

# Policies and Procedures- HongKong

EFFECTIVE DECEMBER 15, 2025

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## SECTION 1 - PURPOSES OF LIFEVANTAGE POLICIES AND PROCEDURES

LifeVantage Hong Kong Limited its parent and affiliated corporate entities (hereinafter, "**LifeVantage**" or "**Company**") has developed the following guidelines to assist the Company and its independent contractor Consultants (as defined in Section 18 below) mutually succeed in their relationship. The LifeVantage Policies and Procedures provide the following benefits:

- 1) Protect the rights of all Consultants by providing a framework within which each Consultant may work in an ethical, effective, and secure manner;
- 2) Provide an equal and level playing field of opportunity to all Consultants;
- 3) Define the contractual relationship between LifeVantage and its Consultants; and
- 4) Inform Consultants regarding compliance issues and regulatory requirements that LifeVantage requires all Consultants to understand as we work together in promoting the LifeVantage products and opportunity.

## SECTION 2 - INTRODUCTION

### 2.1 - Policies Incorporated into LifeVantage Consultant Agreement

The LifeVantage Policies and Procedures (the "**Manual**" or the "**P&Ps**") in their present form and as amended from time to time are incorporated into, and form an integral part of, the LifeVantage Consultant Agreement (the "**LifeVantage Consultant Agreement**" or "**Agreement**"). Throughout the P&Ps, when the term "**Agreement**" is used, it collectively refers to the LifeVantage Consultant Application and Agreement (the "**Application**"), these P&Ps, the LifeVantage Compensation Plan (the "**Compensation Plan**"), the LifeVantage Virtual Office Agreement (Back Office Agreement), the LifeVantage Privacy Policy and

## LifeVantage.

Website Use Agreement and any applicable Business Entity forms. These documents are incorporated by reference into the LifeVantage Consultant Agreement. Unless otherwise defined herein, capitalized terms shall have the meaning specified in Section 18 of the P&Ps. It is the responsibility of each Consultant to read, understand, adhere to and ensure that they are aware of and operating under the most current version of the P&Ps. When enrolling a new Consultant, it is the responsibility of the Enroller to provide the most current version of these P&Ps and the Compensation Plan to the applicant prior to their execution of the Agreement. All terms contained within these P&Ps are subject to the terms contained within the LifeVantage Consultant Agreement. In the event of a discrepancy between any provision of the Application, the P&Ps or the Compensation Plan, the P&Ps shall prevail.

### 2.2 - Purpose of Policies

LifeVantage is a direct sales company that markets products through Consultants. It is important that all Consultants understand that their success is dependent upon the integrity of all who market LifeVantage products. To clearly define the relationship that exists between Consultants and LifeVantage, and to explicitly set standards for acceptable business conduct, LifeVantage has established the Agreement. Consultants are required to comply with all the terms and conditions set forth in the Agreement, as well as all applicable laws governing their business and their conduct. It is especially important that all Consultants read and abide by the Agreement. Please review the information in this Manual carefully. It explains and governs the relationship between Consultants and the Company. Any questions regarding any policy or rule should be directed to the LifeVantage Compliance and Education Department.

### 2.3 - Changes to the Agreement

Because applicable laws, as well as the business environment periodically change, LifeVantage reserves the right to amend any portion of the Agreement in its sole and absolute discretion. The Company shall provide notice of any amendments to the Agreement by one or more of the following methods: (1) posting on the Company's official website; (2) electronic mail (e-mail); (3) special mailings from the Company; or (4) posting to your Consultant back office. The most current and controlling version will be located at [Home | LifeVantage Hong Kong \(en\)](#). Any amendments to the Agreement, except for amendments required to comply with law (which shall be effective immediately) shall become effective 30 days after notice by one or more of the methods set forth above. Once the amendment(s) are published, the Consultant may elect to accept the amendment(s) or reject them. If the Consultant rejects them, their Agreement will terminate and will not be renewed. If the Consultant is not willing to accept these changes, LifeVantage must be notified in writing prior to the change being effective, by contacting the LifeVantage Compliance and Education Department. By executing the Agreement, the Consultant agrees to abide by all properly noticed amendments or modifications that LifeVantage elects to make to the Agreement. If the Consultant continues to purchase or sell Company products, enrol and/or accept Financial Distributions (see Section 12.1) from LifeVantage, such actions shall be deemed acceptance of any properly noticed amendments to the Agreement. Any amendments to the Agreement accomplished through the notice and opt-out procedures contained in this section shall not apply retroactively to conduct that occurred prior to the effective date of the amended Agreement.

### 2.4 - Delays

LifeVantage shall not be responsible for delays or failures in the performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labour difficulties, riot, war, fire, death, curtailment of a party's source of supply, government decrees or orders, civil unrest, or public health crises, including without limitation epidemics or pandemics.

### 2.5 - Severability

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed, and the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid or unenforceable provision never comprised a part of the Agreement.

### 2.6-Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a Consultant. No failure of LifeVantage to exercise any right or power under the Agreement or to insist upon strict

compliance by a Consultant with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of the LifeVantage right to demand exact compliance with the Agreement. Waiver by LifeVantage can be effected only in writing by an authorized officer of the Company. The LifeVantage waiver of any breach by a Consultant shall not affect or impair the LifeVantage rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Consultant. Nor shall any delay or omission by LifeVantage to exercise any right arising from a breach affect or impair the LifeVantage rights as to that or any subsequent breach. The allegation or existence of any claim or cause of action of a Consultant against LifeVantage shall not constitute a defence to the LifeVantage enforcement of any term or provision of the Agreement.

### SECTION 3 - RULES OF CONDUCT; BECOMING A CONSULTANT

Each Consultant promises to:

- 1) Conduct themselves and their operations as a Consultant honestly, morally, and legally to help protect the LifeVantage opportunity for all;
- 2) Keep their activities honorable to reflect well on themselves and on LifeVantage;
- 3) Speak well of LifeVantage, as well as competitors;
- 4) Honestly present the LifeVantage product as per the LifeVantage literature, including accurate and legally permissible health claims and benefits;
- 5) Explain the Compensation Plan honestly and completely;
- 6) Respect the privacy of others and keep their personal earnings and the earnings of others private;
- 7) Take their Enroller and Upline responsibilities seriously, including, aiding, and supporting those in their Marketing Organization;
- 8) Abide by the product guarantee and return policies for themselves and for their customers;
- 9) Respect the professional relationships between LifeVantage and any of its advisors, endorsers, or affiliates by speaking of them appropriately and refraining from contacting them;
- 10) Direct all media inquiries to LifeVantage;
- 11) Honor the established relationships between Enrollers and Enrollees to avoid conflicts of interest with other Consultants, Enrollers, and Enrollees; and
- 12) Adhere to the Agreement.

#### 3.1- Requirements to Become a Consultant

To become a Consultant, each applicant must:

- 1) Be a minimum of eighteen (18) years of age and legally competent to enter into a contract;
- 2) Have a valid Hong Kong Identity Card number;
- 3) Purchase a LifeVantage Start Kit; and
- 4) Submit a properly completed and signed Application to LifeVantage.

The Company reserves the right to reject any Applications to become a Consultant in its sole and absolute discretion. The

Agreement is effective upon Acceptance.

### 3.2 - New Consultant Registration by Phone, Fax or Internet

In addition to registering online or with a hard-copy Application, an applicant may call LifeVantage Consultant Support during regular business hours to receive a temporary LifeVantage Consultant Identification Number ("**CIN**") and a temporary authorization for a new Consultant. (See the front of the Application for phone numbers.) The applicant must be able to provide all necessary information over the telephone. A new Start Kit must be ordered at that time using a valid credit card. When phoning in an application, until LifeVantage has received the hard copy with all current information from the Consultant (by fax or mail), the Consultant's Account will be on hold and not allowed to receive commissions. The new Consultant's CIN and authorization will be valid for thirty (30) days, pending receipt of the completed and signed original Application by LifeVantage. Once the original Application is received by LifeVantage, the new Agreement will be extended to one (1) full year from the date on which the CIN was issued. If the new Application is not received within the temporary 30-day time period, the temporary authorization shall expire, the CIN will be cancelled, and the Agreement will be automatically terminated. An applicant may also register by faxing a properly completed Application to LifeVantage. Consultant's registering by fax may include their credit card information to purchase the Start Kit and must ensure that they fax all pages of the Application to LifeVantage. The correct fax number is listed on the Application.

### 3.3 - Renewal of a LifeVantage Consultant Business

The term of the Agreement is one (1) year from the date of Acceptance. To the extent LifeVantage implements a renewal fee, such fee will be billed each successive year in the month following the anniversary month of the Agreement. Once the applicable renewal fee has been collected, the Agreement will be renewed provided the Consultant is in Good Standing and the Agreement has not been otherwise Cancelled as provided herein. The Company reserves the right to reject any applications to renew as a Consultant in its sole and absolute discretion.

## SECTION 4 - OPERATING A LIFEVANTAGE CONSULTANT BUSINESS

### 4.1 - Adherence to the Compensation Plan

Consultants must adhere to the terms of the Compensation Plan. Consultants shall not offer the LifeVantage opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in Official LifeVantage Materials. Consultants shall not require or encourage other current or prospective Consultants to participate in LifeVantage in any manner that varies from the LifeVantage opportunity as set forth in Official LifeVantage Materials. Consultants shall not require or encourage other current or prospective Consultants to execute any agreement or contract other than official LifeVantage agreements to become a Consultant. Similarly, Consultants shall not require or encourage other current or prospective Consultants to make any purchase from, or payment to, any individual or other entity to participate in the Compensation Plan and LifeVantage opportunity other than those identified in the Agreement and/or Official LifeVantage Materials.

### 4.2 - Business Entities

A corporation, limited liability company, partnership, trust, or local equivalent (collectively referred to as a "**Business Entity**") may apply to be a Consultant by submitting a copy of its organizational documents to LifeVantage, along with a properly completed Business Entity Form. If a Consultant has enrolled online, all required documents and corresponding Business Entity Forms must be submitted to LifeVantage within thirty (30) days of the online enrolment. If not received within the 30-day period, the LifeVantage Consultant Agreement shall automatically terminate. A Consultant may change its status under the same Enroller from an individual to a partnership, corporation, trust or local equivalent or from one type of entity to another by properly completing a Name Change Request Form from the LifeVantage Compliance and Education Department. The forms must be signed by all shareholders, partners, trustees, members, owners, or any other party with any ownership interest in, or management responsibilities for, the relevant Business Entity (collectively, "**Affiliated Parties**"). The Business Entity and all Affiliated Parties are individually, jointly, and severally liable for any indebtedness, liability, claims, and/ or other obligations to LifeVantage, including compliance with and performance of all obligations of the Agreement.

### 4.3 - Minors



A person who is recognized as a minor in his or her jurisdiction of residence ("**Minor**") may not be a Consultant. Consultants shall not enrol or recruit Minors or anyone unable to legally form a contract to become a consultant of LifeVantage.

#### 4.4 - One LifeVantage Consultant Business per Person and per Household

Except as provided in Sections 4.11 through 4.13, a Consultant may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, member, owner, or beneficiary, in only one LifeVantage Consultant Business. Individuals of the same family unit may not have an interest in more than one LifeVantage Consultant Businesses (see Section 6.5). A "**family unit**" is defined as spouses or common-law couples (collectively "**Spouse(s)**") and Minor dependent children living at or doing business at the same address. Consultants may enrol Spouses as Customers. Beginning on March 1, 2025, no new Business Centres will be allowed, and all existing Business Centres, whether Active or not, will be terminated and will not be reinstated. Any accounts that were placed or enrolled directly below the Business Centre will be placed and/or enrolled under the main account. A family unit with an interest in more than one LifeVantage Consultant Business may have more than one LifeVantage Consultant Business only as such Consultant Business has been activated prior to March 1, 2025. Beginning on March 1, 2025, a family unit may not enter or have an interest in more than one LifeVantage Consultant Business.

##### 4.4.1-Actions of Household Members or Affiliated Individuals

If any member of a Consultant's Immediate Household engages in any activity which, if performed by the Consultant, would violate any provision of the Agreement, such activity will be deemed a violation by the Consultant and LifeVantage may take disciplinary action pursuant to the Agreement against the Consultant. Similarly, if any individual associated in any way with a Business Entity (collectively "**Affiliated Individual**") violates the Agreement, such action(s) will be deemed a violation by the entity Consultant Business and LifeVantage may take disciplinary action against the Business Entity.

#### 4.5 - Independent Contractor Status

Consultants are independent contractors, not employees of the Company. Consultants are not purchasers of a franchise or of a business opportunity. The Agreement between LifeVantage and its Consultants does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and any Consultant. A Consultant is responsible for paying all applicable taxes due from all Financial Distributions earned as a Consultant. A Consultant has no authority (express or implied) to bind the Company to any obligation. Each Consultant shall establish their own goals, hours and methods of sale, so long as they comply with the terms of the Agreement and all applicable laws.

#### 4.6 - Enrolling/Placing or Sponsoring

All Active Consultants in Good Standing may enrol and place (sponsor) eligible consultant applicants into LifeVantage. Each prospective consultant has the ultimate right to choose their own Enroller and Placement Sponsor. If two Consultants claim to be the Enroller and/or Placement Sponsor of the same new Consultant or Customer, the Company shall presume that the first application received by the Company is controlling, but the Company shall retain the right to determine and decide in its discretion all issues of disputed enrolment.

#### 4.7 - Changes to a LifeVantage Consultant Business

##### 4.7.1 - General

Each Consultant must immediately notify LifeVantage of all changes to the information contained in his or her Agreement and/or Business Entity Form, as applicable. Consultants may modify their existing Agreement by submitting a written Name Change Request Form, a properly executed LifeVantage Consultant Amended Application and Agreement (the "**Amended Application**"), and any other supporting documentation requested by LifeVantage. LifeVantage may, at its discretion, require notarized documents before implementing any changes to a LifeVantage Consultant Business. Please allow for at least thirty (30) days after receipt of the foregoing documents for processing by LifeVantage.

##### 4.7.2 - Addition of Co-Applicant



When adding a co-applicant (either an individual or a Business Entity) to an existing LifeVantage Consultant Business, the Company requires a written request, as well as a properly completed and signed Amended Application. To prevent the circumvention of the provision regarding transfers and/or assignments of a LifeVantage Consultant Business (see Section 4.9), the original applicant must remain as the main party to the original Agreement. If the original Consultant wants to terminate their relationship with the Company, they must transfer or assign their LifeVantage Consultant Business in accordance with Section 4.9. If the Agreement is not followed, the LifeVantage Consultant Business may be Cancelled by LifeVantage upon the withdrawal of the original Consultant. All Financial Distributions will be sent to the account and/or address of record of the original Consultant. There is a processing fee for each change requested, which fee must be included with the written request and the completed Amended Application. Please note that any requested modifications related to a change of Enroller or Placement Sponsor are separately addressed in Sections 4.7.3 and 4.7.4 below.

#### **4.7.3 - Change of Enroller**

To protect the integrity of all Marketing Organizations and safeguard the demanding work of all Consultants, LifeVantage strongly discourages changes in Enrollers or Placement Sponsors. Maintaining the integrity of placement is critical for the success of every Consultant and Marketing Organization. Accordingly, the transfer of a LifeVantage Consultant Business from one Enroller to another is rarely permitted. Requests for a change must be submitted by contacting the LifeVantage Compliance and Education Department and must include the reason for the change. Any change will be at the sole discretion of the Company. If the change is approved, only one change will be allowed per LifeVantage Consultant Business. A change of Enroller will only be considered in the following two (2) circumstances:

**4.7.3.1** - In cases involving fraudulent inducement or unethical sponsoring, a Consultant may request that they be transferred/changed to another organization with their entire Marketing Organization intact. All requests for transfer/change alleging fraudulent enrolment practices shall be evaluated on a case-by-case basis.

**4.7.3.2** - The Consultant seeking to transfer/change submits a properly completed and fully executed Enroller Change Request Form, which must include the written approvals and required signatures as outlined in the Enroller Change Request Form. Photocopied or facsimile signatures are not acceptable. The Consultant who requests the transfer must submit a processing fee for administrative charges and data processing. If the transferring Consultant also wants to move any of the Consultants in their Marketing Organization, each downline Consultant must obtain a properly completed Enroller Change Request Form and return it to LifeVantage with the processing fee (i.e., the transferring/changing Consultant and each Consultant in their Marketing Organization multiplied by the processing fee is the cost to move a Marketing Organization.) Downline Consultants of the Marketing Organization will not be moved with the transferring/changing Consultant unless all requirements of this Section 4.7.3.2 are met. Consultants requesting the transfer/change must allow at least thirty (30) days after Company's receipt of the completed Enroller Change Request Form and payment of the processing fees for a decision.

#### **4.7.4 - Change of Placement Sponsor**

New Enrolees that have not been placed under a particular Placement Sponsor at the time of enrolment will, by default, be placed immediately below the position of their Enroller. If a Placement Sponsor has not been selected by the end of the first thirty (30) days of enrolment, then their Enroller becomes their Placement Sponsor and changes thereafter must be made in accordance with and through a properly completed and fully executed Placement Sponsor Change Request Form, which must include the written approvals and required signatures as outlined in the Placement Sponsor Change Request Form. The Consultant who requests the change must submit a processing fee for administrative charges and data processing. Consultants requesting the change must allow at least thirty (30) days after the Company's receipt of the Placement Sponsor Change Request Form and payment of the processing fees for a decision. If the change is approved, only one Placement Sponsor change will be allowed per Consultant.

#### **4.7.5 - Cancellation and Reapplication**

A Consultant may change Marketing Organizations by voluntarily Cancelling their LifeVantage Consultant Business and remaining inactive (i.e., no purchases of LifeVantage products for resale, no sales of LifeVantage products, no enrolling, no attendance at any LifeVantage functions, participation in any other form of Consultant activity, or operation of any other LifeVantage Consultant Business) for six (6) consecutive calendar months. Following the six (6) consecutive calendar

monthperiod of inactivity, the former Consultant may reapply under a new Enroller. LifeVantage will consider waiving the six (6) month waiting period under exceptional circumstances. Such requests for waiver must be submitted to the LifeVantage Compliance and Education Department in writing.

#### **4.8 - Downline Organization of Vacated Accounts**

When a Consultant account is Cancelled, the downline positions in a Marketing Organization do not automatically roll up. Rather, when a position is Cancelled, the vacated position will remain in its current enrolment and placement position in the Marketing Organization, and its downline organization will remain intact, until at least the time that LifeVantage has recouped all costs and losses, including attorney's fees, associated with the reason the position has been vacated, such as a Consultant's termination and the events that relate to or led to the termination. This provision includes all costs, fees, and expenses associated with litigation that may result from or relate to such termination. Once LifeVantage determines, in its discretion, that it has recouped all such costs and losses, the vacated Consultant position will be inactive in the Enrolment Tree but may be removed from the Placement Tree by LifeVantage. Any request to change the Enroller and/or Sponsor of any downline position in the Marketing Organization of the vacated account must be made in accordance with Sections 4.7.3 or 4.7.4 of these P&Ps as applicable. No Consultant shall have any vested right or claim (1) to any Cancelled position in any Marketing Organization; or (2) in the timing of such Cancellation and/or Enroller or Sponsor change. Notwithstanding the foregoing, the volume generated by the vacated position and its downline Marketing Organization will compress as outlined in the Compensation Plan.

#### **4.9 - Sale, Transfer or Assignment of a LifeVantage Consultant Business**

Although a LifeVantage Consultant Business is a privately owned, independently operated business, the sale, transfer or assignment of a LifeVantage Consultant Business, and the sale, transfer, or assignment of an interest in a Business Entity that owns or operates a LifeVantage Consultant Business, is subject to certain limitations under the Agreement. If a Consultant wishes to sell, transfer, or assign their LifeVantage Consultant Business, or interest in a Business Entity that owns or operates a LifeVantage Consultant Business, that Consultant must receive written authorization from the Company, which has the right to approve or deny such sale, transfer, or assignment in its discretion. Any such sale, transfer, or assignment must satisfy the following minimum criteria:

- 1) If the buyer, transferee, or assignee is an Active Consultant, they must first terminate their current LifeVantage Consultant Business and wait at least six (6) months before becoming eligible to hold another LifeVantage Consultant Business;
- 2) LifeVantage must approve the transaction in writing;
- 3) The selling, transferring, or assigning Consultant must be in Good Standing and not in violation of any of the terms of the Agreement to be eligible to sell, transfer, or assign their LifeVantage Consultant Business;
- 4) No sale, assignment, or transfer can result in a change to the line of enrolment or Marketing Organization of the sold, assigned, or transferred Consultant Business, both Upline and downline;
- 5) The selling, transferring, or assigning Consultant must offer the Company a right of first refusal to purchase or acquire the business or interest on the same terms as agreed upon with the prospective buyer. The Company shall have thirty (30) days from the date of receipt of the written offer from the selling, transferring or assigning Consultant to exercise its right of first refusal;
- 6) The buyer, transferee, or assignee must be or become a qualified Consultant. This requires the buyer, transferee, or assignee to execute and submit a new Application to the Company and to agree to all terms of the Agreement;
- 7) The selling, transferring, or assigning Consultant must wait a period of six (6) months from the date of the sale, transfer, or assignment of their LifeVantage Consultant Business before they will be eligible to again enroll as a Consultant; and
- 8) All parties to the proposed transaction must execute any documents requested by the Company in

connection with the transaction. Satisfaction of these minimum criteria for sale, transfer, or assignment of a LifeVantage Consultant Business is not a guarantee that the Company will approve such sale, transfer, or assignment. Approval of any such transaction always resides in the discretion of LifeVantage.

#### 4.10 - Separation of a LifeVantage Consultant Business

Consultants sometimes operate their LifeVantage Consultant Business as Spouses through a Business Entity. When a marriage ends, or a Business Entity dissolves, arrangements must be made to assure that any separation or division of the Business Entity is accomplished so as not to adversely affect the interests and income of other Consultants Upline or downline of the business. If the separating parties fail to provide for the best interests of other Consultants and the Company, LifeVantage may involuntarily and immediately terminate the Agreement. Under no circumstances will the downline of divorcing or legally separating Spouses or a dissolving Business Entity be divided based on the requests or desires of the divorcing or legally separating parties. Similarly, under no circumstances will LifeVantage split Financial Distributions between divorcing or legally separating Spouses or members of dissolving Business Entities. LifeVantage will recognize only one business and will issue only one Financial Distribution payment per LifeVantage Consultant Business per commission cycle. Financial Distribution payments shall be issued to the individual or Business Entity listed on the LifeVantage Consultant Business. If parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of Financial Distributions and ownership of the LifeVantage Consultant Business, Financial Distributions will continue to be paid to the primary member/applicant on the account. If a former Spouse or a former Affiliated Individual has completely relinquished all rights in their original LifeVantage Consultant Business, they are thereafter free to enrol under any Enroller of their choosing, so long as they meet the waiting period requirements set forth in the Agreement. In such case, however, the former Spouse or partner shall have no rights to any downline Marketing Organization in their former organization. The former Spouse, business partner and/or Affiliated Individual must develop a new Marketing Organization in the same manner as would any other new Consultant.

#### 4.11 - Succession

Upon the death of or incapacitation of a Consultant, their LifeVantage Consultant Business may be passed to their heirs or successors. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a Consultant should consult their attorney to assist them in the preparation of a will or other testamentary instrument. Whenever a LifeVantage Consultant Business is transferred by a will or other testamentary process, the legal successor in interest acquires the right to collect all Financial Distributions earned on the deceased Consultant's Marketing Organization in accord with the current Compensation Plan.

The successor(s) in interest must:

- 1) Execute an Application;
- 2) Comply with terms and provisions of the Agreement;
- 3) Meet all of the qualifications for the deceased Consultant's status;
- 4) Provide LifeVantage with an "address of record" and account information for all Financial Distribution payments. Financial Distribution payments of a LifeVantage Consultant Business transferred pursuant to this Section 4.11 will be made in a single payment jointly to the legal successor(s) in interest; and
- 5) If the LifeVantage Consultant Business is bequeathed to multiple legal successors in interest, form a Business Entity and acquire an applicable tax identification number, national identification number or other equivalent identification number. LifeVantage will issue all Financial Distribution payments and tax forms to each Consultant as required by the applicable taxation authority.

#### 4.12 - Transfer Upon Death of a Consultant

To effect a testamentary transfer of a LifeVantage Consultant Business, the successor in interest must provide the following to LifeVantage: (1) a certified copy of the death certificate; (2) a notarized copy of the will or other instrument establishing the

## LifeVantage

successor's right to the LifeVantage Consultant Business; and (3) a completed and signed Application. If the successor in interest is already a Consultant, the Company may grant exception to the one (1) LifeVantage Consultant Business per Household rule upon written request from the successor in interest.

### 4.13 - Transfer Upon Incapacitation of a Consultant

To effect the transfer of a LifeVantage Consultant Business due to incapacity of the Consultant, a legally appointed representative must provide the following to LifeVantage: (1) a notarized copy of an appointment as trustee or other legally appointed representative; (2) a notarized copy of the trust document or other documentation establishing the trustee's right to administer the LifeVantage Consultant Business; and (3) a completed Application executed by the trustee. If the appointed representative in interest is already a Consultant, the Company may grant exception to the one (1) Consultant Business per Household rule upon written request from the representative in interest.

### 4.14 - Errors or Questions

If a Consultant has questions about or believes any errors have been made regarding Financial Distributions, Marketing Organization Activity Reports or credit card charges, the Consultant must contact and/or notify LifeVantage in writing within sixty (60) days of the date of the purported error or incident in question. LifeVantage will not be responsible for any errors, omissions or problems not reported to the Company within sixty (60) days of the purported error or incident in question.

## SECTION 5 - RESPONSIBILITIES OF CONSULTANTS

### 5.1 - Change of Address, Telephone or E-mail

To ensure timely delivery of products, support materials and Financial Distribution payments, it is critically important that Consultant addresses with LifeVantage are current. Street addresses are required for shipping since LifeVantage product will not be delivered to a post office box. Consultants planning to move should send any change of address, telephone, or e-mail to the LifeVantage Consultant Support Department. If Consultant is presently on a Subscription order, the Subscription order will automatically be updated to the new address. If more than one change of address notice or Subscription order has been submitted to LifeVantage, the most recent one will supersede previous notices or Subscription orders. Please allow thirty (30) days after the receipt of the notice or new Subscription order for processing.

### 5.2 - Continuing Development Obligations

#### 5.2.1- Ongoing Training

Consultants who are the Enroller of new Consultants perform an actual assistance function to ensure that their Marketing Organization is properly operating their LifeVantage Consultant Business in accord with the Agreement. Consultants should have ongoing contact and communication with the Consultants in their Marketing Organization. Examples of such contact and communication may include, but are not limited to newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of their Consultants to LifeVantage meetings, training sessions and other functions. Consultants who are the Sponsor also motivate and assist new Consultants in LifeVantage product knowledge, effective sales techniques, the Compensation Plan, and compliance with the Agreement. Upline Consultants must ensure that downline Consultants do not make improper product or income claims or engage in any illegal or inappropriate conduct.

#### 5.2.2 - Ongoing Sales Responsibilities

Regardless of their level of achievement, Consultants should strive to promote sales continually and personally through the generation of new customers and through servicing their existing customers as well as promoting this same customer sales behaviour in their Marketing Organization.

### 5.3 - Non-Disparagement

LifeVantage wants to provide its Consultants with the best products, compensation plan and service in the industry. Accordingly, we value your constructive criticisms and comments. All Consultants hereby agree that such comments will be submitted in writing to the LifeVantage Consultant Support Department. Consultants should not, however, disparage, demean,

or make negative remarks about LifeVantage, other Consultants, LifeVantage products, the Compensation Plan, or any LifeVantage directors, officers, or employees unless such statements are truthful and required by compulsory legal process.

#### 5.4 - Providing Documentation to Applicants

An Enroller must provide the most current version of the Agreement, including these P&Ps and the Compensation Plan to prospective applicant(s) whom they are considering enrolling as a Consultant before such applicant signs a LifeVantage Consultant Agreement. The most recent LifeVantage Consultant Agreement may be found on the official LifeVantage website.

#### 5.5 - Reporting Policy Violations

Consultants who become aware of a policy violation by another Consultant should submit a written report of the violation directly to the attention of the LifeVantage Compliance and Education Department. Details of any incident such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

#### 5.6 - Company Claims

No claims may be made or implied that any Consultant has advantages with or special privileges with the Company or is in any way exempt from the same obligations and requirements of every other Consultant.

### SECTION 6 - CONFLICTS OF INTEREST

Unless otherwise agreed to in writing with the Company, during the term of the Agreement, Consultants may participate in other direct selling or network marketing or multilevel marketing ventures (collectively **"Network Marketing Ventures"**), and Consultants may engage in selling activities related to non-LifeVantage products and services if they desire to do so. In order to avoid conflicts of interest and loyalties as well as a breach of the Agreement, all Consultants must adhere to the following:

#### 6.1 - Non-Solicitation and Recruiting

##### 6.6.1- Concurrent Recruiting Prohibited

During the term of the Agreement, and to the maximum extent permitted by law, Consultants may not directly or indirectly Recruit other Consultants for any other Network Marketing Venture (a **"Competing Activity"**).

##### 6.1.2 - Post-Termination Recruiting Prohibited

Following the Cancellation of a LifeVantage Consultant Business, whether voluntary or involuntary and regardless of the reason for such Cancellation, and for a period of two (2) years thereafter, a former Consultant may not Recruit any Consultant for any Competing Activities. Consultants stipulate that because Competing Activities are conducted worldwide, often through networks of independent contractors dispersed across Hong Kong and internationally, and business is commonly conducted via the internet and telephone, an effort to artificially limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, Consultants agree that this non-solicitation provision shall apply in all countries in which LifeVantage conducts business at the time the restriction is applicable. Consultants agree that the geographic scope applicable to this provision is reasonable and further waive any claim or defence that the non-solicitation provision is void or voidable based on the breadth of its geographic scope. It is the intent of the parties that this provision be enforced to the maximum extent possible. To the extent that a tribunal of competent jurisdiction determines that some portion of this provision is unenforceable, the parties agree that the provision may be reformed to give it effect to the maximum extent allowed by law.

##### 6.1.3 - Concurrent Cross-Promotion Prohibited

During the term of the Agreement, Consultants are also prohibited from using their LifeVantage Consultant Business activities to promote any non-LifeVantage business opportunity or any competing non-LifeVantage products or offer any such non-LifeVantage business opportunities or competing non-LifeVantage products to other Consultants, regardless of whether such

other business opportunity or products relate to Network Marketing Ventures. In particular, without limitation, a Consultant may not:

- 1) Produce, offer or transfer any literature, electronic literature, electronic media or other promotional material of any nature of another business opportunity which is used by the Consultant or any third person to Recruit Consultants or Customers for that other business opportunity;
- 2) Sell, offer to sell, or promote any competing non-LifeVantage products or services to Consultants or Customers (any product in the same generic product category as a LifeVantage product is deemed to be competing (e.g., any nutritional supplement or personal care product is in the same generic category as the LifeVantage nutritional supplements, and/or personal care products and is therefore a competing product, regardless of differences in cost, quality, ingredients or nutrient content);
- 3) Offer LifeVantage products or promote the Compensation Plan in conjunction with any non -LifeVantage products, services, business plan, opportunity or incentive; or
- 4) Offer any non-LifeVantage products, services, business plan, opportunity or incentive at any LifeVantage meeting, seminar, launch, convention or other LifeVantage function, or immediately following such event.

To the extent a Consultant wishes to promote or offer any non-competing, non-LifeVantage product or service, such promotion must occur independently from the promotion of LifeVantage products or services.

#### 6.1.4 - Remedies

Each Consultant stipulates that if they violate any part of this Section 6.1, LifeVantage will be irreparably harmed and calculation of the full extent of the Company's damages will be difficult. Consultant therefore stipulates that LifeVantage shall be entitled to immediate temporary, preliminary, and permanent injunctive relief against Consultant and all those acting in concert with them to prevent and enjoin any violation of this section. This remedy is in addition to any other legal remedies to which LifeVantage may be entitled, including disciplinary sanctions under the Agreement and recovery of damages caused by a Consultant's breach. The provisions of this section 6.1 shall survive termination of the Agreement.

#### 6.2 - Targeting Other Direct Sellers

LifeVantage does not encourage Consultants to target the sales force of another direct sales company to sell LifeVantage products or to become Consultants for LifeVantage, nor does LifeVantage encourage Consultants to solicit or entice members of the sales force of another direct sales company to violate the terms of their contract with any such other company.

#### 6.3 - Cross-Sponsoring

Actual or attempted cross-sponsoring is strictly prohibited. "Cross-Sponsoring" is defined as the enrolment of an individual or entity which is already a LifeVantage Customer or Consultant and/or who has been such within the preceding six (6) calendar months, within a different line of enrolment or sponsorship. The use of a Spouse's or relative's name, trade names, doing business as names ("DBAs"), assumed names, corporations, partnerships, trusts, Hong Kong identification numbers or fictitious ID numbers to circumvent this policy or any other provision of the Agreement is strictly prohibited. Consultants shall not demean, discredit or defame other Consultants in an attempt to entice another Consultant to become part of the first Consultant's Marketing Organization. Notwithstanding the foregoing, this policy shall not prohibit the transfer of a LifeVantage Consultant Business in accordance with Section 4.9. If Cross-Sponsoring is discovered, it must be brought to the Company's attention immediately. LifeVantage may take action against the Consultant who changed organizations and/or those Consultants who encouraged or participated in the Cross-Sponsoring. LifeVantage may also move all or part of the offending Consultant's downline to their original Marketing Organization, if the Company deems it equitable and feasible to do so. However, LifeVantage is under no obligation to move the Cross-Sponsored Consultant's Marketing Organization, and the ultimate disposition of the Marketing Organization remains within the sole discretion of LifeVantage. Consultant waive all claims and causes of action against LifeVantage arising from or relating to the disposition of the Cross-Sponsored Consultant's Marketing Organization.



## 6.4 - Holding Applications or Orders

Consultants must not manipulate enrolments of new applicants and the purchase of products. All Consultant Applications and product orders must be sent to LifeVantage within forty-eight (48) hours from the time they are signed by a Consultant or placed by a Customer, respectively.

## 6.5 - Stacking

"Stacking" is strictly prohibited. The term Stacking includes: (1) the failure to transmit to LifeVantage or the holding of a Consultant Application in excess of two (2) business days after its execution (see Section 6.4); (2) violating the one LifeVantage Consultant Business per household rule (see Section 4.4); and/or (3) enrolling fictitious individuals or Business Entities to become Consultants or Customers (see Section 10.4).

# SECTION 7- CONSULTANT COMMUNICATION AND CONFIDENTIALITY

## 7.1- Marketing Organization Activity (Genealogy Reports)

Marketing Organization Activity Reports are available for Consultant access and viewing at the LifeVantage official website. Consultant access to their Marketing Organization Activity Reports is password protected. All Marketing Organization Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets and are owned exclusively by LifeVantage. Marketing Organization Activity Reports are provided to Consultants in strictest confidence and are made available to Consultants for the sole purpose of assisting Consultants in working with their respective Marketing Organization in the development of their LifeVantage Consultant Business and sales Marketing Organizations. Consultants should use their Marketing Organization Activity Reports to assist and motivate their Marketing Organization to increase their sales and support their Customers. Consultant acknowledges and agrees that, but for this agreement of confidentiality and nondisclosure, LifeVantage would not provide Marketing Organization Activity Reports to the Consultant. A Consultant shall not, on their own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- 1) Directly or indirectly disclose any information contained in any Marketing Organization Activity Report to any third party;
- 2) Directly or indirectly disclose the password or other access code to their Marketing Organization Activity Report;
- 3) Use the information to compete with LifeVantage or for any purpose other than promoting their LifeVantage Consultant Business;
- 4) Recruit or solicit any Consultant or Customer of LifeVantage listed on any report, or in any manner attempt to influence or induce any Consultant or Customer to alter their business relationship with LifeVantage;
- 5) Use or disclose to any person, partnership, association, corporation or other entity any information contained in any Marketing Organization Activity Report. Upon demand by the Company, any current or former Consultant will return the original and all copies of Marketing Organization Activity Reports to the Company; and
- 6) Access this data directly or through a third-party via reverse engineering, keystroke monitoring or by any other unlawful or unethical means.

The provisions of this section 7.1 shall survive termination of the Agreement.

## 7.2 - Communication and Data Protection

Each Consultant agrees that LifeVantage or a party acting on its behalf may contact a Consultant by email or at the telephone numbers or fax number listed in Consultant's Application or as updated on their account. Consultants understand that their



consent is not a condition of purchase. Consultants consent and agree to the LifeVantage Privacy Policy and Website Use Agreement when executing the Agreement. LifeVantage is the data controller of any Personal Information (as defined in the LifeVantage Privacy Policy and Website Use Agreement) that may be provided LifeVantage when placing an order for products or services. Consultants agree that LifeVantage or a party acting on its behalf may collect Personal Information from them including names, birth dates, genders, addresses, phone and fax numbers, banking and credit card information and transmit that information to LifeVantage Corporation which is located in the United States of America for the purpose of executing orders and making Financial Distribution payments. LifeVantage Corporation may provide Personal Information of Consultants and Customers to its shipping partners and credit card processors for the purpose of processing orders. Consultants consent and agree to LifeVantage transferring the data for these purposes. Consultants may request a copy of Personal Information, or to correct, remove or update Personal Information, by contacting LifeVantage in writing by mail or by sending an e-mail to [hksupport@lifevantage.com](mailto:hksupport@lifevantage.com).

## SECTION 8 - ADVERTISING

### 8.1 - General

In order to safeguard and promote the good reputation and established brands of LifeVantage and its products and ensure that the promotion of LifeVantage, the LifeVantage opportunity, and LifeVantage products are consistent with the public interest and avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices, all Consultants, except those with significant experience as further defined below, are encouraged to use only the sales aids and support materials produced by LifeVantage. The Company has carefully designed its products, product labels, Compensation Plan and promotional materials to ensure that the presentation of each aspect of LifeVantage is fair, truthful, substantiated and compliant with the vast and complex legal requirements of all applicable laws. In the event that an experienced Consultant, who has achieved the rank of Managing Consultant 1 or higher (as defined in the Compensation Plan) or, if not a Managing Consultant 1 or higher, who has an Executive Consultant 1 or higher (as defined in the Compensation Plan) agree, in writing, to support the Consultant and assume responsibility for Consultant's actions, produces supplemental marketing material of any kind including, but not limited to, advertisements of any media type, flyers, brochures, digital media, websites, audio recordings, posters, or banners, LifeVantage requires that such be submitted to the LifeVantage Compliance and Education Department for approval before it may be used or made public. All such proposed materials may be sent to the LifeVantage Compliance and Education Department at [hkcompliance@lifevantage.com](mailto:hkcompliance@lifevantage.com). Unless the Consultant receives specific written approval to use such materials the request shall be deemed denied. Also, LifeVantage reserves the right, at its discretion, to edit or discontinue previously approved Consultant materials. All such materials may not be sold and may only be offered free of charge. LifeVantage further reserves the right at its sole discretion to deny or rescind approval for any sales tools, promotional materials, advertisements or other literature, and Consultant waive all claims for damages or remuneration arising from or relating to such rescission. Notwithstanding anything to the contrary herein, Consultant may not make any claims stating that documents or materials that they have written or produced have been given approval from the LifeVantage Compliance and Education Department or that they are "compliance-approved" even if they have received approval through the LifeVantage Compliance and Education Department for their marketing materials pursuant to this Section 8.1. As these compliance policies are vital to the long-term stability of LifeVantage and the preservation of the opportunity for all, violations of these policies will be strictly enforced. Failure to obtain approval for supplemental marketing materials of any kind and/or failure to implement the policies in any material may result in any of the actions set forth in the Agreement including, without limitation, the following:

- 1) Formal warning letter and/or probation;
- 2) Suspension of Financial Distributions;
- 3) Termination of the LifeVantage Consultant Business; and
- 4) Litigation for damages to LifeVantage.

All Consultants who create their own advertisements under this section also hereby represent and warrant to the Company that the advertisement does not contravene any applicable local laws. Consultants agree to indemnify and hold harmless the Company against any loss, claim, liability, or action arising from any breach of this Section 8.1. This provision shall survive termination of the Agreement.

## 8.2 - Trademarks and Copyrights

No Consultant shall use any LifeVantage trade names, trademarks, designs, or symbols without its prior, written permission. For example, except in limited circumstances specifically addressed herein, Consultants may not use or attempt to register "LifeVantage," "Protandim," "LifeVantage TrueScience," "AXIO," "Nrf2 Synergizer," "NRF1 Synergizer," "NAD Synergizer," "LFVN," or any other LifeVantage trademarks, other product names or any derivatives thereof connected with the Company for use in any Internet domain name, Internet/search engine AdWords, social media pages or blogs, e-mail address, user name, team names, telephone numbers or any other address or title or online aliases that could cause confusion or be misleading or deceptive, in that they cause individuals to believe or assume the communication is from or is the property of LifeVantage. Consultants may not produce for sale or distribution any recorded Company events or speeches without the prior written permission from LifeVantage. Consultants may not reproduce for sale or other use any recording of Company produced audio or digital media presentations. The names "LifeVantage," "Protandim" and other names as may be adopted by LifeVantage are examples of proprietary Company trade names, trademarks and service marks. As such, these marks are of great value to LifeVantage and are supplied to Consultants for their use only in an expressly authorized manner. Use of LifeVantage marks on any item not produced by the Company is prohibited except as follows:

**LifeVantage® Consultant's Name**  
**LifeVantage® Independent Contractor Consultant**

All Consultants must list themselves as a LifeVantage® Independent Contractor Consultant in any advertising medium and under their own name. No Consultant may place, use or display ads using the LifeVantage name or logo. Consultants may not answer the telephone by saying "LifeVantage," "LifeVantage Corporation," "LifeVantage Asia," "LifeVantage Hong Kong" or in any other manner that would lead the caller to believe that he or she has reached corporate offices of LifeVantage. Similarly, Consultants are prohibited from using the names of persons or companies, trademarks, designs or symbols to further their LifeVantage Consultant Business without the written consent of the owner.

## 8.3 - Unauthorized Claims and Actions

### 8.3.1 - Indemnification

A Consultant is fully responsible for all of their verbal and written statements made regarding LifeVantage products and the Compensation Plan which are not expressly contained in Official LifeVantage Materials. Consultants agree to indemnify LifeVantage and its directors, officers, employees and agents, and hold them harmless from any and all liability including, but not limited to, judgments, civil penalties, refunds, attorney fees, court costs or lost business incurred by LifeVantage as a result of the Consultant's unauthorized representations or actions. This provision shall survive the termination of the Agreement.

### 8.3.2 - Product Claims

No claims, which include personal testimonials, as to therapeutic, curative or beneficial properties of any products offered by LifeVantage may be made except those contained in Official LifeVantage Materials. In particular, no Consultant may make any claim that LifeVantage products are useful in, or anyway have properties for, the cure, treatment, diagnosis, mitigation or prevention of any diseases or signs or symptoms of disease, or that suggest or imply a relationship between any of the products offered by LifeVantage (or their constituents) and health. Not only are such claims violations of LifeVantage policies, but they potentially violate applicable laws and regulations, as well as national or local (municipality, communal or otherwise) laws and regulations. A Consultant that provides product experience testimonials in any medium should use care to disclose their affiliation with LifeVantage, i.e., LifeVantage® Independent Contractor Consultant, be honest in their testimonial personal experience and assert that they are not claiming that their experience is the typical result experienced by consumers.

### 8.3.3 - Income Claims

It is important that all Consultants are fully informed and have realistic expectations concerning the income opportunity associated with being a Consultant. Therefore, Consultants must not make (1) any inappropriate, false, deceptive or misleading (even if true) claims, either express or implied, regarding the income opportunity or (2) any income guarantees of any kind. Hypothetical income examples that are used to explain the operation of the Compensation Plan and which are based solely on

mathematical projections, may be made to prospective Consultants, so long as the Consultant who uses such hypothetical examples makes clear to the prospective Consultant(s) that such earnings are hypothetical and also show the disclaimer on the Compensation Plan.

#### **8.3.4 - Use of Celebrity Names and Likeness**

No names or likeness of a celebrity may be published by Consultants in association with LifeVantage without prior written approval of LifeVantage.

#### **8.3.5 - Interaction with Scientific Advisory Board and other Company Consultants**

LifeVantage is uniquely positioned in the marketplace by its special relationship with many preeminent scientific, marketing, Public Relations ("PR"), business and legal professionals. In the interest of preserving these relationships for the benefit of all Consultants and the Company, Consultants must: (1) adhere strictly to the Company's advertising policies; and (2) refrain from any contact with any member of the Company's Board of Directors, Scientific Advisory Board or other consultant or advisor of the Company, without the express prior written consent of the Company.

#### **8.3.6 - Governmental Approval or Endorsement**

Government regulatory agencies do not approve or endorse any direct-selling or network marketing companies or programs. Therefore, Consultants shall not represent or imply that LifeVantage, its products or the Compensation Plan has been "approved," "endorsed" or otherwise sanctioned by any government agency.

### **8.4 - Mass Media**

#### **8.4.1 - Promotions Utilizing Mass Media Prohibited**

Except as otherwise specifically authorized herein, Consultants may not use any form of media or other mass communication advertising to promote the products or opportunity. This includes news stories or promotional pieces on TV shows, newscasts, entertainment shows, Internet ads, etc. Products may be promoted only by personal contact or by literature produced and distributed by the Company or by Consultants in accordance with the Agreement. Consultants may place generic opportunity advertisements in jurisdictions allowing that type of advertisement, but only in accordance with this Manual and in compliance with applicable law. For the avoidance of doubt, any Consultant who intends to place a generic opportunity advertisement in their jurisdiction must obtain advance written permission from LifeVantage stating that such action is legally permissible.

#### **8.4.2 - Media Interviews**

Consultants may not promote the Products or opportunity through interviews with the media, articles in publications, news reports, press releases or any other public information, trade or industry information source, unless specifically authorized, in writing, by the Company. This includes private, paid membership or "closed group" publications. Consultants may not speak to the media on the Company's behalf and may not represent that they have been authorized by the Company to speak on its behalf. All media contacts or inquiries should be immediately referred to the Company.

### **8.5 - Internet**

#### **8.5.1 - General**

Regardless of compliance with the Agreement and the policies set forth herein, all Consultants are personally responsible for their online postings and all other online activity that relates to LifeVantage. Therefore, even if a Consultant does not own or operate a blog or social media site, if a Consultant posts to any such site that relates to LifeVantage or which can be traced to LifeVantage, the Consultant is responsible for the posting and must act in a way that builds, strengthens and enhances the LifeVantage reputation, image and standing in the community. Consultants are also responsible for postings which occur on any external website that the Consultant owns, operates or controls. Consultants must disclose their full names on all relevant social media profiles that relate to LifeVantage and its products or business, and each must conspicuously identify themselves as a "LifeVantage Independent Contractor Consultant." Anonymous postings or use of an alias is prohibited. Consultants must

avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. Determination of what is inappropriate is at Company's sole discretion, and offending Consultants will be subject to disciplinary action. Consultants may not use blog spam, spamdexing or any other mass-replicated methods to leave comments on any website, blog or message board. Comments Consultants create or leave online must be useful, unique, relevant and specific to the blog's article. As a general rule, Consultants may not use any geographic references in the page names/titles or URLs of their LifeVantage-related social media or external websites. For purposes of clarification and the avoidance of doubt, other than for a Default URL or an approved amendment to a Default URL, Consultants may not use the terms "LifeVantage," "Protandim" or any derivation thereof, in any external website address or related URL (e.g., [www.jillsellsProtandim.com](http://www.jillsellsProtandim.com) or [www.blogspot.lifevantageofhongkong.com](http://www.blogspot.lifevantageofhongkong.com)). Any External Website which contains "LifeVantage" or "Protandim," other LifeVantage product and program names, or any derivation thereof in the URL, must be transferred to LifeVantage or closed/terminated upon demand by LifeVantage. In no event may the Consultant sell such domain name to any third-party without the prior express written consent of LifeVantage.

### 8.5.2 - Consultant Websites

If a Consultant desires to utilize an Internet web page to promote their LifeVantage Consultant Business, they may do so only through the Company's replicated website program, using the official LifeVantage template. This program permits Consultants to advertise on the Internet and to use a home page design that can be personalized with the Consultant's contact information. These websites give the Consultant a professional and Company-approved presence on the Internet. Online sales may only be generated from a Consultant's LifeVantage replicated website. A Consultant shall not use "blind" ads on the Internet that make product or income claims which are ultimately associated with LifeVantage products, opportunity or the Compensation Plan.

### 8.5.3 - Social Media and Other Websites

Non-replicated external websites, specifically social media sites, are relationship-building sites. While building relationships is an important part of the sales process, external websites, including, without limitation, social media sites may not be used as a direct medium for generating sales or explaining the LifeVantage income opportunity or product.

#### 8.5.3.1 - The Official LifeVantage Public Facebook (or similar) Pages

LifeVantage has an official public Facebook page which it uses to invite potential customers and investors to investigate the Company. It is not intended to be used by Consultants to sell product or promote their business or to interact with other Consultants or consumers. As such, Consultant may not place linking information on the public LifeVantage Facebook page, nor may they post any pricing, promotions, marketing material, sales, advertisements, or announcements relating to their businesses. LifeVantage reserves the right to remove any messages posted on the official Company Facebook page as determined in its sole discretion.

#### 8.5.3.2 - Closed Consultant Facebook (or similar) Pages

LifeVantage has also created a closed corporate Facebook community for Company and Consultant use. Consultants may join these groups only with the consent of LifeVantage, and all content and discussions will be password protected and closed to the public. No Consultant shall allow access to or disseminate information from such groups.

#### 8.5.3.3 - Other Internet Use

Consultants may use the Internet, social networking sites, biogs, social media and applications, and other sites that have content that is based on user participation and user-generated content, forums, message boards, biogs, wikis and podcasts to do the following:

- 1) Communicate preliminary information about LifeVantage or their involvement with LifeVantage;
- 2) Direct users to their LifeVantage replicated website; and
- 3) Post LifeVantage-produced business support materials only that have been approved by LifeVantage for

posting and taken from Company's approved "Internet Toolbox."

Such use is permitted provided that it (1) is incidental to the primary use of the website or forum, (2) does not contain any false or misleading information about LifeVantage, its products or business opportunities, and (3) conforms to the other policies set forth herein, including, without limitation, the policies related to the use of the LifeVantage trademarks, trade names and other intellectual property.

#### **8.5.4 - Use of Third-Party Intellectual Property**

If a Consultant uses the trademarks, trade names, service marks, copyrights or intellectual property of any third-party in any online posting, it is their responsibility to ensure that they have received the proper license to use such intellectual property and pay the appropriate license fee. All third-party intellectual property must be properly referenced as the property of the third-party, and the Consultant must adhere to any restrictions and conditions that the owner of the intellectual property places on the use of its property.

#### **8.5.5 - Respecting Privacy**

Consultants must always respect the privacy of others in their postings. They must not engage in gossip or advance rumours about any individual, company or competitive products or services. Consultants may not list the names of other individuals or entities on their postings unless they have the written permission of the individual or entity that is the subject of their posting.

#### **8.5.6 - Professionalism**

Consultants must ensure that their postings are truthful and accurate. This requires that they fact-check all material they post online. They should also carefully check their postings for spelling, punctuation, and grammatical errors. Use of offensive language is prohibited.

#### **8.5.7 - Prohibited Postings**

Consultants may not make any postings or link to any postings or other material that:

- 1) Is sexually explicit, obscene or pornographic;
- 2) Is offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, creed, religion, sex, gender identity, sexual orientation, physical disability, or otherwise);
- 3) Is graphically violent, including any violent video game images;
- 4) Is solicitous of any unlawful behavior;
- 5) Engages in personal attacks on any individual, group or entity;
- 6) Is in violation of any intellectual property rights of the Company or any third party; or
- 7) Makes any inappropriate, false, deceptive or misleading (even if true) claims regarding the Company products or business opportunities.

#### **8.5.8 - Responding to Negative Online Posts**

Consultants should not converse with one who places a negative post against them, other Consultants or LifeVantage. They should report negative posts to the Company at [hkcompliance@lifelivantage.com](mailto:hkcompliance@lifelivantage.com). Responding to such negative posts simply fuels a discussion with someone carrying a grudge that does not hold themselves to the same high standards as LifeVantage, and therefore damages the reputation and goodwill of LifeVantage.

#### **8.5.9 - Cancellation of Your LifeVantage Business**

If a Consultant's LifeVantage Consultant Business is Cancelled for any reason, they must discontinue using the LifeVantage name, and all the LifeVantage trademarks, trade names, service marks and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all external websites that they utilize and do so as soon as possible, and no later than fourteen (14) days from the date of Cancellation. In addition, any Consultant post on any social media site on which such Consultant has previously identified themselves as affiliated with LifeVantage, must be revised to conspicuously disclose that such Consultant is no longer an independent contractor Consultant with the Company.

#### **8.5.10 - E-mail**

Consultants must use the following disclaimers within any email correspondence when discussing LifeVantage or the LifeVantage opportunity: The sender of this email is a LifeVantage Consultant and as such is an independent contractor of LifeVantage. Consultants are not employees of LifeVantage. If you have questions about the company, please contact LifeVantage Consultant Support by phone 800-906-174 or fax at 3015-5817, or email, at [hksupport@lifevantage.com](mailto:hksupport@lifevantage.com). This email message (including attachments) contains information which may be confidential and/or legally privileged. Unless you are the intended recipient, you may not use, copy or disclose to anyone the message or any information contained in the message or from any attachments that were sent with this email. If you have received this email message in error, please advise the sender by email, and delete the message. Unauthorized disclosure and/or use of information contained in this email may result in civil and criminal liability.

#### **8.5.11 - Online Classifieds**

Current and former Consultants may not use online classifieds (including, but not limited to, Craigslist) to list, sell or retail specific LifeVantage products, product bundles or stacks or the LifeVantage opportunity.

#### **8.5.12 - Online Auction Websites**

Unless otherwise prohibited by law, the LifeVantage products and business opportunity may not be listed on eBay, Trademe, Amazon, Alibaba or other online auctions, nor may Consultants enlist or knowingly allow or facilitate a third party to sell LifeVantage products on eBay, Amazon or other online stores or auctions.

#### **8.5.13 - Online Retailing**

Unless otherwise prohibited by law, Consultants may not list or sell LifeVantage products on any retail store or ecommerce site, including Amazon.com or the like (except for their own replicated website). Additionally, Consultants may not (1) enlist or knowingly allow a third-party to sell LifeVantage products on any online retail store or ecommerce site or (2) sell products to a third-party that the Consultant has reason to believe will sell such products on any online retail store or ecommerce site. Consultants may obtain the then-current product images and descriptions from the Tools Tab in their Virtual Office, which Consultants may display only on their replicated website.

##### **8.5.13.1- Liquidated Damages**

In the event of any breach of the provisions set forth in Sections 8.5.11, 8.5.12, or 8.5.13, the Consultant will be liable for liquidated damages in the amount of ten (10) times the full retail price of any goods sold in violation of this Agreement. In so agreeing, the parties acknowledge and understand that the harm flowing to LifeVantage from any such breach may be irreparable or extremely difficult to quantify.

##### **8.5.13.2 - Injunctive Relief**

In addition to (and not in lieu of) any other remedy available to it under this Agreement, LifeVantage shall have the right to seek immediate, ex parte injunctive relief against the Consultant to remedy any violation of Section 8 of this Agreement.

##### **8.5.13.3 - Cooperation with Investigations**

To assist LifeVantage in the important task of identifying the source(s) of potentially diverted product, Consultants agree that, upon written request from LifeVantage, the Consultant will promptly provide LifeVantage with a list of all persons to whom the



Consultant has sold LifeVantage products. Consultants shall keep up-to-date records of such sales and shall obtain identifying information on all persons to whom products are sold. Furthermore, Consultants will promptly suspend all sales or shipments of products to any person that LifeVantage identifies in writing as a possible diverter of LifeVantage products.

#### 8.5.14 - Banner Advertising

Consultants may place banner advertisements on their third-party websites (as described herein below); provided, however, that they only use LifeVantage-approved templates and images from the Tools tab in the Virtual Office, and do not list any pricing, discounts or promotions of any LifeVantage product on such advertisement. Any LifeVantage-related banner advertisement on these websites must link back directly to their replicated websites.

#### 8.5.15 - Spam Linking

Spam linking is defined as multiple consecutive submissions of the same or similar content into blogs, wikis, guest books, websites or other publicly accessible online discussion boards or forums and is not allowed. This includes blog spamming, blog comment spamming and/or spamdexing. Any comments a Consultant makes on blogs, forums, guest book, etc., must be unique, informative and relevant.

#### 8.5.16 - Digital Media Submission (e.g., YouTube, iTunes, PhotoBucket, etc.)

Consultants may not upload, submit or publish LifeVantage-related video, audio or photo content to any website.

#### 8.5.17 - Sponsored Links, Pay-Per-Click (PPC) Ads, and Paid Search

Consultants are not permitted to purchase, arrange for, or otherwise use Paid Search Sponsored links or pay-per-click ads (PPC) in connection with their LifeVantage Consultant Business.

### 8.6 - Spamming and Unsolicited Faxes and Emails

Except as provided in this Manual, Consultants may not send or transmit unsolicited faxes, mass e-mail distribution, unsolicited e-mail or "spamming" relative to the operation of their LifeVantage Consultant Business. The terms "unsolicited faxes" and "unsolicited e-mail" mean the transmission via telephone, facsimile or electronic mail, respectively, of any material or information advertising or promoting LifeVantage, its products, its opportunity or any other aspect of the Company which is transmitted to any person, except that these terms do not include a fax or e-mail: (1) to any recipient with that recipient's prior express invitation or permission; or (2) to any person with whom the Consultant has an established business or personal relationship, in each case as permitted by applicable law. The term "established business or personal relationship" means prior or existing relationship formed by a voluntary two-way communication between a Consultant and a person, on the basis of: (1) an inquiry, application, purchase or transaction by the person regarding products offered by such Consultant; or (2) a personal or familial relationship, which relationship has not been previously terminated by either party.

### 8.7 - Telemarketing

Applicable local authorities, each have regulations that restrict telemarketing practices. Many authorities have "do not call" regulations as part of their telemarketing laws. Although LifeVantage does not consider Consultants to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" so that a Consultant's inadvertent action of calling someone whose telephone number is listed on a "do not call" registry could cause them to violate the law. Moreover, these regulations must not be taken lightly, as they can carry significant penalties and fines, per violation. Therefore, Consultants must not engage in telemarketing in the operation of their LifeVantage Consultant Business. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a LifeVantage product or service, or to recruit them for the LifeVantage opportunity. "Cold calls" made to prospective customers or Consultants that promote either LifeVantage products or services or the LifeVantage opportunity constitute telemarketing and are prohibited. In addition, Consultants shall not use automatic telephone dialling systems or random phone lists relative to the operation of their LifeVantage Consultant Business. The term "automatic telephone dialling system" means equipment which has the capacity to: (1) store or produce telephone numbers to be called using a random or sequential number generator; and (2) to dial such numbers. In addition, Consultants acknowledge and agree to abide by



telemarketing guidelines.

## 8.8 - Advertised Product Price

LifeVantage may provide Consultants from time to time with suggested product prices for the personal sale of the LifeVantage products, which are the prices at which LifeVantage recommends that Consultants sell the products. Consultants agree that all advertising regarding the price of products will be truthful and will not contain misleading statements. Any violation of this obligation regarding misleading pricing by a Consultant shall constitute a breach of the Agreement and may result in punitive action including, but not limited to, any of the actions set forth in the Agreement.

## SECTION 9 - RULES AND REGULATIONS

### 9.1 - Identification

All Consultants are required to provide their Hong Kong Identity Card number, Hong Kong Business Registration or Hong Kong bank account information to LifeVantage on the Application. Upon enrolment, the Company will provide a unique Consultant Identification Number to the Consultant by which they will be identified. This number will be used to place orders and track Financial Distributions.

### 9.2 - Income Taxes

Each Consultant is responsible for paying all applicable Hong Kong taxes on any income generated as a Consultant under this Agreement.

### 9.3 - Insurance

#### 9.3.1 - Business Pursuits Coverage

A Consultant may wish to arrange insurance coverage for their LifeVantage Consultant Business. Be advised that most homeowner's insurance policies do not cover business-related injuries or the theft of or damage to inventory or business equipment. Each Consultant should contact their insurance agent to make certain that their relevant property is protected.

#### 9.3.2 - Product Liability Coverage

LifeVantage maintains insurance to protect the Company and Consultants against product liability claims. The Company's insurance policy extends coverage to Consultants so long as they are marketing LifeVantage products in the regular course of conduct and in accordance with Company policies and applicable laws and regulations. The LifeVantage product liability policy may not extend coverage to claims or actions that arise as a result of Consultant misconduct in marketing the products.

### 9.4 - International Marketing

Consultants are authorized to enrol Customers or Consultants only in countries in which LifeVantage is authorized to conduct business as announced in Official LifeVantage Materials or on the Company website ("**Authorized Countries**"). The foregoing notwithstanding, Consultants are not allowed to (1) operate a Consultant Business outside of the country in which their Consultant Business is registered or (2) export product to an address located outside of the country in which their Consultant Business is registered unless it is an amount reasonable for personal consumption. In the event a Consultant moves to a different country and desires to run their Consultant Business from such new country, the Consultant must complete and submit a Country Change Form and receive LifeVantage approval prior to operating their Consultant Business in the new country.

Prior to the official opening of a country, permissible Consultant activity is limited to providing business cards and conducting, organizing or participating in meetings with no more than five (5) attendees, including the Consultant. Other attendees must be personal acquaintances or acquaintances of personal acquaintances. These meetings must be held in a home or a public establishment but may not be held in a private hotel room. Consultant pre-market opening conduct prohibited in all markets includes but is not limited to:

- 1) All cold-calling techniques (soliciting persons who are not prior personal acquaintances of the contacting Consultant);
- 2) Importing or facilitating the importation of, selling, gifting or distributing in any manner, Company products, services or product sample(s);
- 3) Placing any type of advertisement or distributing any promotional materials regarding the Company, its products or the opportunity, except for Official LifeVantage Material specifically authorized for distribution in unopened markets as designated by the Company;
- 4) Soliciting or negotiating any agreement for the purpose of committing a citizen or resident of an unopened market to the opportunity, a specific Enroller or specific line of sponsorship. Furthermore, Consultants may not sign up a citizen or resident of unopened markets in an Authorized Country or by using the Consultant Agreement forms from an Authorized Country, unless the citizen or resident of the unopened market has, at the time of sign-up, permanent residence and the legal authorization to work in the Authorized Country. It is the enrolling Consultant's responsibility to ensure compliance with residency and work authorization requirements. Membership or participation in, or ownership of a corporation, partnership or other legal entity in an Authorized Country may not by itself fulfill the residency or legal authorization to work requirements. If a participant to a LifeVantage Consultant Business fails to provide verification of residency and work authorization when requested by the Company, the Company may, at its election, declare the Agreement void from its inception;
- 5) Accepting money or other consideration, or being involved in any financial transaction with any potential Consultant either personally or through an agent, for purposes relating to Company products or the opportunity, including renting, leasing or purchasing facilities for the purpose of promoting or conducting Company-related business;
- 6) Promoting, facilitating or conducting any type of activity which exceeds the limitations set forth in the Agreement or which the Company, in its sole discretion, deems to be contradictory to the Company's business or ethical interests in international expansion.

Not-For-Resale ("NFR") countries are countries where its residents are allowed to import products for personal use only on a "not-for-resale" basis, but where the reselling of those products is prohibited.

## 9.5 - Adherence to Laws and Ordinances

### 9.5.1- Local Ordinances

There are laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Consultants because of the nature of their LifeVantage Consultant Business. However, Consultants must obey those laws that do apply to them. If a government official tells a Consultant that an ordinance applies to him or her, the Consultant shall be polite and cooperative, and immediately send a copy of the ordinance to the LifeVantage Compliance and Education Department. In most cases there are exceptions to the ordinance that may apply to Consultants.

### 9.5.2 - Compliance with Applicable Laws

Consultants shall comply with all applicable Hong Kong laws and regulations in the conduct of their LifeVantage Consultant Business.

### 9.5.3 - Anti-Corruption Laws

Consultants must comply with all anti-corruption laws in the markets in which the Company does business. Anti-corruption laws require that you never directly or indirectly (i.e. through a third party) make a payment or gift with the purpose of influencing the acts or decisions of foreign officials.

## SECTION 10 - SALES

### 10.1- Commercial Outlets

LifeVantage strongly encourages the selling of its products through person-to-person contact. In an effort to reinforce this method of marketing and to help provide a standard of fairness for all Consultants, Consultants may not display or sell LifeVantage products or literature in any retail establishment. Consultants may, however, sell LifeVantage products from service establishments which see customers or clients on an appointment only basis, such as hair salons, spas or chiropractic clinics, etc. LifeVantage will permit Consultants to solicit and make commercial sales only upon prior written approval from the Company. The term "commercial sale" means the sale of LifeVantage products to a third-party who intends to resell such products to an end consumer.

### 10.2 - Trade Shows, Expositions and Other Sales Forums

Consultants may display and/or sell LifeVantage products at trade shows and professional expositions. Before submitting a deposit to the event promoter, Consultants must contact the LifeVantage Compliance and Education Department in writing for conditional approval, as the LifeVantage policy is to authorize only one Consultant per event. Final approval will be granted to the first Consultant who submits an official advertisement of the event, a copy of the contract signed by both the Consultant and the event official, and a receipt indicating that a deposit for the booth has been paid. Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the LifeVantage Compliance and Education Department. LifeVantage further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its products, services or the LifeVantage opportunity. Approval will not be given for swap meets, garage sales, flea markets or farmer's markets, as these events are not conducive to the professional image LifeVantage wishes to portray.

### 10.3 - Excess Inventory Purchases Prohibited

Consultants are not required to carry any inventory of products or sales aids. However, Consultants who do so may find selling to Customers and building a Marketing Organization somewhat easier because of the decreased response time in fulfilling customer orders or in meeting a new Consultant's needs. Each Consultant must make their own decision with regard to these matters. To ensure that Consultants are not encumbered with excess inventory that they are unable to sell, such inventory may be returned to LifeVantage upon the Consultant's Cancellation pursuant to the Agreement. LifeVantage strictly prohibits the purchase of products in unreasonable amounts primarily for the purpose of qualifying for Financial Distributions or advancement in the Compensation Plan. Consultants may not purchase more inventory than they can reasonably resell or consume in a month, nor may they encourage others to do so.

### 10.4 - Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. "Bonus buying" includes, but is not limited to the direct or indirect involvement of: (1) the enrolment of individuals or entities without the knowledge of and/or execution of a LifeVantage Consultant Agreement by such individuals or entities; (2) the fraudulent enrolment of an individual or entity as a Consultant or Customer; (3) the enrolment or attempted enrolment of non-existent individuals or entities as Consultants or Customers; (see Section 6.5); (4) the use of a credit card by or on behalf of a Consultant or Customer when the Consultant or Customer is not the account holder of such credit card; and (5) purchasing LifeVantage product on behalf of another Consultant or Customer or under another Consultant's Identification Number, or Customer ID to qualify for Financial Distributions.

### 10.5 - Repackaging and Relabelling Prohibited

Consultants may not repackage, relabel, refill or alter the labels on any LifeVantage products, information, materials or programs in any way. LifeVantage products must be sold only in their original containers and complete packaging. Such relabelling, or repackaging would violate applicable laws, which could result in severe criminal penalties. Consultants should also be aware that civil liability may arise when, as a consequence of the repackaging or relabelling of products, the person(s) using the product(s) may suffer any type of injury or their property is damaged.

## SECTION 11 - SALES REQUIREMENTS

### 11.1 - Product Sales

The Compensation Plan is based upon the sale of LifeVantage products to end consumer customers. Consultants must fulfil personal and Marketing Organization sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for applicable Financial Distributions and advancement to higher levels of achievement.

### 11.2 - Sales Volume

Consultants must satisfy the Sales Volume Requirement and the Group Sales Volume requirement as specified in the Compensation Plan to fulfil the requirements associated with a particular rank. LifeVantage will allow Consultants who fail to qualify in any given month to make up the necessary volume one time in a calendar year at no cost. Thereafter, a Consultant may qualify up to two more times in the same calendar year by making up the necessary volume and paying a \$100 fee each time.

### 11.3 - No Territory Restrictions

There are no exclusive territories granted to anyone.

### 11.4 - 70% Sales Rule

The 70% Sales Rule means that upon placing any new product order, each Consultant is deemed to have certified that they have sold or consumed at least 70% of all products purchased in prior orders. Each Consultant that receives Financial Distributions and orders additional product agrees to retain documentation that demonstrates compliance with this policy, including evidence of retail sales, for a period of at least four (4) years. A Consultant agrees to make this documentation available to the Company at the Company's request. Failure to comply with this requirement or falsely representing the amount of product sold or consumed in order to advance in the Compensation Plan constitutes a breach of the Agreement and is grounds for termination. Furthermore, a breach of this requirement entitles the Company to recover any Financial Distributions paid to the Consultant for any period of time during which such documentation is not maintained or for which this provision has been breached.

### 11.5 - Sales Receipts

Consultants must provide their retail Customers with an official LifeVantage sales receipt at the time of the sale. These receipts set forth consumer protection rights afforded by applicable law. Consultants must maintain all retail sales receipts for a period of four (4) years and furnish them to LifeVantage at the Company's request. Records documenting the purchases of a Consultant's retail Customers will be maintained by LifeVantage. Consultants must ensure that the following information is contained on each sales receipt: (1) the date of the transaction; (2) the date (not earlier than the third business day following the date of the transaction) by which the buyer may give notice of cancellation; and (3) name and address of the selling Consultant. In addition, Consultants must verbally inform their retail Customers of their cancellation rights.

## SECTION 12 - FINANCIAL DISTRIBUTIONS

### 12.1 - Financial Distribution Qualifications

A Consultant must be Active and in Good Standing to qualify for rebates, bonuses and commissions ("**Financial Distributions**"). So long as a Consultant complies with the terms of the Agreement, LifeVantage shall pay Financial Distributions to such Consultant in accordance with the Compensation Plan.

#### 12.1.1 - Adjustment to Financial Distributions

Consultants receive Financial Distributions based on the actual sales of products to end consumers either through their own efforts or those of their Marketing Organization. When a product is returned to LifeVantage for a refund, the Financial Distributions attributable to the returned product(s) will be deducted in the month in which the refund is given and continuing every pay period thereafter until the Financial Distributions are recovered, from the Consultant who received the Financial Distributions on the sales or purchase of the refunded products.

### 12.1.2 - Financial Distribution Payout Fees

The minimum amount for which LifeVantage will issue a deposit is HK\$130.00. If a Consultant's Financial Distributions do not equal or exceed HK\$130.00, the Company will accrue the Financial Distributions until they total HK\$130.00. A deposit will be issued after HK\$130.00 has been accrued. LifeVantage will charge a HK\$25.00 processing fee for all Financial Distributions.

### 12.1.3 - Cancellation Within the First 30 Days

If a Consultant chooses to Cancel the Agreement within the first thirty (30) days of enrolment and also chooses to return the product that they have ordered, a refund will be issued for the full amount paid less any shipping, handling, or Financial Distributions that were issued and in accordance with this Manual.

## 12.2 - Unclaimed Financial Distributions and Credits

Consultants must provide their correct banking deposit information for direct deposit(s) of their Financial Distributions. In the event that a deposit is not completed, the Financial Distribution will be added to the Consultant's account as a credit. It is the responsibility of the Consultant to notify the Company and provide the correct deposit information. Customers and Consultants who have a credit on their account must use their credit within six (6) months from the date on which the credit was issued. If credits have not been used within six (6) months, LifeVantage shall attempt to notify the Consultant or Customer on a monthly basis, by sending written notice to the last known address, advising the Consultant or Customer of the credit. There shall be a HK\$100.00 charge for each attempted notification. This charge shall be deducted from the Consultant's or Customer's credit on account. Unclaimed Financial Distributions and credits are forfeited at the time the account is terminated.

## 12.3 - Incentive Trips and Awards

From time to time, the Company may provide incentive trips and other awards to qualified Consultants. These awards or trips may be based on rank and/or meritorious Consultant sales performance and are provided only to the person(s) listed on a qualifying LifeVantage Consultant Agreement, up to airfare for two (2) such persons and hotel accommodations of one room. Incentive trips or awards may not be deferred for future acceptance and have no cash value. No payment or credit will be given to those who cannot or choose not to attend trips or to accept awards. Notwithstanding anything to the contrary herein, and although the Company may pay some or all of the costs of such incentive trips, the Consultant agrees to indemnify and hold harmless the Company from any claim, injury, loss or other damage sustained in association with the trip by the Consultant and/or its guests to include visits and/or trips to LifeVantage offices. The Consultant cannot make claim upon, or rely upon, any insurance policy of the Company to cover the costs and expenses of any injury, loss or other damage to the Consultant and/or the Consultant's guests. The Company may be required by local law to include the fair market value of any incentive awards, trips, etc. on the Consultant's end of the year tax report. The Consultant is liable for all applicable taxes and agrees to hold the Company harmless from claims of tax liability relating to these incentive trips and awards. If it is discovered that the Consultant has made any misrepresentations or has violated the Agreement in becoming eligible for these incentive trips and awards, the Company may charge the Consultant for any costs incurred by the Company or for any benefits or awards received by the Consultant. The Company reserves the right at its sole and absolute discretion to disallow participation for any reason it deems necessary.

## 12.4 - Reports

Solely for the purposes of this Section 12.4, "LifeVantage" means the entity, its affiliates and all of its employees, officers, directors, LifeVantage contractors, Consultants, Customers and agents.

### 12.4.1 - Marketing Organization Reports

Consultants understand that LifeVantage regularly provides information to each of its Consultants. This includes, but is not limited to, reports of online or telephonic Marketing Organization activity, such as Sales Volume and Group Sales Volume, and downline sponsoring activity (the "Information").

### 12.4.2 - Report Indemnification

Each Consultant agrees never to assert any claim of any nature against LifeVantage, including its officers, directors, employees and independent contractors, that arises out of or which is in any way connected with the presentation, compilation, development, publication and dissemination by LifeVantage of the Information including, but not limited to, a claim for lost profits, lost Financial Distributions and loss of opportunity. This Agreement on the part of each Consultant extends to any act or omission to act by LifeVantage such as, but not limited to, the inaccuracy, incompleteness, inconvenience, delay, or loss of the use of the Information. However, this Section 12.4.2 does not apply to claims that may arise as a result of intentional misconduct or reckless disregard of the rights of Consultants on the part of LifeVantage.

## **SECTION 13 - PRODUCT GUARANTEE, RETURNS AND INVENTORY REPURCHASE**

### **13.1- Product Guarantee**

Opened and unopened product and marketing materials returned within thirty (30) days of purchase shall receive a 100% refund. All returns must have a Return Merchandise Authorization ("RMA"), issued through Consultant Support. Product must be received by the Company within ten (10) business days of receipt of the RMA or the product will not be eligible for return. Please allow for up to twenty (20) days from the time that the product is received for the refund to be processed..

### **13.2 - Inventory Repurchase**

Product in a Resaleable and Restockable Condition with at least six (6) months remaining before its expiration date may be returned within twelve (12) months of purchase and shall receive a 100% refund, less a 10% handling and restocking fee plus shipping costs, conditioned upon the receipt of an RMA, issued through Consultant Support. Product must be received by the Company within ten (10) business days of receipt of the RMA or the product will not be eligible for return. Please allow for up to twenty (20) days from the time that the product is received for the refund to be processed. If a shipment is refused, whether it is a Subscription order or a spot order that has just been placed, LifeVantage will charge a HK\$100.00 shipment refusal fee to the form of payment on file.

### **13.3 - Exceptions to the Refund Policies**

Previously paid Financial Distributions may be reversed or adjusted as a result of the returned product and at the sole discretion of the Company in accordance with Section 12.1.1. Any Financial Distributions paid to the Consultant and their Upline for the product returned by the Consultant or Customer may be debited from the respective Upline Consultant accounts or withheld from present or future Financial Distributions. A Consultant agrees that they will not rely on existing Marketing Organization volume at the close of a commission period, as returns may cause changes to volume, title, rank and/or Financial Distributions.

## **SECTION 14 - DISPUTE RESOLUTION AND REMEDIES**

### **14.1- Limitation of Remedies**

To the fullest extent permissible under applicable law, neither LifeVantage nor any of its officers, directors, managers, employees, agents, or affiliates shall be liable to any Consultant or anyone else for any indirect, consequential, incidental, special, or punitive damages that arise out of or relate to the Agreement, including but not limited to: alleged damages relating to delays or failures with regard to the ordering, delivery and quality of LifeVantage products; the payment or nonpayment of Financial Distributions under the Compensation Plan; and any information provided by LifeVantage to Consultants, including information relating to Marketing Organization, Uplines, Consultant lists and earnings, and other similar information. Neither LifeVantage nor any of its officers, directors, managers, employees, agents, or affiliates shall be liable under any theory for any condition or circumstance caused by force majeure, including but not limited to: strikes, labour difficulties, riots, war (whether declared or not), hostilities, invasion, act of foreign enemies, extensive military mobilization, explosion, fire, destruction of equipment, prolonged break-down of transport, telecommunication, information system or energy, natural disasters or extreme natural events, death, health crises (including plague, epidemics and pandemics), civil war or unrest, rebellion and revolution, military or usurped power, insurrection, act of terrorism, sabotage or piracy, curtailment or interruption of a source of supply, act of authority whether lawful or unlawful, compliance with any law or government decrees or orders, expropriation, seizure of works, requisition, nationalization, general labour disturbance such as boycott,



strike and lock-out, go-slow, occupation of factories and premises, currency and trade restriction, embargo, and sanction.

#### 14.2 - Stages of Dispute Resolution and General Dispute Resolution Procedures

Any dispute, controversy, difference or claim arising out of or relating to (i) the Agreement, including the existence, validity, interpretation, performance, breach or termination thereof, or (ii) the business operated by the LifeVantage Consultant, or (iii) the opportunity offered by the Company, and any dispute regarding non-contractual obligations arising out of or relating to any of these matters ("**Dispute**") shall be resolved according to the three-step procedure of (a) informal negotiation; (b) non-binding mediation; and (c) trial before a court for claims under HK\$200,000 so long as equitable relief is not also sought (except as set forth below), or binding confidential arbitration if the claim is for HK\$200,000 or more and/or if equitable relief is sought. IF A PARTY HAS A MONETARY CLAIM, INCLUDING A CLAIM FOR DAMAGES, FOR HK\$200,000 OR MORE, AND/OR SEEKS EQUITABLE RELIEF (EXCEPT AS SET FORTH BELOW), THE PARTIES AGREE TO RESOLVE THE DISPUTE THROUGH BINDING ARBITRATION.

The following shall apply to all proceedings under this dispute resolution policy:

- 1) Any claim a party has against the other must be brought within one year from the date on which the cause of action accrued, failing which the right of action will be barred and extinguished. In cases in which informal negotiation is required under Section 14.2.1, once informal negotiation is requested in writing, the one-year limitation of actions provisions in this policy shall be tolled until the completion of the mediation phase under Section 14.2.2 and for ten calendar days thereafter.
- 2) At no time prior to completion of the negotiation and mediation procedures below shall either party initiate arbitration or litigation related to this Agreement or the business except as may be specified otherwise in this dispute resolution policy.
- 3) All communications during the informal negotiations and mediation phases are confidential and shall be treated as made in the course of compromise and settlement negotiations for purposes of applicable rules of evidence and any additional confidentiality and professional secrecy protections provided by applicable law.
- 4) Informal negotiations and mediation shall take place in Hong Kong unless the parties mutually agree on another forum. Informal negotiations and mediation shall take place remotely if requested by either party.
- 5) Each party shall bear its own costs, including legal fees, incurred in relation to informal negotiations and mediation regardless of the outcome of the negotiation, mediation or any subsequent arbitral or judicial proceedings.

##### 14.2.1 - Informal Negotiation

The parties shall endeavour in good faith to resolve amicably any Dispute promptly by negotiation between the aggrieved Consultant and executives of the Company who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. A party may, at its election, choose to be accompanied in such negotiation by a lawyer. If one party elects to have its lawyer present, the other party must also agree to have its lawyer present if that party has retained counsel. To institute the negotiation process, either party may give the other party written notice of any Dispute not resolved in the normal course of business. Within 10 days after delivery of the notice, the receiving party shall submit to the other a written response. The notice and response shall include with reasonable particularity (a) a statement of each party's position and a summary of arguments supporting that position, and (b) the name and title of the executive and lawyer who will accompany that party (if applicable), or the name of the Consultant and his/her lawyer (if applicable) who will accompany him/her in the negotiation. Within 20 days after delivery of the notice, the parties and the lawyers (as applicable) of both parties shall meet at a mutually acceptable time and place. The negotiation phase is "closed" when one party notifies the other in writing that it considers the negotiations "closed". Such closure shall not preclude continuing or later negotiations if desired by both parties.

##### 14.2.2 - Mediation



If the Dispute cannot be resolved by informal negotiation under Section 14.2.1, then upon expiry of one business day following the close of the negotiation phase or such other period as the parties may agree in writing, the Dispute shall be referred to non-binding mediation at the Hong Kong International Arbitration Centre ("**HKIAC**") and in accordance with its then current Mediation Rules. Any written request to LifeVantage for mediation must be addressed and delivered to the General Counsel at the LifeVantage primary corporate offices in the United States. If neither party requests mediation within 7 days from close of the negotiation phase, the Dispute shall be deemed resolved and no further action either via mediation, arbitration or litigation may be commenced without the agreement of both parties. The mediator shall use his or her best endeavours to conclude the mediation within 14 days of his or her appointment. His or her appointment shall not extend beyond a period of **28** days without the written consent of all parties. The parties agree to share equally all costs other than their own costs, including the mediator's fees and expenses, the mediator's fees and expenses, expenses for any witness or expert advice or opinion requested by the mediator with the consent of the parties, and any administrative costs in support of the mediation including HKIAC's cost.

#### 14.2.3 - Arbitration or Litigation

If the Dispute cannot be resolved by mediation under Section 14.2.2 and:

- 1) A party has a monetary claim for less than HK\$200,000 and does NOT seek equitable relief, then each party irrevocably agrees that the courts of Hong Kong shall have exclusive jurisdiction to settle the Dispute. The parties hereby irrevocably agree that the courts of Hong Kong shall have exclusive jurisdiction to hear such Dispute and irrevocably waive any objection they might have to the courts of Hong Kong being nominated as the forum to hear and determine such Dispute and they agree not to claim that any such court is an inconvenient or inappropriate forum.
- 2) A party has a monetary claim for HK\$200,000 or more, and/or seeks equitable relief, then the Dispute shall be referred to and finally resolved by arbitration as set forth in Clause 14.3 below.

#### 14.3 - Arbitration Administered by HKIAC

Any Dispute that shall be referred to and finally resolved by arbitration shall be administered by HKIAC under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. A copy of the HKIAC Rules in force from time to time will be emailed to you upon request to the LifeVantage Compliance and Education Department ([hkcompliance@lifevantage.com](mailto:hkcompliance@lifevantage.com)).

- 1) The law of this arbitration clause shall be Hong Kong law.
- 2) The seat of arbitration shall be Hong Kong.
- 3) The number of arbitrators shall be one.
- 4) The arbitration proceedings shall be conducted in English.
- 5) HKIAC shall not have the power to consolidate two or more arbitrations pending under the HKIAC Rules unless all parties in all arbitrations agree to consolidate them.
- 6) The parties agree that the arbitrator has no jurisdiction to award consequential or punitive damages, or any other damages not measured by the prevailing party's actual and direct loss and damage.
- 7) This agreement to arbitrate shall survive the cancellation or termination of the Agreement

#### 14.4 - Confidentiality of Dispute Resolution Proceedings

Each party undertakes that it shall not at any time publish, disclose or communicate any information relating to the Dispute (including, but not limited to, any controversy, claim, settlement discussion and offer, position, allegation, issue, pleading, evidence, testimony, merits, ruling, award, and order) ("**Protected Information**"), including, but not limited to, on the Internet or on any social media or blog platform. The above prohibition does not prevent the publication, disclosure or communication by

a party of the other party's confidential information:

- 1) To protect or pursue a legal right or interest of the party, or to enforce or challenge an award or emergency decision, in legal proceedings before a court or other authority; or
- 2) To any government body, regulatory body, court or tribunal where the party is obliged by law to make the publication, disclosure or communication; or
- 3) To a professional or any other adviser of any of the parties, including any actual or potential witness or expert; or
- 4) To a person for the purposes of having, or seeking, third party funding of arbitration.

#### 14.5 - Liquidated Damages for Breach of the Confidentiality Obligation

The parties acknowledge that, if a party violates its confidentiality obligations under this dispute resolution policy, the non-breaching party shall incur significant damages to its reputation and goodwill that shall not be readily calculable. Therefore, if a party breaches the confidentiality provisions of this dispute resolution policy, the non-breaching party shall be entitled to liquidated damages in the amount of HK\$80,000 per violation, or HK\$200,000 per violation if the Protected Information is communicated, disclosed, published or otherwise disseminated on the Internet, including but not limited to disclosure on any website or on any social media forum. Every communication, disclosure, publication or dissemination of each Protected Information shall constitute a separate violation. The parties agree that these liquidated damage amounts and this liquidated damage provision are reasonable and proportionate to the non-breaching party's legitimate interest in maintaining the confidentiality of the dispute resolution proceedings and agree to waive all claims and defences that these liquidated damage amounts and this liquidated damage provision constitute a penalty.

#### 14.6 - Interlocutory and Permanent Equitable Relief

The parties agree that any violation of Sections 6.1 (Non-Solicitation), 7.1 (Marketing Organization Activity), 8.5.12 (Online Auctions), and 8.5.13 (Online Retailing) of these P&Ps shall entitle LifeVantage to interlocutory relief, including emergency relief and interim measures, and/or permanent equitable relief because: (a) there is no adequate remedy at law; (b) LifeVantage will suffer immediate and irreparable harm should such policies be breached; and (c) if emergency relief, interim measures and/or permanent equitable relief is not granted, harm not adequately by an award of damages is likely to result and such harm substantially outweighs the harm that is likely to result to the LifeVantage Consultant breaching these policies if the emergency relief, interim measures and/or permanent equitable relief is granted.

#### 14.7 - Disputes Not Subject to the Three-Step Dispute Resolution Process

The following matters are exempt from the strict adherence to the three steps of the dispute resolution process:

##### 14.7.1-Applications for Interlocutory Relief

If a party deems it necessary to seek interlocutory relief, whether from an emergency arbitrator or a court, to protect its interests, it may seek such relief without prior engagement in the informal negotiations or mediation process set forth above. Notwithstanding the foregoing, the parties are encouraged, but not required, to engage in negotiation and/or mediation concurrently with any pending application or request for interlocutory relief.

##### 14.7.2 - Disciplinary Sanctions

LifeVantage shall not be required to engage in the three-step dispute resolution process prior to imposing disciplinary sanctions for violation of the Agreement pursuant to Section 14.12 below.

#### 14.8 - Class Action Waiver

Any Dispute shall be brought and proceed on an individual basis. The parties waive their rights to pursue any action against

the other party and/or their respective owners, officers, directors and agents, on a class or consolidated basis.

#### 14.9 - Governing Law

The laws of Hong Kong, without giving effect to conflict of law principles, shall govern all matters relating to or arising from the Agreement, the LifeVantage business, the relationship between the parties, or any other claim between the parties.

#### 14.10 - Legal Fees and Costs

Notwithstanding Clause 14.2 5) or anything else to the contrary in this Agreement, in any legal action commenced to address the unauthorized diversion of products (as set forth in Sections 8.5.11, 8.5.12, and 8.5.13 of this Agreement), the prevailing party shall be entitled to recover the legal fees, costs and expenses it incurs in investigating and prosecuting or defending such action.

#### 14.11 - Disciplinary Sanctions, Breach and Remedies

Any breach of the Agreement and disciplinary sanctions, including these P&Ps, or any illegal, fraudulent, deceptive or unethical business conduct by a Consultant may result, at the Company's sole discretion, in one or more of the following corrective actions:

- 1) Issuance of a written warning or admonition;
- 2) Issuance of a writing that directs the Consultant to take immediate corrective measures;
- 3) Loss of right to one or more Financial Distributions; in whole or in part;
- 4) The withholding of Financial Distributions during the period that LifeVantage is investigating any conduct that allegedly violates the Agreement;
- 5) Suspension of the Agreement for one or more pay periods;
- 6) Cancellation of the Agreement;
- 7) Cancellation of the Agreement of any other of the Consultant's Immediate Household or of an Affiliated Individual who is in association with the breaching Consultant; and/or
- 8) Any other measure expressly allowed by the Agreement of which LifeVantage deems necessary to implement and appropriate in order to provide a remedy for injuries caused partially or exclusively by the Consultant's breach.

#### 14.12 - Statutory Complaint or Investigation Process

None of the provisions of this Agreement shall operate to prevent access to any applicable statutory complaint or investigation process.

### SECTION 15 - ORDERING

#### 15.1 - Customers

Consultants are encouraged to promote the LifeVantage Customer Program to their Customers. The LifeVantage Customer Program allows Customers to purchase their LifeVantage products directly from LifeVantage through either Subscription orders or spot orders. Customers may order online at the LifeVantage internet site or simply call the LifeVantage tollfree order number to place their orders, which they may charge to their credit card. LifeVantage will then send the ordered products directly to the Customer and give the referenced Consultant credit for such orders.

#### 15.2 - Purchasing LifeVantage Products

Each Consultant should purchase their products directly from LifeVantage under their Consultant Number. If a Consultant purchases products from another Consultant or any other source, the purchasing Consultant will not receive the Sales Volume, and/or any possible Financial Distributions associated with that purchase.

### 15.3 - General Order Policies

When receiving mail orders with invalid or incorrect payment, LifeVantage will attempt to contact the Consultant or Customer by phone and/or email to try to obtain another payment. If these attempts are unsuccessful after five (5) working days, the order will be returned unprocessed. No charge-on-delivery or C.O.D. orders will be accepted. LifeVantage maintains no minimum order requirements. Orders for products and sales aids may be combined.

### 15.4 - Shipping and Back Order Policy

LifeVantage will expeditiously ship any part of an order currently in stock. If, however, an ordered item is out of stock, it will be placed on back order and sent when LifeVantage receives additional inventory. Consultants will be charged and given Sales Volume on back ordered items unless notified on the invoice that the product has been discontinued. LifeVantage will notify Consultants and Customers if items are backordered and are not expected to ship within thirty (30) days from the date of the order. An estimated shipping date will also be provided. Back ordered items may be cancelled upon a Customer's or Consultant's request. Customers and Consultants may request a refund, credit on account, or replacement merchandise for cancelled back orders. If a refund is requested, the Consultant's Sales Volume will be decreased by the amount of the refund in the month in which the refund is issued.

### 15.5 - Confirmation of Order

A Consultant and/or recipient of an order must confirm that the product received matches the product listed on the shipping invoice and is free of damage. Failure to notify LifeVantage of any shipping discrepancy or damage within thirty (30) days of shipment waives a Consultant's right to request a correction.

### 15.6 - Product Abandonment

An order transaction is considered complete only when the order has been paid for and delivery method has been satisfied. If these conditions are not met within ninety (90) days from the date of order, LifeVantage reserves the right to determine the final outcome of the order and Consultants release the Company from any further obligation or liability.

## SECTION 16 - PAYMENT AND SHIPPING

### 16.1 - Deposits

No monies should be paid to or accepted by a Consultant for a sale to one of their personal retail Customers except at the time of product delivery. Consultants should not accept monies from their retail Customers to be held for deposit in anticipation of future deliveries.

### 16.2 - Insufficient Funds

It is the responsibility of each Consultant to ensure that there are sufficient funds or credit available in their account to cover any Subscription orders or any other order. LifeVantage is not obligated to contact Consultants in regard to orders cancelled due to insufficient funds or credit. This type of order cancellation may result in failure to receive product or to meet the Consultant's Sales Volume requirements for the month. LifeVantage reserves the right to assess a handling fee of HK\$250.00 for each credit card charge-back or rejected payment. Any outstanding balance owed to LifeVantage will be deducted from subsequent Financial Distributions. Failure to resolve any outstanding balance owed to LifeVantage may result in involuntary Cancellation. A Consultant or Customer with one (1) credit card charge-back or one (1) rejected payment may lose ordering privileges until sufficiency of funds is resolved.

### 16.3 - Restrictions on Third Party Use of Credit Cards

Consultants shall not permit other Consultants or Customers to use their credit cards or to use the credit cards of any other third party.

## SECTION 17 - INACTIVITY AND CANCELLATION

### 17.1 - Effect of Cancellation

So long as a Consultant remains Active and in Good Standing, LifeVantage shall pay Financial Distributions to such Consultant in accordance with the Compensation Plan. A Consultant's Financial Distributions constitute the entire consideration for the Consultant's efforts and activities related to generating sales (including building a Marketing Organization). Following the termination and/or non-renewal of this Agreement (pursuant to one or more of the methods set forth in this Section 17 or as otherwise provided for throughout this Agreement) (collectively referred to as "**Cancellation**"), the former Consultant shall have no right, title, claim or interest to the Marketing Organization which they operated, or any Financial Distributions from the sales generated by the Marketing Organization. A Consultant whose LifeVantage Consultant Business is Cancelled will permanently lose all rights as a Consultant. This includes cancelled rights to sell LifeVantage products and cancelled rights to receive future Financial Distributions resulting from the sales and other activities of the Consultant's former Marketing Organization. In the event of Cancellation, Consultants agree to waive all rights they may have including, but not limited to, property rights, to their former Marketing Organization and to any Financial Distributions or other remuneration derived from the sales and other activities of their former Marketing Organization. Following a Consultant's Cancellation of their Agreement, the former Consultant shall not hold themselves out as a Consultant and shall not have the right to sell LifeVantage products. A Consultant whose Agreement is Cancelled shall receive Financial Distributions only for the last full commission period they were Active and qualified in prior to Cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation). A LifeVantage Consultant whose Agreement is cancelled pursuant to this Section 17 may reapply as a new LifeVantage Consultant in accordance with Section 4.7.5.

### 17.2 - Cancellation Due to Inactivity

A Consultant has the responsibility to lead their Marketing Organization with the proper example in personal production of sales to end consumer customers. Without this proper example and leadership, the Consultant will lose their right to receive Financial Distributions from sales generated through their Marketing Organization when the Consultant fails to meet the 150 Sales Volume Requirement for any commission period. If a Consultant has not had Sales Volume, whether from Personal Sales Volume, Customer Sales Volume or both, or has not received at least one month of Financial Distributions, during the 12-month period starting with the Consultant's anniversary month through the end of the Consultant's anniversary month the following year, and has not paid any applicable renewal fee, the Company may cancel the Agreement for inactivity.

### 17.3 - Involuntary Cancellation

A Consultant's breach of any of the terms of the Agreement may result in any of the sanctions and/or actions in the Agreement, including the involuntary Cancellation of their Agreement. Unless otherwise provided for in the Cancellation notice, Cancellation shall be effective on the date on which written notice is mailed, faxed or delivered to an express courier to the Consultant's last known address, email or fax number, or their attorney, or when the Consultant receives actual notice of Cancellation, whichever occurs first. Entry into any other Agreement after Cancellation, if ever granted, must be initiated by and in the sole discretion of the Company.

### 17.4 - Voluntary Cancellation

A Consultant has the right to Cancel the Agreement at any time. Cancellation must be submitted in writing to the Company at its principal business address by submitting a request via email to [hkcompliance@lifestage.com](mailto:hkcompliance@lifestage.com) from the email address associated with the Consultant. The written notice must include the Consultant's signature, printed name, address and Consultant Identification Number. However, if Consultant is not in Good Standing at the time LifeVantage receives notice of Cancellation, the consequences of an involuntary Cancellation may take effect per the Agreement.

### 17.5 - Non-Renewal

A Consultant may voluntarily Cancel their Agreement by sending written notice within thirty (30) days of the first day of the anniversary date or by failing to pay any applicable renewal fee as described in section 3.3. The Company in its discretion may also elect not to renew the Agreement upon the Agreement's anniversary date, as further provided in this Agreement.

#### 17.6 - Reclassification as a Customer

**17.6.1** - In the event Company Cancels the Agreement pursuant to Section 17.2, the Company may, at its sole discretion, reclassify the former Consultant as a Customer and create a customer account for such former Consultant to enable the Company to continue to process product orders, including valid Subscription orders, on file at the time of Cancellation. The Company will notify the Consultant that they are being reclassified at least thirty (30) days prior to the reclassification.

**17.6.2** - In the event a Consultant wishes to voluntarily Cancel their Agreement but continue to be a Customer of LifeVantage, the Consultant may submit, along with their request to Cancel pursuant to Sections 17.4 or 17.5, a request that the Company reclassify them as a Customer and create a customer account for them to enable them to continue to purchase LifeVantage products.

**17.6.3** - Upon reclassification from Consultant to Customer pursuant to this Section 17.6, Consultants hereby acknowledge and agree that all personal purchases of product made after such reclassification whether on Subscription or not, shall be governed by the LifeVantage Customer Agreement which can be found at [Resources | LifeVantage Hong Kong](#), the terms of which are incorporated herein and that such reclassified Consultants will no longer be able to sell, resell or distribute LifeVantage products or participate in the Compensation Plan.

A Consultant that has been reclassified pursuant to this Section 17.6 may reapply as a new Consultant in accordance with Section 4.7.5.

#### 17.7 - Termination for Convenience

The Company reserves the right at any time to terminate for convenience the Agreement upon thirty (30) days' written notice. The Company shall not be required to have any reason nor to prove any cause in order to terminate the Agreement with Consultant. If the Agreement is terminated, the Consultant shall have no claim against the Company, its affiliates or their respective officers, directors, agents, employees, servants and representatives nor any right to claim or collect lost profits, lost opportunities or any other damages. The terms hereof are in satisfaction of any and all statutory and common law claims, including without limitation, any right to reasonable notice of termination of the contractual relationship.

### SECTION 18 - DEFINITIONS

**Acceptance** - means that a person who has decided to become a Consultant has submitted to LifeVantage a fully completed and signed Application together with required supporting documentation and LifeVantage in its sole and absolute discretion has accepted such Application. "Acceptance" shall be deemed to occur when LifeVantage accepts a valid Application.

**Active or Active Consultant** - has the meaning set forth in the Compensation Plan.

**Agreement** - means the contract between the Company and each Consultant as defined in section 2.1, all in their current form or as amended by LifeVantage from time to time in its sole discretion. These documents are collectively referred to as and comprise the "Agreement."

**Breach** - "Breach," "Default" and "Violation" mean an actual or alleged transgression or violation of any part of the Agreement.

**Business Centre(s)** - means additional consultant positions placed under the original LifeVantage Consultant Business as allowed in the Compensation Plan in effect prior to March 1, 2025.

**Cancellation** - has the meaning set forth in Section 17.1. The term "termination" or "cancelled" may be used herein interchangeably with Cancellation.

**Company** - means LifeVantage Hong Kong Limited and any parent, affiliates and/or subsidiary entities.



**Competing Activity** - has the meaning set forth in Section 6.1.1 of this Manual.

**Consultant** - means an independent contractor who has entered into the official LifeVantage Consultant Agreement by submitting to LifeVantage a fully completed and signed Application and whose Application has been accepted by LifeVantage. A Consultant is required to meet certain qualifications and is responsible for the motivation, support and development of the Consultants in their respective Marketing Organization. Consultants are entitled to purchase LifeVantage products at consultant pricing, enrol Customers and new Consultants, and participate in the Compensation Plan.

**Customer** - means any legal person whose LifeVantage Customer Agreement has been accepted by Company. LifeVantage Customers may obtain lower prices through a Subscription enrolment where they receive chosen products each month paid in recurring monthly charges. A Customer is not a Consultant and is not entitled to any Financial Distributions or to retail the product.

**Customer Sales Volume** - has the meaning set forth in the Compensation Plan.

**Enrolee** - means the Consultants and Customers who have been signed up as Consultants or Customers by another Consultant, who is their Enroller.

**Enroller** - has the meaning set forth in the Compensation Plan. The Enroller may Sponsor or Place the new Consultant under their position or, if a Consultant, under any other position within their Marketing Organization. For the avoidance of doubt Customers will only be allowed to be placed under the Consultant's position. The position under which the new Consultant or Customer is placed is the "Placement Sponsor". The same Consultant may be both the Enroller and the Placement Sponsor.

**Enrolment Tree** - has the meaning set forth in the Compensation Plan.

**Good Standing** - has the meaning set forth in the Compensation Plan.

**Group Sales Volume** - has the meaning set forth in the Compensation Plan.

**Immediate Household** - means heads of household and dependent family members residing at the same house.

**Marketing Organization** - means the network of Consultants and Customers who exist under a LifeVantage Consultant Business and is also called "downline". Each Consultant understands that (1) Consultants do not have any ownership or possessory right, title or interest in any Marketing Organization(s) individual, entity, other Marketing Organization or in any materials generated by LifeVantage or created by Consultants or any other individual or entity to the extent that it consists, in whole or in part, of any information about LifeVantage Marketing Organization(s) or any part of the Agreement; (2) the sole property interest of a Consultant with respect to Marketing Organization(s) is the contractual right to receive Financial Distributions as set forth in the Agreement; and (3) LifeVantage is the sole owner of any and all Marketing Organization(s) rights, titles, interests and materials.

**Marketing Organization(s) Activity Report** - means a monthly report generated by LifeVantage that provides critical data relating to the identities of Consultants, Customers, sales information and enrolment activity of each Consultant's Marketing Organization. This report contains confidential and trade secret information which is proprietary to LifeVantage. It is owned solely by LifeVantage.

**Network Marketing Venture** - has the meaning set forth in Section 6 of this Manual.

**Official LifeVantage Materials** - mean literature, audio or digital recordings and other materials developed, printed, published and distributed by LifeVantage to Consultants and Customers.

**Paid-As Rank** - the current rank of a Consultant, as determined by the Compensation Plan, for any calendar month. To be considered "Active" relative to a particular rank, a Consultant must meet the criteria set forth in the Compensation Plan.

**Personal Sales Volume** - has the meaning set forth in the Compensation Plan.



**Placement Sponsor (sometimes referred to as Sponsor)** - means the Consultant under whom the Enroller places a new Consultant.

**Placement Tree** - has the meaning set forth in the Compensation Plan.

**Recruit** - means the actual or attempted sponsorship, solicitation, enrolment, encouragement, or effort to influence in any other way, either directly, indirectly (including but not limited to the use of a website or social media), or through a third party, another Consultant or Customer, to enrol or participate in a Competing Activity. This conduct constitutes recruiting even if the Consultant's actions are in response to an inquiry or contact made by another Consultant or Customer.

**Resaleable and Restockable Condition** - means product or merchandise: (1) that is unopened and unused; (2) whose packaging and labelling has not been altered or damaged; (3) whose condition is such that it is commercially reasonable to sell such product or merchandise at full price; (4) that has not expired; and (5) that contains current LifeVantage labelling. Any product or merchandise that is clearly identified at the time of sale as nonreturnable, discontinued or seasonal, shall not be in a resaleable and restockable condition.

**Sales Volume** - has the meaning set forth in the Compensation Plan.

**Sales Volume Requirement** - has the meaning set forth in the Compensation Plan.

**Start Kit** - means a selection of LifeVantage training materials and business support materials that each new Consultant is required to purchase. This purchase may be optional in some jurisdictions.

**Subscription** - means the optional LifeVantage program by which products are automatically shipped to Consultants and Customers on a recurring basis. Subscriptions are incorporated into the "Agreement" and can be found as part of the Application or Customer Agreement.

**Upline** - has the meaning set forth in the Compensation Plan.