngevity. It is the intention of the parties that all such rights shall at all times and for all purposes remain vested in Youngevity. In the event that any such rights shall at any time accrue to you by operation of law or otherwise, you shall immediately upon demand, at your own expense, do all such acts and execute all such documents as Youngevity shall deem necessary to vest such rights absolutely in Youngevity.

70. Severability

Should any provision of the Agreement (or part thereof) be, or is found to be, invalid or unenforceable under, or in violation of applicable laws, such provision will be deemed ineffective only to the extent of such invalidity, unenforceability or violation. This shall not invalidate or render unenforceable the remaining of that provision and any other provisions of the Agreement.

71. Force Majeure

- (a) For the purposes of these Policies and Guidelines, the term “**Force Majeure Event**” shall mean any event, cause or occurrence or series of events, causes or occurrences beyond the control of Youngevity. Such event, cause or occurrence includes natural disaster, war, telecommunication outage, civil unrest, riot, strike, terrorist act, explosion, flood, fire, hostilities, chemical or biological contamination, epidemic, international or domestic political crisis, and any government decrees or orders or curtailment of a party’s usual source of supply.
- (b) In the event that Youngevity fails or delays in the performance of its obligations under the Agreement due to a Force Majeure Event, Youngevity will notify the Distributor of such Force Majeure Event. Nonetheless, all parties shall still endeavor their best effort to continue to perform and fulfil their respective obligations.
- (c) Youngevity shall not be liable to any person for any loss or damage resulting from any failure or delay in the performance of the Agreement or any part thereof, or its ability to perform its obligations hereunder, if such failure or delay is caused directly, in whole or in part, by any Force Majeure Event. Once the Force Majeure Event has ended, Youngevity will resume and perform all its obligations in accordance with the Agreement.
- (d) Should a Force Majeure Event continue for a period of sixty (60) days or longer after the aforesaid notice, Youngevity may terminate the Agreement by giving at least a thirty (30) days’ prior written notice, provided that such termination notice shall become void if Youngevity is able to continue to fully perform its obligations before the expiry of the said thirty (30) days’ termination notice.

72. Indemnity

Without prejudice to any other rights available under the law or this Agreement, Distributors agree to indemnify and hold harmless Youngevity, its shareholders, officers, directors, employees, agents and successors in interest from and against any claim, demand, liability, loss, cost or expense including, but not limited to, court costs and attorneys’ fees, asserted against or suffered or incurred by any of them, directly or indirectly, arising out of or in any way related to or connected with allegedly or otherwise, the Distributor’s (a) activities as a distributor; (b) breach of any terms or conditions of the Agreement; and/or (c) violation of or failure to comply with any Applicable Laws and in the countries in which you conduct your Youngevity business.

73. Surviving Provisions

The termination of the Agreement for whatever reasons, without prejudice to any other rights or remedies which Youngevity may be entitled to hereunder or at law and shall not affect any accrued rights or liabilities of either party nor the coming into or continuance in force of any provision which is expressly or by implication intended to survive such termination (including without limitation to policy 27 of Part D (*Sales/Resales Location of Product*), policy 28 of Part D (*Re-Packaging/Re-labelling Prohibited*), policy 30 of Part D (*Sales Policy of Youngevity Products*), and all policies (except policy 71 (*Force Majeure*)) under Part E), and the definitions, which shall survive the termination of the Agreement and shall remain in full force and effect notwithstanding such termination.

74. Governing Law

This Agreement, and any issue, matter or dispute arising in connection with this Agreement shall be governed by the laws of the Republic of Philippines.

75. Arbitration

Any dispute arising out of or in connection with this Agreement, including any questions regarding its existence, validity or termination, if not resolved by mutual agreement, shall be referred to and finally resolved by arbitration in reference to Philippines Arbitration Law and the UNICTRAL Model Law. To the extent permitted by law, the prevailing party in any proceeding (whether in arbitration or court proceedings or otherwise) shall be entitled to an award of legal fees and costs on an indemnity basis.

F. YOUNGEVITY DEFINITIONS OF TERMS

The following terms will have the meanings set forth herein when used in Youngevity’s Policies and Procedures, Compensation Plan and/or the Application and all Official Youngevity Materials.

Applicable Laws: All and any applicable law, rules, regulations, ordinances, directives, guidelines, codes and orders of courts that apply in the countries in which a Distributor operates and conducts his/her Youngevity business.

Application: The application form duly completed and signed by an applicant, and received and accepted by Youngevity to be enrolled as a Distributor or a Preferred Customer, as the case may be.

Autoship: A preselected set of products which is shipped on a pre-defined date monthly.

AutoShip Order Form: A standard form which allows you to:

- a. Selected list your choice products;
- b. Setup an instruction to charge to your Preferred Method of Payment on file: and
- c. Ship the pre-selected products monthly.

Bonus Volume (BV): A value amount assigned to individual products. This is the amount, singly and cumulatively, from which a distributor’s Bonus and Residual Commissions are calculated. Please see the Youngevity Distributor Training Manual and the Youngevity Compensation Plan Guide for details on the Youngevity Compensation Plan.

Commercially Resalable Conditions: Goods shall be deemed “resalable” under the following guidelines:

- a. Unopened and unused;
- b. Packaging and labeling has no visible alteration or damages;
- c. Packaging and labelling are in an acceptable condition that permits Youngevity to sell the merchandise at Suggested Retail Price (SRP) or Wholesales Price (W/S);
- d. For products with no expiry date, they must be returned to Youngevity within 60 days from the date of initial distribution to Distributor (to be supported by purchase invoice);
- e. For products with an expiry date, such expiry date must not elapse within the next six months and they must be returned to Youngevity within 60 days from the date of initial distribution to Distributor (to be supported by purchase invoice);
- f. For a product, it must contains the current Youngevity packaging and labeling;
- g. Not valid for promotional products.

Commissions: Commissions are a percentage (%) of the Bonus Volume of the products purchased/sold from the Company by Distributors. Commissions on downline activity are calculated and paid on both weekly and monthly cycles. Please see the Youngevity Distributor Training Manual and the Youngevity Compensation Plan Guide for details on the Youngevity Compensation Plan.

Compensation Plan: Compensation refers to commissions paid to Distributors for product sales to consumers. See the Youngevity Distributor Training Manual for details and definitions relating to Distributor Compensation System.

Country: A country in which Youngevity has official presence, and in which a Distributor is enrolled with a Marketing Organization.

Distributor: A Brand Associate, a person currently authorized to purchase Products from the Company and to participate in the Youngevity Compensation Plan, who has an Enroller, has completed, executed and delivered to Youngevity an Application, has purchased a business kit, has at least one End Customer and has received his/her first commission check. Distributor is a general term referring to all authorized Distributors as individuals and as a group regardless of the level or position attained in the program, including, but not limited to analogous terms such as associates, representatives, consultants, Brand Associates, and entrepreneurs, among others. The term “**Distributorship**” shall be construed accordingly.

Downline: All Distributors via lines of enrollment or placement by any other Distributor below or emanating from a particular Distributor.

End Consumer: A person, other than Preferred Customer, who purchases Youngevity products for the purpose of own consumption rather than for resale to someone else.

Enroller or Enrolling Distributor: A Distributor who officially enrolls another new Distributor (**Enrollee**) in the Company’s income opportunity. The Enrolling Distributor has the option to place the new Distributor into any position within his downline organization, or to retain the new Distributor on his front line and maintain the role of Placement Distributor. The Enrolling Distributor retains a vested interest in bonus commissions, as bonus commissions primarily follow the lines of enrollment, irrespective of placement within a given organization.

Group Bonus Volume (GBV): The Bonus Volume (BV) purchased/sold by a Distributor’s downline organization. The number of levels that are added cumulatively are dependent upon the specific parameters of the bonus in question. Please see the Youngevity Distributor Training Manual and the Youngevity Compensation Plan Guide for details on the Youngevity Compensation Plan.

Group Qualifying Volume (GQV): The total QV purchased/sold by a Distributor’s downline

organization. Different qualifying criteria may recognize different calculations – such as a certain number of downline levels, or cut-off's or percentages based upon downline rank complexion. Please see the Youngevity Distributor Training Manual and the Youngevity Compensation Plan Guide for details on the Youngevity Compensation Plan.

Intellectual Property: The Application, the Youngevity Compensation Plan, the Youngevity Policies and Procedures, the Youngevity Product Catalogue, the Youngevity Internet Usage Guidelines, the Proprietary Marks, the system and all other patents, trademarks, service marks, trade names, logos, designs, domain names, symbols, emblems, insignia, fascia, slogans, copyrights, know-how, information, drawings, plans, pictures, images and other identifying materials whether or not registered or capable of registration and all other proprietary rights whatsoever owned by or available to Distributor adopted or designated now or at any time hereafter by Company for use in connection with its business and the system.

Paylution: A payment method by which a Preferred Customer or a Distributor authorizes Youngevity to deduct payment for orders directly from his/her designated local bank account.

Legal Age: a new Distributor enrolling in the Youngevity program must be of legal age in his or her country or state of residence to enter into the Agreement.

Marketing Organization: The Preferred Customers and Distributors that comprise the group of individuals from which a Distributor is entitled to receive commissions based on the collective sales volume of the group and the position of that Distributor within that group pursuant to the Youngevity Compensation Plan.

Monthly Business Reports: Reports produced by Youngevity on a monthly basis and provided to Distributor which contain information relating to the activity of the Marketing Organization. The Monthly Business Reports contain trade secret information that is proprietary to Youngevity.

Official Youngevity Material: Material which is authorized, published, and disseminated by Youngevity, including without limitation any documentation forming part of the Agreement, and may be in any form including, but is not limited to, any printed material, audio and video tapes, satellite broadcasts, fax and electronic communications and Internet communications.

Other Country: Refers to countries in which Youngevity has an official presence.

Other Rules: Refers to local requirements, policies, codes, rules and regulations of business applicable to distributors of such Other Country.

Personal Bonus Volume (PBV): Is the BV value of a Distributor's personal purchases/retail sales (all sales running through the Distributors personal identification number) during a calendar month. Please see the Youngevity Distributor Training Manual and the Youngevity Compensation Plan Guide for details on the Youngevity Compensation Plan.

Personal Qualifying Volume (PQV): The QV value of a Distributor's personal purchases/retail sales (all sales running through the Distributors personal identification number) during a calendar month. Please see the Youngevity Distributor Training Manual and the Youngevity Compensation Plan Guide for details on the Youngevity Compensation Plan.

Placement Distributor: A Distributor under which a new Distributor is placed, either by him or by another Distributor in his direct Upline organization. The Placement Distributor is generally responsible for supervision and training of the placed Distributor. The Placement Distributor retains a vested interest in the residual commissions, GBV, and GQV, as these primarily follow the lines of placement, irrespective of enrollment within a given organization.

Policies and Procedures: These policies published by Youngevity, as amended from time to time, which set forth, among other things, the requirements for operating a Marketing Organization.

Preferred Customer (PC): A product purchaser that enrolls with the Company as a preferred customer through a Distributor and purchases Product at the wholesale price through his identification number for his own use.

Product: Any commissionable item, program, or service that the Company makes available for Distributors to market and sell.

Proprietary Marks: All trademarks, service marks, trade names, logos and product names,

whether registered or unregistered, belonging to the Company, which include, but not limited to, "Youngevity," "90 for Life", "Dr Joel Wallach", its logos, and all marks or slogans designating products or services offered by Youngevity.

Qualifying Volume (QV): A value amount assigned to individual products. This is the amount, singly and or cumulatively, from which rank qualifications are calculated. Please see the Youngevity Distributor Training Manual and the Youngevity Compensation Plan Guide for details on the Youngevity Compensation Plan.

Retail Sale: A retail sale is a sale of the Products to the End Consumer, including:

- a. Sales to End Customers by the Distributor.
- b. Purchases by a Distributor who is purchasing for personal or family use in reasonable quantities and is not purchasing for the mere purpose of qualifying for bonuses, overrides, or advancement in the marketing program.

Retail Profit: The amount a Distributor makes (gross) by purchasing an item at wholesale price and selling it at retail to End Customer, or the difference between the wholesale price and retail price for items purchased directly through the Distributor's retail shopping cart. Retail Sales for items purchased directly through the Distributor's retail shopping cart are subject to a surcharge of 5% of the retail profit amount, which is automatically levied in the net retail commission. Please see the Youngevity Distributor Training Manual for details on the Youngevity Compensation Plan.

Suggested Retail Price (SRP): The Company's recommended price for selling a particular product to End Customers. It is the intent that the Suggested Retail Price is the price that is charged for any and all product(s) that are sold to anyone that is not either an active Distributor or Preferred Customer of the Company. Prices are subjected to change without notice. Please see current Price List for details.

Titles or Ranks: Represents certain milestones of growth and production for a Distributor and his/her downline organization. Details of ranks, titles, and qualifications are detailed in the Youngevity Distributor Training Manual and the Youngevity Compensation Plan Guide. Ranks and the corresponding titles are shown two ways: Lifetime Rank – which is the highest rank achieved within the Compensation system, and Paid as Rank – represents the current qualification within a given calendar month. Some aspects of the Compensation Plan pay in concert with either a Representative's Lifetime Rank or Paid as Rank. See the Youngevity Distributor Training Manual and the Youngevity Compensation Plan Guide for details and definitions relating to Distributor Compensation System.

Upline: All Placement Distributor's above a particular Distributor in lines of placement up to the Company. The entire Upline consists of all Placement Distributor's and Enrolling Distributor's that link or are between any particular Distributor and the Company.

Wholesale Price (W/S): The maximum discounted price paid to the Company by Distributors for product. Also, the minimum price to be charged for selling product(s) to anyone that is not either an active Distributor or Preferred Customer of the Company. Prices are subjected to change without notice. Please see current Price List for details.

70% Rule: A rule which regulates the quantity of Company's products that Distributors may purchase at any point in time for resale to consumers, for personal consumption, or to provide prompt product delivery to downline Distributors in their own personal group. Distributors should not stockpile or acquire excessive inventories. Prior to reordering any Company's product, Distributors must certify that they have sold a minimum of 70% of all previous orders.



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