

Section 1. INTRODUCTION

- 1.1 This dōTERRA Policy Manual (**Policy Manual**) is designed to provide you with information to assist you in your role as a Wellness Advocate (**WA**).
- 1.2 The Policy Manual has been developed by dōTERRA to ensure high standards of quality and service in the provision of dōTERRA Products by all WAs. It describes many of your responsibilities as a WA.
- 1.3 You should carefully read, understand, and comply with all provisions of the Policy Manual.
- 1.4 While every attempt has been made to ensure this Policy Manual is consistent with Australian federal, state and territory laws, if any inconsistency arises, the Policy Manual will be applied and enforced in a manner that is consistent with the applicable Australian laws.
- 1.5 No policy manual can anticipate every circumstance or question about policy. As dōTERRA continues to grow, the need may arise for dōTERRA to amend the Policy Manual from time to time, in accordance with Section 17. of this Policy Manual.

Section 2. DEFINITIONS

- 2.1 **Active:** A WA who has purchased dōTERRA Products within the past 12 months. Reactivation occurs when a WA or WC places an order 12 monthly commission periods after the last day of the month of their last order.
- 2.2 **Annual Membership Oil:** An essential oil sold by dōTERRA to the WA upon each renewed Contract term, in accordance with section 4.10 of this Policy Manual.
- 2.3 **Bonus:** Compensation (sometimes called “commissions”) paid by dōTERRA to a WA based on the volume of Products sold by a WA’s Organisation upon meeting the requirements of the dōTERRA Sales Compensation Plan.
- 2.4 **Business Application Addendum:** A supplemental document to the Contract which must be completed and signed by a partnership, corporation, or other legal entity (see “Corporation”) applying to become a WA. [The Business Application Addendum](#) should list all Persons who are partners, shareholders, principals, officers, beneficiaries, directors or members of a Corporation. Hospitals may not be enrolled without written permission from compliance and legal departments.
- 2.5 **Company Credit:** A WA’s account receivable balance. Company Credit can be used to purchase Products (compare, “Product Credit”).
- 2.6 **Contract:** The agreement between a WA and dōTERRA comprised of this Policy Manual and the WA Agreement Form.

- 2.7 **Corporation:** Any business entity such as a corporation, partnership, limited liability company, or other form of business organisation legally formed under the laws of the state or territory in which it was organised.
- 2.8 **Currently Marketable:** Products and Sales Aids that satisfy each of the elements at sections 6.7 and 6.8 of this Policy Manual.
- 2.9 **Customer:** The term “Customer” includes Wholesale Customers.
- 2.10 **Distributorship:** The business of any WA, as represented by a WA’s contractual relationship with dōTERRA.
- 2.11 **dōTERRA:** dōTERRA Global Ltd. and its subsidiaries, associates or affiliates, including but not limited to dōTERRA Australia PTY LTD.
- 2.12 **dōTERRA Intellectual Property:** All intellectual property which dōTERRA Holdings, LLC or an affiliated company claims to own, or claims a right to use, including but not limited to trademarks, trade names, service marks, and content of its publications, whether registered with relevant governmental authorities or not and whether the subject of any existing licensing arrangements for the benefit of third parties or not.
- 2.13 **Enrollee:** An Enrollee is a WA or Customer who was enrolled by an Enroller.
- 2.14 **Enroller:** Enroller is a designation that entitles a WA to qualify for Ranks and Fast Start Bonuses in the Sales Compensation Plan. Enrollers also enjoy the ability to identify a new WA’s Sponsor within the Enroller’s Organisation. An Enroller can also be the Sponsor (compare, Sponsor).
- 2.15 **Enrolment Kit:** Products sold by dōTERRA to the WA upon commencement of the Contract (as part of their WA Distributorship), in accordance with section 4.10. “Enrollment Kit” may also be referred to as “Starter Pack.”
- 2.16 **Local Market:** A single country or grouping of countries that dōTERRA designates.
- 2.17 **Rewards Program (LRP):** A Product ordering program which allows a WA or WC to set up automatic monthly deliveries of dōTERRA Products, and which may qualify a WA to receive Product Credit and other benefits in the Sales Compensation Plan.
- 2.18 **Open Local Market:** A country or geographical region designated in writing by dōTERRA as officially open for dōTERRA sales.
- 2.19 **Organisation:** The group of WAs and WCs sponsored in a WA’s direct and subsequent Downline chain of sponsorship, within qualifying commission levels.
- 2.20 **Products:** dōTERRA Australia Pty, Ltd. Products.

- 2.21 **Person:** An individual, corporation, partnership, or other separate legal entity.
- 2.22 **Product Credit:** Product Credit is non-cash redeemable points that can be used to purchase dōTERRA-designated Products. Product Credits are granted as part of the LRP. No Personal Volume or Organisational Volume is associated with the redemption of Product Credit (compare, Company Credit).
- 2.23 **Ranks:** Designations (levels) earned by and given to WAs in dōTERRA's Sales Compensation Plan structure, including: Consultant, Manager, Director, Executive, Elite, Premier, Silver, Gold, Platinum, Diamond, Blue Diamond, and Presidential Diamond. Ranks are earned and determined each monthly commission period.
- 2.24 **Sales Aid:** Any material, whether physically printed or in digital form, used in the offer or sale of dōTERRA Products, enrolment or sponsorship of prospective WAs, or training of WAs, which makes reference to dōTERRA, dōTERRA Products, the Sales Compensation Plan, or dōTERRA Intellectual Property.
- 2.25 **Sponsor:** A WA who has another WA placed directly underneath them in their Organisation (compare, Enroller).
- 2.26 **Spouse:** Individuals who are married, live together on a genuine domestic basis in a relationship as a couple, or are in a registered relationship under a State or Territory law. For the avoidance of any doubt, Spouse has the same meaning as set out in s 995-1 of the *Income Tax Assessment Act 1997 (Cth)*.
- 2.27 **Unopened Market:** A country or geographical region that is not designated in writing by dōTERRA as officially open for dōTERRA sales (i.e. a country or geographical region that is not an Open Local Market).
- 2.28 **Wellness Advocate (WA):** A Person who is an independent contractor authorised by dōTERRA to purchase and retail Products, enrol other WAs, and receive Bonuses and commissions in accordance with the requirements of the Sales Compensation Plan. A WA's relationship to dōTERRA is governed by the Contract. More than one Person may be included on a Distributorship as a co-applicant. In such a case, WA refers to all Persons collectively, although each Person individually has all the WA rights and obligations. Reactivation of a WA occurs when a WA places an order 12 monthly commission periods after the last day of the month of their last order.
- 2.29 **Wellness Advocate Agreement (WA Agreement):** The application, whether in printed or electronic form, to become a WA.
- 2.30 **Wholesale Customer (WC):** A Person who purchases Products at a discount. A WC does not earn bonuses or commissions through the dōTERRA Compensation Plan. A WC, however, may earn volume discounts on Products through dōTERRA's Rewards Program. Reactivation of a WC occurs

when a WC places an order 12 monthly commission periods after the last day of the month of their last order.

- 2.31 **Wholesale Customer Agreement Form (WC Agreement Form):** The application, whether in printed or electronic form, to become a WC.
- 2.32 **Will Call Order:** A Will Call Order is placed in person at the Will Call Centre or via online the dōTERRA Virtual Office and collected from the Will Call Centre.
- 2.33 **Will Call Centre:** dōTERRA's offices at 350 Wellington Rd, Mulgrave VIC, 3170.

Section 3. CONDUCT

- 3.1 dōTERRA expects its WAs to abide by all dōTERRA policies and procedures as they are currently found in this Policy Manual and in dōTERRA's [Privacy Policy](#), and as they may be amended in the future in accordance with section 17.1 of this Policy Manual.

Section 4. SIGNING UP AS A WELLNESS ADVOCATE OR WHOLESALE CUSTOMER

- 4.1 The WA and WC relationships are the most valuable relationships at dōTERRA. dōTERRA takes great pleasure in teaming up with WAs and WCs.

Signing-up as a WA

- 4.2 To become a dōTERRA WA, each applicant must:
- (a) sign-up with dōTERRA online or submit an accurate and complete WA Agreement Form to dōTERRA within 30 days from the date of the Agreement;
 - (b) be of legal age in his or her state of residence and be competent to enter into the WA Agreement; and
 - (c) be approved by dōTERRA to become a WA.

Signing-up as a WC

- 4.3 An individual may apply to be a WC by signing-up online with dōTERRA, or by completing the requirements as set out in the WC Agreement Form. Hospitals may not be enrolled without written permission from compliance and legal departments.

WCs Who Wish to Become WAs

- 4.4 A WC who meets the eligibility requirements may become a WA by signing a WA Agreement (see clause 4.2)

Acceptance or Rejection of WA

- 4.5 dōTERRA reserves the right, in its sole discretion, to approve or decline a submitted WA Application or online sign-up.

Inaccurate Applications

- 4.6 An incomplete, incorrect, or fraudulent WA Agreement Form will be deemed invalid and cannot be approved by dōTERRA.

Duty to Maintain Accurate Information

- 4.7 To help ensure that dōTERRA has the most current information, WAs must advise dōTERRA of changes to the submitted WAs forms and attachments. Proposed changes to personal information should be submitted on an [Account Information Change Form](#) or updated in the back office.

Business Application Addendum

- 4.8 A corporation, partnership, or trust may become a WA by submitting, with the [Business Application Addendum](#), true and correct copies of the formation documents, together with any other related documents dōTERRA may request. The authorised officer, agent or trustee will sign the WA Agreement. The sign-up of a business entity cannot be done online.

Term of Contract and Renewal

- 4.9 In accordance with the WA Agreement, the term of the Contract is 1 year from the date it is agreed to by both parties. Unless a party notifies the other of its intent to terminate the Contract at least 30 days prior to expiry, it will be renewed on its anniversary date.
- 4.10 On commencement of the Contract, dōTERRA will sell the WA an Enrolment Kit of Products for the WA to resell as part of their WA Distributorship. The price payable for the Enrolment Kit will be equal to the combined wholesale price of each of the Products contained in the Enrolment Kit (as determined by dōTERRA) and will not exceed the price of the starter packs set out at https://www.doterra.com/AU/en_AU/pl/starter-packs. On the commencement of each further renewed term, dōTERRA will sell to the WA an Annual Membership Oil for resale as part of their WA Distributorship. The price payable for the Annual Membership Oil will be \$25, which shall be equal to the wholesale price of the essential oil contained in the Annual Membership Oil (as determined by dōTERRA). Both the Enrolment Kit and the Annual Membership Oil will include dōTERRA's recommended retail pricing for the resale of the relevant products. The WA may not return the Annual Membership Oil to dōTERRA, except in accordance with the consumer guarantees under the Australian Consumer Law (which cannot be excluded by dōTERRA).

Simultaneous Interests in Distributorships Prohibited

- 4.11 A WA may not have a simultaneous beneficial interest or be a co-applicant in more than one Distributorship or simultaneously own a beneficial interest in a WC account. A beneficial interest includes, but is not limited to, any ownership interest; any rights to present or future benefits, financial or otherwise; rights to purchase at wholesale prices; recognition; or other tangible or intangible benefits associated with a Distributorship or WC. Spouses must be part of the same Distributorship, and cannot have more than one Distributorship between them, or own a beneficial interest in a Wholesale Customer account. A business owner cannot have a Distributorship in the name of the business and a separate Distributorship of Wholesale Customer account in the owner's own name, or another business. An exception to this rule is the Presidential Diamond Multiplier Account.

Independent Contractor Relationship Between WA and dōTERRA

- 4.12 A WA is an independent contractor and not an employee, agent, partner, legal representative or franchisee of dōTERRA. Nothing in the Contract authorises a WA or dōTERRA to bind the other party. A WA is not authorised to incur any debt, expense or obligation, or open any cheque account on behalf of, for, or in the name of dōTERRA.
- 4.13 WAs control the manner and means by which they operate their dōTERRA businesses, subject to compliance with the Contract.
- 4.14 WAs are solely responsible for paying all expenses they incur, including but not limited to travel, food, lodging, secretarial, office, telephone and other expenses.
- 4.15 dōTERRA is not responsible for withholding any tax, and shall not withhold or deduct taxes of any kind, unless such withholding or deduction becomes legally required. WAs are encouraged to seek independent advice with respect to their taxation obligations.

Company Recognition

- 4.16 dōTERRA may from time to time and at its absolute discretion, choose to recognise WAs at selected events and in various publications including conventions and magazines.

Section 5. PURCHASING PRODUCTS

Authorisation to Resell dōTERRA Products

- 5.1 Only WAs are eligible to purchase dōTERRA Australia Pty, Ltd. Products for resale.

WA Purchase of Products not for resale

- 5.2 The opportunity to be a WA and sell dōTERRA Products is built on sales of Product to the ultimate consumer. dōTERRA encourages WAs to only purchase inventory:

- (a) that the WA and the WA's family will personally consume;
 - (b) for use as a sales tool; or
 - (c) that will be resold to others for their ultimate consumption.
- 5.3 dōTERRA does not prescribe or require any minimum amounts of any Product a WA must purchase. WAs must not purchase Products solely for the purpose of collecting Bonuses. WAs are not allowed to purchase inventory in an amount which unreasonably exceeds that which can be expected to be resold, used as a sales tool, or consumed within a reasonable period of time. dōTERRA retains the right to limit the amount of purchases the WA may make if, in its sole judgment and acting reasonably, it believes those purchases are being made primarily for qualification purposes instead of for consumption or resale. In addition, dōTERRA reserves the right to recover Bonuses paid if dōTERRA considers (acting reasonably) that the Bonuses have been generated in a manner that is inconsistent with this section 5.3 and section 10 of this Policy Manual or where dōTERRA reasonably suspects that the Bonuses have been generated as a result of fraud.
- 5.4 In those rare circumstances where it is necessary to purchase Products for another WA, dōTERRA must receive written permission from the WA for whom the Product order is being placed. Failure to produce such permission upon request of dōTERRA may result in cancellation of the sale.
- 5.5 WAs must not purchase Products for another WA who has been a WA for less than 30 days.

Credit Card Use

- 5.6 WAs are strongly discouraged from using their own credit cards to purchase Products for another WA.
- 5.7 WAs may not place a Product order using someone else's credit card without the credit card owner's written permission; and may not use their own credit card to purchase Products for another WA who has been a WA for less than 30 days.

5.8 Repackaging Prohibited

- 5.9 WAs may not:
- (a) print their own labels or repackage dōTERRA Products. Products are to be sold in their original packaging only.
 - (b) resell individual parts of a kit separately from the original kit packaging, unless dōTERRA has established a wholesale price for the individual part; or
 - (c) advertise the use of dōTERRA oils as ingredients to non-dōTERRA Products without the prior written consent of dōTERRA.

Will Call Orders

- 5.10 Will Call orders that have not been picked-up within 20 days will be shipped to the WA's address of record. dōTERRA will assess the reasonable costs of such shipment to the WA as if the order had been originally placed as an order to be shipped. The pick-up period varies by Local Market. Please consult the Will Call Centre in the Local Market from which the Product was ordered.

Section 6. PRODUCT RETURN POLICY

- 6.1 The Australian Consumer Law contains rights and remedies when a Product does not comply with a statutory guarantee. Amongst other rights and obligations under the Australian Consumer Law, where a Product does not comply with a statutory consumer guarantee and the problem with the Product is not major, the supplier may provide a replacement or refund. If the problem with the Product is major, a consumer may reject the Product and request a replacement or refund. Alternatively, a consumer can ask for compensation for any reduction in the value of the Product below the price paid.
- 6.2 dōTERRA's Return Policy, which is set out at sections 6.3 to 6.188 of this Policy Manual, is in addition to any rights and remedies which are available under the Australian Consumer Law. Nothing in dōTERRA's Return Policy or in this Policy Manual more broadly is intended to exclude or limit the application of any rights and remedies that cannot be excluded or limited under the Australian Consumer Law.

Returns on Products Within 30 Days

- 6.3 dōTERRA will refund 100% of the purchase price of Currently Marketable Products that are returned by a WA within 30 days of purchase from dōTERRA, less reasonable shipping costs and paid Bonuses.
- 6.4 dōTERRA will provide a Product Credit of 100% of the purchase price or a refund of 90% of the purchase price on Products not Currently Marketable that are returned by a WA within 30 days of purchase, less shipping costs and paid Bonuses.

Returns 31 days to 90 days After Purchase

- 6.5 From 31 days and up to 90 days from the date of purchase, dōTERRA will provide a Product Credit of 100% or a refund of 90% of the purchase price (plus applicable tax if prepaid) on Currently Marketable Products that are returned by a WA, less shipping costs and paid Bonuses.

Returns From 91 days to 1 year After Purchase

- 6.6 After 91 days and up to 12 months from the date of purchase, dōTERRA will provide a Product Credit of 90% or a refund of 90% of the purchase price (plus applicable tax if prepaid) on Currently

Marketable Products that are returned by a WA, less shipping costs and paid Bonuses (excludes limited time offers and expired items).

Currently Marketable

- 6.7 Products and Sales Aids shall be deemed “Currently Marketable” if each of the following elements is satisfied:
- (a) they are unopened and unused;
 - (b) packaging and labelling have not been altered or damaged;
 - (c) the Product expiration date has not elapsed;
 - (d) the Product is purchased from dōTERRA; and
 - (e) the Product contains current dōTERRA labelling.
- 6.8 Products shall not be considered Currently Marketable if dōTERRA discloses prior to purchase that the Products are seasonal, discontinued, limited time offers, or special promotion Products not subject to the return policy.

Return of Damaged or Incorrectly Sent Products

- 6.9 In addition to the rights and remedies under sections 6.3 to 6.8 of this Policy Manual and subject to any rights and remedies which may be available under the Australian Consumer Law, dōTERRA will exchange Products if the returned Products were received by the purchaser in damaged condition, were incorrectly sent by dōTERRA in response to an order for different Products, were sent to an incorrect address, or if Products are missing from an order. Such Products must be returned promptly. Whenever possible, returned Products will be replaced with undamaged Products. However, when an exchange is not feasible dōTERRA reserves the right to issue a credit for the amount of exchanged Products.

Kit Returns

- 6.10 Products purchased as part of a kit or package must be returned as the entire kit.

Refund Alternatives

- 6.11 dōTERRA in its discretion, to the extent permitted by law (including, without limitation, the Australian Consumer Law), may determine the acceptable refund alternatives for Product returns, including but not limited to the following: Company Credit, Product Credit, bank cheque, bank transfer, or credit card chargeback, and as outlined in this Policy Manual. The actual form of refund

will be based upon payment procedures in the Local Market and the original form of payment. Refunds will only be paid to the original payor.

Return Procedure

- 6.12 To obtain a refund for returned Products or Sales Aids, a WA must comply with the procedures set out at section 6.13 to 6.16 of this Policy Manual, subject to any rights and remedies which may be available under the Australian Consumer Law.
- 6.13 Approval for the return must be received prior to the return of the shipment to dōTERRA. This approval must be obtained from dōTERRA, either by telephone or in writing, and shall not be unreasonably withheld. The actual return shipment must be accompanied by the WA number.
- 6.14 dōTERRA will provide the WA with the correct procedures and location for returning the Products or Sales Aids. All return shipping costs must be paid for by the WA.
- 6.15 Products or Sales Aids returned to dōTERRA without prior authorisation will not qualify for Product Credit or refund.
- 6.16 Bonuses are paid to WAs based on the sales of Products to retail customers or to a Customer in their downline organisation. When Products are returned, dōTERRA reserves the right to recover Bonuses that were paid in respect of the returned Products, unless dōTERRA is providing a replacement to the Customer. dōTERRA may recover these Bonuses by requiring a WA to pay dōTERRA directly, or dōTERRA may withhold an equivalent amount from future Bonus payments.

Return of Personalised Sales Aids

- 6.17 Subject to any rights and remedies which may be available under the Australian Consumer Law, Personalised Sales Aids are not returnable or refundable, unless the personalised Sales Aids is being returned due to a printing error. Such Sales Aids should be returned promptly and in conformance with the Product return policy.

Credit Card Chargebacks

- 6.18 WAs are required to return Products under dōTERRA's Product exchange and return policies rather than by contacting their bank and requesting a credit card chargeback.

Section 7. RETAIL SALES OBLIGATIONS AND LIMITATIONS

10 Business - Day Money-Back Guarantee

- 7.1 In addition to any other rights or obligations under applicable laws, dōTERRA's policy is that WAs must offer a 5 business-day money-back guarantee to all Customers. This means that WAs must, for any reason and upon request, give a full refund of the purchase price to the Customer. The

Customer is required to request the refund within 10 business days of purchase and return the unused portion of Product. WAs must give a refund for returned Products within 10 business days of the Customer's request.

- 7.2 dōTERRA encourages WAs to honour a request for a refund or Product exchange even if it is made more than 10 business days after purchase. dōTERRA supports this policy by providing its Product return policy found in Section 6.

Duty to Provide Sales Receipts

- 7.3 WAs must provide the Customer with 2 copies of a completed retail sales receipt at the time of the sale. All blanks in the section referring to the 10-business day refund policy on the back of the receipt must be completed.
- 7.4 The front of the retail sales receipt should be completed and include the items ordered, the amount of sale, and the Customer's name, address, and telephone number.
- 7.5 The back of the retail sales receipt should be completed to include the date of the sale, the date of the tenth business day after sale, the name of the WA, the address, and the telephone number.
- 7.6 The first copy is the Customer's receipt of the purchase. The Customer should sign and date the back of the second copy and return it to the WA if a refund is requested. The third copy is the WA's receipt of the purchase. If the Customer prefers, a WA may, at his or her discretion, make a Product exchange instead of a refund.
- 7.7 WAs should keep copies of all retail sales receipts on file for at least 6 years.

Section 8. ENROLLING OR SPONSORING A WELLNESS ADVOCATE

Placement

- 8.1 A WA may refer any Person to dōTERRA as applicants to become WAs within their Organisation. Upon acceptance of their executed Contract by dōTERRA, the Enrollee will be recorded as part of the Organisation of the Enroller WA.

Training and Support of Organisation

- 8.2 A WA needs to train and support other WAs in his or her Organisation in the sale of dōTERRA Products. Information on providing training and support is available at www.doterra.com/AU/en_AU.

Open Local Markets

- 8.3 A WA is entitled to enrol or sponsor other WAs only in Open Local Markets, as set out under Section 14.

Recommended conduct of an Enroller or Sponsor

- 8.4 It is recommended that a WA who is an Enroller or Sponsor does the following:
- (a) give regular sales and organisational training, guidance and encouragement to the WA's Organisation, maintain contact with everyone in his or her Organisation and be available to answer questions;
 - (b) exercise the WA's best efforts to ensure that all WAs in the WA's Organisation properly understand and comply with the terms and conditions of the Contract and applicable national, state and local laws and regulations;
 - (c) intervene in any disputes arising between a Customer and any of the WA's Organisation and attempt to resolve the dispute promptly and amicably;
 - (d) provide training to ensure that Product sales and opportunity meetings conducted by the WA's Organisation are conducted in accordance with the Contract and any applicable laws and regulations;
 - (e) promptly resolve any disputes between the WA, other WAs, and the Organisation of the WA; and
 - (f) respond to communication from WAs within a reasonable time period and educate those WAs the WA enrolls and sponsors about the dōTERRA policies, which are provided to all WAs upon enrolment.

Role of Enrollers and Sponsors

- 8.5 Enrollers and Sponsors have a responsibility to ensure that their actions or omissions do not cause or result in loss, harm or embarrassment to anyone in their Organisation or dōTERRA, and should ensure they promptly act to rectify any such loss, harm or embarrassment.
- 8.6 At the time of sign-up, Enrollers should ensure that those they enrol are informed about who is to be their Enroller. WAs should not leave the placement of a new WA within an Enroller's Organisation to their Upline or some other Person.

Misconduct by Enrollers and Sponsors

- 8.7 dōTERRA reserves the right to move or realign an Organisation, or parts thereof, from Enrollers or Sponsors where dōTERRA reasonably suspects the Enroller or Sponsor has violated the terms of this Policy Manual or has committed or been involved in any instance of fraud, wilful misconduct, or any other dishonest, illegal or unlawful acts. Nothing herein requires dōTERRA to take any action, nor does it waive any rights postponing or declining to do so.

dōTERRA expects that every Enroller or Sponsor will not commit, or be involved in, the following conduct:

- (a) unwelcome sexual advances or communications;
- (b) failure to repay debts;
- (c) bankruptcy;
- (d) causing physical harm; or
- (e) theft or other criminal activity.

Section 9. PLACEMENT POLICY, LINE SWITCHING, AND CROSS RECRUITING PROHIBITION

Initial Placement

- 9.1 At the time when a new WA is enrolled, the Enroller of the new WA may place the new WA anywhere in the Enroller's Organisation.

Placement Changes After Sign-up

- 9.2 On or before the 10th day of the calendar month following a new WA's sign-up with dōTERRA and subject to dōTERRA's approval (which will not be unreasonably withheld), the Enroller may, on one occasion, move the new WA anywhere within the Enroller's Organisation (i.e. not outside the Enroller's Organisation).
- 9.3 After the above-described time period passes, a WA is in final placement in an Organisation and dōTERRA will normally not approve requests to place WAs elsewhere in an Organisation.
- 9.4 Further placement changes are rare and must be specifically approved in writing by dōTERRA's Exceptions Committee.
- 9.5 Before authorising a placement change, dōTERRA will consider, among other factors, the following:

- (a) Whether the WA to be moved has not been Active for at least 6 months (12 months if Silver Rank or higher),
- (b) whether the WA to be moved obtains written consent (verified by dōTERRA) of:
 - (i) the Enrollers who are 3 levels above the WA; and
 - (ii) the Sponsors who are 7 levels above the WA;
- (c) whether the change will cause Rank advancement;
- (d) whether a WA has breached the Contract;
- (e) the effect of the change on the Organisation; and
- (f) any other relevant factors.

Enrolling a Former WC as a WA

- 9.6 A WA may enrol a WC as a WA. When a WC becomes a WA, they cease to be a WC. An Enroller may place a new WA who was a WC in any position in the Enroller's Organisation if the new WA has enrollership of at least one WC or WA with sales of at least 100 PV after becoming a Wellness Advocate and does not have an existing Organisation. The placement of the new WA must be completed on or before the 10th day of the calendar month following the date the requirements outlined in this paragraph are met. If a WC does not meet these criteria, they may be enrolled as a WA, but may not be placed in a new position in the Enroller's Organisation.

Reassignment of Enrollees

- 9.7 The Company allows an Enroller to change enrollership of a Wellness Advocate (Enrollee) once, subject to Company approval. Additional enrollership changes merited by extenuating circumstances may be applied for and are subject to Company Exceptions Committee approval.

Presidential Diamond Premier Move

- 9.8 A Diamond rank or above who personally enrolls a new WA that achieves the Rank of Premier within three months will be allowed to place the new Enrollee on their frontline or under any Wellness Advocate between the current Sponsor and the Enroller. This request can be made after the Enroller has filled out the Premier Move form, on or before the 10th day of the calendar month following the new Premier being paid as Premier. This move can be made even if a placement change had previously been made following enrolment. For the purpose of calculating three months under this section, the

countdown begins when the new WA is a sponsor of their first Wellness Advocate. If the new Wellness Advocate sponsors their first Wellness Advocate after the tenth calendar day of the month, then the first month will be the following calendar month. If the new Wellness Advocate sponsors their first Wellness Advocate before the 10th of the month, the first month will be the calendar month they enrol.

Cross-company and Cross-line Moving Prohibited

- 9.9 WAs are prohibited from cross-company recruiting or cross-line moving. The use of a Spouse or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, or fictitious ID numbers to circumvent this Policy Manual is prohibited.
- 9.10 Cross-company recruiting consists of the actual or attempted solicitation, enrolment, encouragement, or effort to influence in any way, either directly or indirectly (including but not limited to, through a website), another WA or Customer to enrol or participate in another network marketing opportunity. This conduct constitutes recruiting even if the actions of the WA are in response to an inquiry made by another WA or Customer.
- 9.11 Cross-line moving. The actual or attempted solicitation, enrolment, encouragement, or effort to influence in any way, either directly or indirectly (including but not limited to, through a website), the enrolment of an individual who, or entity that, already has a current Distributorship with dōTERRA, within a different line of sponsorship. Cross-Line Moving also applies to the enrolment of an individual or entity that has had a Distributorship with dōTERRA within the past six months, or in the case of a WA with the Rank of silver or higher, within the past twelve months.

Section 10. SALES COMPENSATION PLAN

- 10.1 There are 2 fundamental ways in which a WA can earn compensation from their WA Distributorship:
- (a) through retail sales; and
 - (b) through Bonuses (sometimes called "commissions") paid on a WA's Product sales and the sales of other WAs in his Organisation.

A WA's compensation is based only on the sale of Products by the WA and WAs within his Organisation.

Retail sales

- 10.2 WAs buy dōTERRA Products from dōTERRA at wholesale prices for resale to Customers, for use as Sales Aids, or for personal consumption. dōTERRA recommends retail prices for the resale of the Products. However, WAs are free to set their own selling price. As a result, dōTERRA neither

provides an estimate of average income from retail sales nor includes retail income in its average Bonus information.

Bonus Overview

- 10.3 WAs can also earn Bonuses based on the sale of Products in all markets where dōTERRA conducts business, subject to each Local Market's compensation plan and exchange rates. Not all Products or promotions from dōTERRA generate Bonuses. All Products or promotions that will generate a Bonus are assigned a Commissionable Volume value (**CV**) or Personal Volume (**PV**) value.

Definitions

- 10.4 **Commissionable Volume (CV):** The sales order's PV converted to a Local Market's currency and expressed in the currency where the sales order is sold or the transaction is placed. CV is determined by the Company's pricing of the products and is used to calculate a WA's sales commissions in the applicable commission period. CV does not include purchases of Product with Product Credit.
- 10.5 **dōTERRA Company Volume (DCV):** The total amount of CV converted to USD sold to all WAs, WCs, and Retail Customers in a monthly commission period. DCV does not include purchases of Products with Product Credit.
- 10.6 **Frontline Organisation:** A Frontline Organisation is the Organisation of a WA's personally sponsored WAs and his Customers.
- 10.7 **Local Market Volume:** The collective CV of all WAs that live in a designated Local Market. Local Market Volume is a term used to define the Founders Bonus.
- 10.8 **Organisational Volume (OV):** The Personal Volume of a WA plus the Personal Volume of all other WAs, WCs, and Retail Customers in the WA's Organisation. OV does not include purchases of Product with Product Credit.
- 10.9 **Personal Volume (PV):** Each commissionable product is assigned a point value. PV is the total point value of Products purchased by a WA or WC in a monthly commission period. Not all Products qualify for PV value. PV does not include purchases of Product with Product Credit. The PV of a Product is clearly delineated on the Product Order Form which is available at: <https://media.doterra.com/au-otg/en/forms/price-list.pdf>.
- 10.10 **Personal Growth Volume (PGV):** The sum of PV in a monthly commission period from LRP orders sold by a WA to his personal Enrolees that enrolled in the prior 12 monthly commission periods. PV in an Enrollee's initial enrolment or reactivation month is not included in PGV. A WA's Enrollee is determined by the Company as of the date of the Company's Bonus calculation. PGV does not include purchases of Products with Product Credit.

- 10.11 **POD:** A term used in the Power of Three Bonus. A Pod consists of 500 or more PV from LRP orders in a monthly commission period sold to WAs and WCs on the WAs first sponsor level, excluding enrolment and reactivation orders. Pods do not include purchases of Product with Product Credit.
- 10.12 **Primary Bonus:** The sum total of all Bonuses paid to a WA, except the Fast Start Bonus and the Founders Bonus. The Primary Bonus consists of Uni-level Bonus, Power of Three Bonus, Bonus Pools, and Diamond Pools. The Primary Bonus is paid monthly.
- 10.13 **Qualified Leg:** An Enrollee who attains a designated Rank within a separate sponsor leg of his Enroller. For Ranks Platinum and above, a Qualified Leg includes a rank compression Qualified Leg, which permits a Platinum or above to qualify for Rank using the highest qualifying WA in each of their sponsor downlines, provided such qualifying WA is also within the Enroller's enrolment downline. For purposes of an Enroller's Rank qualification, each Qualified Leg must be within a separate sponsor downline of the Enroller.
- 10.14 **Qualifying Volume (QV).** A WA's individual PV and his personally enrolled Retail Customer's PV in a monthly commission period. QV does not include purchases of Product with Product Credit.
- 10.15 **Qualified LRP Orders:** A single LRP order over 100 PV in the qualifying month for a sponsored WA or WC. All Qualified LRP Orders must be paid for by credit card or cheque in the name of the WA or WC listed on the account, or with cash, and must be shipped to the primary address listed on the account. A Qualified LRP Order that is returned will result in recoupment of the unearned but previously paid Bonus.
- 10.16 **Retail Customer:** A Retail Customer is a person with a retail account. WAs who are compensated for their Retail Customer orders do not receive additional compensation through commissions and bonuses.
- 10.17 **Team Growth Volume (TGV):** The sum of PV in a monthly commission period sold to new or reactivated Enrolees within a WA's designated sponsor tree level in the previous twelve (12) monthly commission periods. PV in an Enrolee's initial enrolment or reactivation month is not included in TGV. A WA's Enrolee month is determined by the Company as of the date of Company's bonus and commission calculation. TGV does not include compression sales volume or purchases of Products with Product Credit.

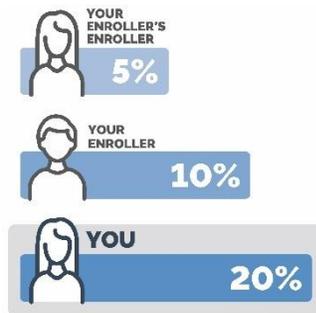
Bonuses

- 10.18 Compensation to WAs is geared toward rewarding the sustained efforts of everyone from the new WA to the seasoned professional WA. dōTERRA's Bonuses include the Retail Profit Bonus, Fast Start Bonus, Power of Three Bonus, Uni-level Bonus, Bonus Pools, Diamond Pools, and Founders Club Bonus. Each of these Bonuses is discussed further below.

Fast Start – an Enroller-based Bonus.

10.19 **Overview.** A Fast Start Bonus is paid weekly to Enrollers for all CV sold to their new WA and WC enrolees in their first sixty (60) days. The Bonus is paid to the new WA's and WC's first, second, and third level Enrollers. The first level Enroller receives 20%, the second level Enroller receives 10%, and the third level Enroller receives 5%. See Figure 1.

Figure 1



10.20 To qualify for the Fast Start Bonus, each Enroller must:

- (a) have at least 100 QV in the monthly commission period prior to the Fast Start Bonus calculation; and
- (b) be participating in the Rewards Program (LRP).

Unearned Bonuses do not roll up to any other Enroller. The previous week's commission (Monday through Sunday US Mountain Time) is calculated each week usually on Monday (US Mountain Time). No Uni-level Bonus (see below) is paid on these orders.

Power of Three Bonus – a Sponsor-based Bonus.

10.21 **Overview:** The Power of Three Bonus is a monthly Bonus paid to Sponsors that can be \$75, \$375, or \$1,875 AUD. A WA may also boost their Power of Three Bonus up to \$800 AUD. The Bonus is not available to WAs in their initial month of enrolment. The requisite qualifications for each Power of Three bonus are as follows. See Figure 2.

- (a) **Level 1 Power of Three Bonus:** To qualify for the \$75 Bonus, within a monthly commission period, a WA must have LRP order(s) totalling 100 PV or more and have one Pod that contains a minimum of 100 PV from LRP that is sold to a personally enrolled WA or WC.
- (b) **Level 2 Power of Three Bonus:** To qualify for the \$375 Bonus, within a monthly commission period, a WA must first qualify for the Level 1 Power of Three Bonus. The WA must then have three sponsored WAs on their first level who each have a Pod. A WA may qualify for the Level 2 Power of Three Bonus without a WA in that chain of sponsorship qualifying for a Power of Three Bonus.

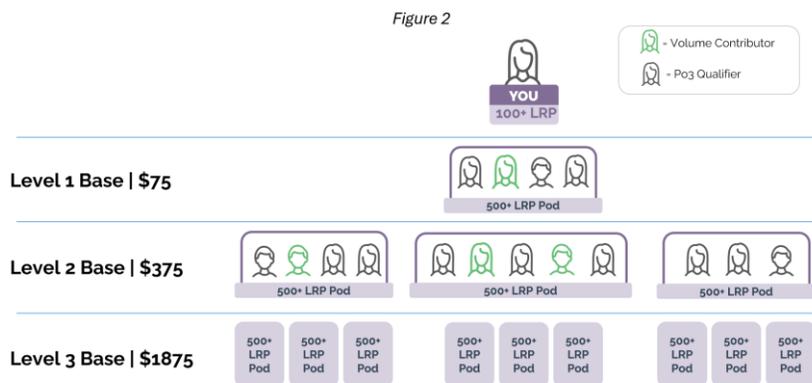
- (c) **Level 3 Power of Three Bonus:** To qualify for the \$1875 Bonus, within a monthly commission period, a WA must first qualify for the Level 2 Power of Three Bonus. Then the three sponsored WAs on their first level who each have a Pod must each have three sponsored WAs on their first levels who each have a Pod. A WA may qualify for the Level 3 Power of Three Bonus without a WA in that chain of sponsorship qualifying for a Power of Three Bonus.

If a WA earns Level 3 Power of Three Bonus and his Organization’s Power of Three monthly payments exceeds 15% of their Organization’s CV, then the WA must reach the rank of Gold or higher to earn a Level 3 Power of Three Bonus. If the WA does not reach the rank of Gold or higher, the WA is eligible to earn up to the Level 2 Power of Three Bonus.

10.22 **Power of Three Boost.** Each month a WA may earn one Boost to their Power of Three Bonus based on their highest qualifying PGV. They may earn a \$ Boost by qualifying for a Power of Three Bonus and having 400 or more PGV. They may earn a \$375 Boost by qualifying for either a Level 2 or Level 3 Power of Three Bonus and having 800 or more PGV. They may earn a \$750 Boost by qualifying for a Level 3 Power of Three Bonus and having 1200 or more PGV. Boosts do not cumulate from one to the next and a WA account is only permitted one Boost per monthly commission period.

10.23 **Power of Three Structures:** If a Blue Diamond or higher qualifies for a Level 3 Power of Three Bonus in a monthly commission period, he may also qualify to be paid on a second Power of Three structure. The WAs, WCs, and accompanying sales volume used to qualify in the first structure cannot be used to qualify in the second structure.

All WAs who qualified to earn on multiple Power of Three structures on or before 31 December, 2024, will be eligible to continue to earn on the bonus level of the existing additional structures, provided each existing structure meets the new Power of Three requirements. In the event a structure fails to earn six (6) times, such structure shall be no longer eligible as an additional Power of Three structure.



Uni-level Bonus – an Organisation-Based Bonus.

10.24 **Overview:** The Uni-level Bonus is paid to WAs each month. The Uni-level Bonus is calculated on the monthly CV of sales to the Organisation of the WA. A particular monthly commission period's Uni-level Bonus is dependent upon the monthly Rank the WA has achieved. The Qualifying Volume, Rank, and Organisational Volume requirements must be met each month. Sales on which Fast Start Bonuses are paid do not get included in the Uni-level volume. See Figure 3.



Figure 3

10.25 **Achieving Ranks:** To achieve a Rank, each Rank has minimum monthly requirements of Personal Volume and Organisational Volume. For instance, the Manager Rank requires 100 PV and 500 OV. See Figure 3.

10.26 **Ranks and Levels:**

- (a) Each Rank corresponds to the number of organisational levels from which the WA can receive compensation. See Figure 3. For example, the Rank of Executive receives compensation from levels 2, 3, and 4. Generally, as a WA advances in Rank, he is paid from deeper levels in his Organisation, until he reaches Silver. All Ranks from Silver to Presidential Diamond are eligible to earn at levels 2-7.
- (b) The percentage that is paid to a WA also changes from level to level. As shown in Figure 3, level 2 pays 3%, and the percentage increases until reaching 7%. The Bonus cumulates levels of payment, so that an Executive will receive 3% for level 2, 5% for level 3, and 5% for level 4.

To receive the full percentage of the deepest two levels of the Uni-level Bonus WAs achieving Ranks Elite through Gold must meet the following requisite TGV thresholds in

each monthly commission period: Elites must have at least 100 PV sold to personally enrolled WAs or WCs and a minimum of 300 TGV within their first three (3) sponsor levels; Premiers must have a minimum of 400 TGV within their first four (4) sponsor levels; Silvers must have a minimum of 500 TGV within their first five (5) sponsor levels; and Golds must have a minimum of 600 TGV within their first six (6) sponsor levels.

- 10.27 **Qualified Legs and Pin Tiles:** To achieve certain Ranks, WAs must have Qualified Legs in their separate sponsor legs. For example, a WA wishing to attain the Rank of Silver is required to have three personally enrolled Elite Qualified Legs in separate sponsor legs. Ranks of Platinum and above are permitted to have personally enrolled Qualified Legs in separate sponsor legs, or rank compression Qualified Legs. Rank compression Qualified Legs permit Ranks Platinum and above to qualify for Rank using the highest qualifying WA in each of their sponsor downlines, provided such qualifying WA is also within the Enroller’s enrolment downline.
- 10.28 **Compression:** The dōTERRA Sales Compensation Plan maximises payment to WAs through compression. When a WA’s Rank does not qualify the WA to receive a Bonus of a level associated with higher Ranks, the Bonus will roll up and be paid to qualified higher ranked WAs, except when an Elite through Gold does not qualify for their deepest two levels of the Uni-level Bonus.

Bonus Pools – a Leadership Performance-based Bonus.

- 10.29 **Overview.** The Bonus Pools are earned and paid each month to Premier Ranks and above. The Bonus Pools collectively represent five percent (5%) of dōTERRA Company Volume (DCV) —the Empowerment Pool (1.5%), the Leadership Pool (2%), and the Performance Pool (1.5%). See Figure 4. A WA qualifies to be paid from these pools when the WA meets the Rank and designated pool requirements in a particular monthly commission period. A share’s monthly bonus is equal to the designated pool’s percentage (1.5% or 2%), multiplied by the DCV for the same monthly commission period, and divided by the number of shares of WAs who have qualified for shares in the monthly commission period.

Figure 4

PAID AS RANK	PREMIER	SILVER	GOLD	PLATINUM				
		Leadership Pool						
NO. OF POSSIBLE SHARES		1	5	10				
*TGV		—	—	—				
% OF DCV		2%				DIAMOND	BLUE DIAMOND	PRESIDENTIAL DIAMOND
		Empowerment Pool			Performance Pool			
NO. OF POSSIBLE SHARES	1	1	2	1 3	3 4	3 6	3 8	
*TGV	1 share per 100 PV enrollment			4,000	6,000	12,000	18,000	
% OF DCV	1.50%			1.50%				

- 10.30 **Shares in the Empowerment Pool.** A WA that qualifies as a Premier, Silver, or Gold and sells 100 PV or more to a new WA or WC in a month will receive one share in the Empowerment Pool. A Gold may qualify for a second share if he sells 100 PV or more to an additional new WA or WC in the same monthly commission period. Shares do not cumulate from one Rank to the next. A share's monthly bonus is equal to the designated pool's percentage (1.5%), multiplied by the DCV for the same monthly commission period, and divided by the number of shares of WAs who have qualified for shares in the monthly commission period.
- 10.31 **Shares in the Leadership Pool.** Each Silver receives one share, each Gold Receives five shares, and Platinum receives ten shares in the Leadership Pool. A WA can earn an additional share for the month if the WA is the Enroller of a first-time Elite. Shares do not cumulate from one Rank to the next. For example, a WA who moves from Silver to Gold is entitled to five shares, and not one as a Silver and five as a Gold. A share's monthly bonus is equal to the designated pool's percentage (2%), multiplied by DCV for the same monthly commission period, and divided by the number of shares of WAs who have qualified for shares in the monthly commission period.
- 10.32 **Shares in the Performance Pool.** Each Platinum receives one share in the Performance Pool. Each Diamond, Blue Diamond and Presidential Diamond receives three shares in the Performance Pool. A WA can earn two additional shares for the month if the WA is the Enroller of a first-time Premier. A WA may also earn additional Performance Pool shares by meeting the applicable TGV threshold within their first seven (7) sponsor levels in each monthly commission period. A Platinum earns an additional two (2) shares when they meet a minimum of 4,000 TGV. Until 1 January, 2026, a Diamond earns one (1) additional share, a Blue Diamond earns three (3) additional shares, and a Presidential Diamond earns five (5) additional shares without a minimum TGV. Thereafter, a Diamond's additional one (1) share requires a minimum of 6,000 TGV, a Blue Diamond's additional three (3) shares require a minimum of 12,000 TGV, and a Presidential Diamond's additional five (5) shares require a minimum 18,000 TGV. The applicable TGV thresholds may be amended with notice in accordance with section 17.1 of this Policy Manual and can be found on https://www.doterra.com/AU/en_AU. Shares do not cumulate from one Rank to the next.

A share's monthly bonus is equal to the designated pool's percentage (1.5%), multiplied by the DCV for the monthly commission period, and divided by the number of shares of WAs who have qualified for shares in the monthly commission period.

Diamond Pools – a Leadership Performance-based Bonus.

- 10.33 **Overview of the Diamond Pools:** The Diamond Pools operate in a similar fashion to the Bonus Pools. The pools are earned and paid each month. The Diamond Pools are paid in addition to the shares earned in the Performance Pool. Like the Bonus Pools, shares do not cumulate from one Rank to the next. A share's monthly Bonus is equal to the designated pool's percentage (1%), multiplied by the dōTERRA Company Volume (DCV) for the same monthly commission period, and divided by the

number of shares of WAs who have qualified for shares in the monthly commission period. See Figure 5.

Figure 5

PAID AS RANK	DIAMOND	BLUE DIAMOND	PRESIDENTIAL DIAMOND
	Diamond Pool	Blue Diamond Pool	Presidential Diamond Pool
NO. OF POSSIBLE SHARES	2 4	2 4	2 4
TGV	6,000	12,000	18,000
% OF DCV	1%	1%	1%

10.34 **Shares in the Diamond Pools.** The Diamond Pool, Blue Diamond Pool, and Presidential Diamond Pool are each equal to 1% of the total monthly DCV in the monthly commission period. See Figure 5. Each qualifying Diamond, Blue Diamond, and Presidential Diamond receives two (2) shares each monthly commission period. A Diamond, Blue Diamond, and Presidential Diamond may earn two (2) additional shares in a monthly commission period when they meet the applicable TGV threshold within their first seven (7) sponsor levels. A Diamond’s TGV threshold is 6,000. A Blue Diamond’s TGV threshold is 12,000. A Presidential Diamond’s TGV threshold is 18,000. The applicable TGV thresholds may be amended with notice in accordance with section 17.1 of this Policy Manual and can be found on https://www.doterra.com/AU/en_AU.

10.35 **Additional One-Time Shares in the Diamond Pools.** A Presidential Diamond, Blue Diamond, and Diamond may qualify for additional shares as follows:

- (a) **Presidential Diamond Pool:** A Presidential Diamond shall receive a one-time share in the Presidential Diamond Pool when another WA first attains the Silver Rank and the WA was personally enrolled by the Presidential Diamond.
- (b) **Blue Diamond and Diamond Pool:** A Diamond or a Blue Diamond shall receive a one-time share in the Diamond Pool or the Blue Diamond Pools when another WA first attains the Premier Rank and the WA was personally enrolled by the Diamond or Blue Diamond.

Founders - a Bonus based on market development.

10.36 **Overview:** As an incentive to WAs who do business in new Local Markets, dōTERRA offers a Founders Bonus based on market development. The Bonus is paid yearly. A Founder is one of a predetermined number of WAs in a Local Market who is one of the first to achieve and continue to maintain certain requirements established by dōTERRA for that market. A Founder will share with other Founders a Bonus based on a certain percentage of the Local Market Volume.

10.37 **Qualification:**

- (a) The qualifications will be posted on https://www.doterra.com/AU/en_AU. Each qualification period will be 12 months unless otherwise indicated. Once a WA reaches the position of Founder, each year he must qualify, without rank compression, to maintain the position by reaching the pre-determined qualifications for that 12-month period. dōTERRA may amend the qualifications with notice in accordance with section 17.1 of this Policy Manual prior to the beginning of the next qualifying period.
- (b) In the event a Founder fails to re-qualify or otherwise loses the Founder position, the position is no longer available to the Founder or to another WA and ceases to exist. The percentage of interest will not change if the actual number of qualified Founders changes. Founder positions are unique to the WA who initially qualified. The position cannot be conveyed, transferred, gifted, or sold to another WA or Person and does not extend beyond the death of the individual Founder. Not every market will be offered Founders positions.

10.38 dōTERRA reserves the right to offer, at its discretion and upon proper notification and approval from relevant authorities, additional Founders Bonuses, each version of which will correspond to and be paid from certain designated sales blocks of Local Market Volume.

The Rewards Program (LRP)

- 10.39 **Overview:** WAs and WCs can ensure that they will receive monthly deliveries of dōTERRA Products by enrolling in the LRP. The LRP eliminates the inconvenience of placing monthly orders manually. For more detail about the LRP, visit <https://media.doterra.com/au-otg/en/flyers/loyalty-rewards-program.pdf>.
- 10.40 **Earning Product Credits:** A WA's or WC's initial LRP order may be eligible for Product Credits, and subsequent LRP Orders that are at least 50 PV points every month are eligible to receive Product Credits each month.
- 10.41 **Redemption of Product Credits:** After the WA or WC has been an LRP participant for a minimum of 60 days, the WA or WC can redeem Product Credits to purchase Products. LRP Product Credits can be redeemed for 12 months from the date of issue, after which they expire. The credits can be redeemed for a \$3 administrative fee by calling (02) 8015 5080 or contacting dōTERRA Customer Service. Products purchased with LRP credits are not for resale, and dōTERRA's Returns Policy does not apply. Redemption orders have no PV and cannot be combined with other Product orders. Product Credits have no cash redemption value and are not transferrable. All Product Credits will be cancelled, and Product Credit percentages will start over, if participation in the LRP program is cancelled. A primary LRP order may only be cancelled by calling dōTERRA. Any subsequent LRP order can be cancelled online.

- 10.42 **Acting on Behalf of Another:** A WA may not set up an LRP order on behalf of another participating WA or WC without written permission from the participating WA or WC, which must be provided to dōTERRA prior to setting up the order. Such an order must be paid for by the participating WA or WC and must be shipped to the primary address listed on the participating's account.

General and Miscellaneous Compensation Provisions

Presidential Diamond Multiplier Account:

- 10.43 Presidential Diamonds are permitted to establish an additional account directly under their main Presidential account (**PD1**) called their Multiplier 1 (**M1**) account. Presidential Diamonds who have 6 solid legs can add new legs to their M1 account and get additional Uni-level compensation on the new volume they create through that account, allowing them the opportunity to reach down to the volume 8 levels below their PD1 account.
- 10.44 The M1 account can be created as soon as that leader reaches the Rank of Presidential Diamond. The M1 qualifies to receive commissions each month that the PD1 account is paid as a Presidential Diamond. If the PD1 account does not qualify as a Presidential Diamond in a given month, the M1 account will not qualify for any commissions that month. The M1 account itself cannot be 1 of the 6 qualifying legs of the PD1 account. M1 accounts are not permitted to use Rank Compression to qualify using a qualifying leg that is also used by the primary account. However, if one of the PD1's 6 qualifying legs does not qualify as platinum in a given month, the PD1 account could still be paid as a Presidential Diamond by using 1 of the M1's personally enrolled platinum legs, provided that the M1 leg, and not the M1 account, qualifies as platinum. In this case, the M1 account is not permitted to use the personally enrolled platinum leg used by the PD1 in that month.
- 10.45 Once the M1 account is established, the Presidential Diamond leader may choose to move any personally enrolled frontline legs from their PD1 account to their M1 account, as long as the legs have not achieved the Rank of Platinum or above. The legs cannot be stacked under each other nor restructured; but will move from PD1 frontline to M1 frontline with their existing structure.
- 10.46 When the M1 account itself has reached Presidential Diamond Rank, dōTERRA will allow an additional "M2" account as a frontline account to the prior M1 Account, allowing a leader 3 accounts from which to draw income on the newest volume they create, plus letting them benefit from income 9 levels below their original Presidential Diamond account. This multiplier effect could continue as long as the necessary platinum legs themselves qualify as outlined above.

Special or Promotional Bonuses or Rewards

- 10.47 From time to time, special bonuses or promotions are offered to WAs and Customers. The Products offered in this way may or may not have any PV and may not qualify a WA for Bonuses resulting from the purchase of these Products. The details of each of these offerings will be made available on www.doterra.com/AU/en_AU.

No Compensation Solely for Enrolling Another

- 10.48 While WAs are paid for Product sales, a WA shall not receive compensation for enrolling or sponsoring other WAs.

No Guaranteed Compensation

- 10.49 As with any other sales opportunity, the compensation earned by WAs varies significantly. People become WAs for various reasons. The cost to become a WA is very low. Most who wish to simply enjoy dōTERRA's Products at wholesale prices will sign up as a WC; but some may sign up as a WA instead. Some join the business to improve their skills or to experience the management of their own business. Others become WAs, but for various reasons, never purchase additional Products from dōTERRA. Consequently, many WAs never qualify to receive Bonuses. WAs are neither guaranteed a specific income nor assured any level of profit or success. The profit and success of a WA can come only through the successful sale of Products and the sales of other WAs within the Organisation of the WA. All success is based primarily on the efforts of each WA.

Effort

- 10.50 Generating meaningful compensation as a WA requires considerable time, effort, and commitment. This is not a get-rich-quick program or pyramid scheme. There are no guarantees of financial success.

Inclusion in a Period's Bonus

- 10.51 A Person must become an approved WA by the last day of the bonus period in order to be included in the bonus and qualification computations for that period. Absent an authorized exception, products must be purchased, and payment received, by the last day of the bonus period in order to be paid or qualify for a Rank for that period.

Preconditions to Bonus Payments

- 10.52 WAs can receive a bonus only if they fulfil all requirements of the dōTERRA Sales Compensation Plan and are not in default of any material obligations under the Contract. In order to promote good business practices, WAs agree that all Bonuses may be subject to dōTERRA auditing processes.

To facilitate recoupment of overpayments and exceptions to the Bonus and Diamond Pools because of product returns and/or audits, dōTERRA (acting reasonably) is permitted to estimate overpayment amounts and then withhold said estimated funds from the monthly Bonus and Diamond Pool payouts. dōTERRA will regularly true-up the Bonus and Diamond Pool payments by recouping actual overpayments from the held funds and/or future Bonus and Diamond Pool payments. If held funds exceed overpayments after one year from payment, the Company will

regularly true-up the payments of Bonus and Diamond Pools from the held funds.

Payment of Bonuses

10.53 Bonuses are paid to the primary applicant on the applicable Wellness Advocate Agreement Form.

Concentrated Legs

10.54 In the event the volume from one leg of a WA's Organisation exceeds 80% of the WA's total Organisation volume, the total Uni-level Bonus of the WA shall not exceed \$2,000 if the WA holds the Rank of Elite; \$5,000 if the WA holds a Rank of Premier; \$11,000 if the WA holds a Rank of Silver; and \$18,000 if the WA holds a Rank of Gold. Once the Rank of Platinum is achieved, there is no cap on the Un-level Bonus.

Redemption of Company Credit

10.55 If a Company Credit is issued on Products ordered but not available that month, Personal Volume for those Products will only be included in Bonus and Rank qualification computations for the month in which that credit is redeemed.

Duty to Retain Documents

10.56 Each WA receiving a bonus agrees to retain documentation, for at least 5 years, which evidences retail sale of Products and services in the month for which the Bonus was paid. WAs agree to make this documentation available to dōTERRA at dōTERRA's request.

Payment of Recouped Bonuses & Commissions.

10.57 In recouping bonus and commission payments as provided in this section, dōTERRA, in its sole discretion, may require direct payment from an affected WA or offset the amount of the recoupment against any present or future bonuses and commissions.

Section 11. PRODUCT CLAIMS

11.1 Product claims relating to the efficacy or effect of dōTERRA Products are regulated by federal, state, or local governments of the jurisdictions in which the WA does business. Regulators include the Food Standards Australia New Zealand (**FSANZ**), the Therapeutic Goods Administration (**TGA**) (where currently applicable), and the Australian Competition and Consumer Commission (**ACCC**), or similar governmental agencies in the jurisdiction of the WA.

Food Standards Australia New Zealand

- 11.2 Many Products fall under classifications set out by FSANZ. FSANZ regulates and oversees the production and sale of nutritional Products to assure their safety and proper representation to the public. FSANZ also has [labelling and packaging standards](#) with which dōTERRA must comply.

Australian Competition and Consumer Commission Standards

- 11.3 Similarly, advertising is regulated by the ACCC. The Australian Consumer Law, which is enforced by the ACCC, requires that, when making any representation about the benefits, performance, efficacy, safety or ingredients of any Product that at the time of making such representations, dōTERRA, or spokesperson for dōTERRA, including a WA, must not make false or misleading claims about the quality, value, price, age or benefits of goods or services, or any associated guarantee or warranty. Using false testimonials is also prohibited. WAs must accurately teach and represent the dōTERRA Sales Compensation Plan and be honest in explaining the income one may earn under the plan.

No Therapeutic, Curative or Drug Claims

- 11.4 A WA may not make any medical, therapeutic or curative claim for any Product nor specifically prescribe any given Product as suitable for any specific ailment, condition, injury or defect, as that type of representation implies the Products are therapeutic goods or drugs rather than nutritional supplements or cosmetics. Under no circumstance should these Products be likened to therapeutic goods prescribed for the treatment of specific ailments. While dōTERRA makes every effort to achieve full compliance with FSANZ and TGA regulations, no WA should state or infer that any Product is approved by FSANZ or TGA (or any other Australian regulatory authority) unless doing so is permitted in accordance with any applicable Australian law.

Disclosure

- 11.5 When blogging or otherwise promoting dōTERRA or dōTERRA Products, a WA must disclose the fact that the WA is a dōTERRA WA who receives Bonuses from dōTERRA.

Section 12. ADVERTISING AND USE OF COMPANY'S INTELLECTUAL PROPERTY RIGHTS

dōTERRA Intellectual Property

- 12.1 dōTERRA Intellectual Property, including its trademarks, service marks, trade names, trade dress, and the content of its publications, are valuable assets. By using dōTERRA Intellectual Property, WAs agree and acknowledge that there exists great value and goodwill associated with the dōTERRA Intellectual Property, and acknowledge that dōTERRA has all rights to the property and that the goodwill pertaining thereto belongs exclusively to dōTERRA.

The Content in Company Approved Sales Aids and its official website, including the text, graphics, logos, audio clips, music, lyrics, video, photographs, software, and other information is the property

of dōTERRA and/or its affiliates or partners, or, is licensed to dōTERRA from third parties. Because dōTERRA does not own all of the Content, dōTERRA will not license to a WA what it does not own. Accordingly, when using dōTERRA Intellectual Property and Content, WAs agree to only use Allowed Content as expressly defined and granted herein.

12.2 Definitions.

- (a) **Apparel:** Apparel includes T-shirts, hats, and other clothing articles.
- (b) **Allowed Content:** Allowed Content means only the Content consisting of the Brochures, Flyers, Images, Presentations, and Videos which is quoted or published on https://www.doterra.com/AU/en_AU/, and that is related to the Local Market in which a WA markets Products or recruits other WAs.
- (c) **Cinematic Media:** Live or recorded electronic channels through which news, entertainment, education, data, or promotional messages are disseminated, including broadcasting and narrowcasting mediums such as TV, radio, film, and audio or video. Cinematic Media does not include Computer and Telephone Based Media.
- (d) **Company Approved Sales Aids:** Marketing materials approved for use in a specific Local Market designated in writing by dōTERRA.
- (e) **Company Produced Sales Aids:** Company Produced Sale Aids means marketing materials created and distributed by dōTERRA for use in a specific Local Market designated in writing by dōTERRA.
- (f) **Computer and Telephone Based Media:** The transmission or display of any Content by email, static websites, or Social Media; and telephone or smartphone-based transmissions or display.
- (g) **Content:** Content means any text, graphics, logos, audio clips, video, photographs, software, or dōTERRA Intellectual Property which is found in the Company Produced Sales Aid(s) or on https://www.doterra.com/AU/en_AU/.
- (h) **dōTERRA Intellectual Property:** dōTERRA Intellectual Property means all intellectual property which dōTERRA Holdings, LLC or an affiliated company claims to own, or claims a right to use, including but not limited to trademarks, trade names, service marks, and content of its publications, whether registered with relevant governmental authorities or not, and whether the subject of any existing licensing arrangement for the benefit of third parties or not.

- (i) **Media Specific Guidelines:** Media Specific Guidelines are Local Market specific guidelines which set usage standards of Allowed Content for a particular format. Media Specific Guidelines must be adhered to and are posted on https://www.doterra.com/AU/en_AU/.
- (j) **Merchandise:** Any item that bears dōTERRA Intellectual Property that is not Apparel, Cinematic Media, Company Approved Sales Aids, Company Produced Sales Aids, Computer and Telephone Based Media. Merchandise includes Sales Aid intended to be sold or sold to third parties.
- (k) **Sales Aid:** Any material, whether physically printed or in digital form, used in the offer or sale of Company Products, recruitment of prospective WAs, or training of WAs, which makes reference to dōTERRA, dōTERRA Products, the Sales Compensation Plan, or dōTERRA Intellectual Property.
- (l) **Social Media:** The use of web-based and mobile technologies to turn communication into an interactive dialogue.

12.3 Allowed Uses.

- (a) Subject to the Conditions of Use, WAs are permitted to use Allowed Content in the following instances:
 - (i) The creation and use of Sales Aids.
 - (ii) The creation and use of a Computer or Telephone Based Media.
- (b) Subject to the Conditions of Use, WAs are permitted to use Allowed Content, with written approval from dōTERRA, in the following instances: Apparel, Cinematic Media, use on buildings and signs, Merchandise, and paid advertising online.

12.4 Conditions of Use. The Allowed Uses of Allowed Content are conditioned on the following:

- (a) **Media Specific Guidelines.** Allowed Content may only be used for Apparel, Cinematic Media, on buildings and signs, and Merchandise according to the Media Specific Guidelines found at of https://www.doterra.com/AU/en_AU/ for the specific Local Market in which the WA is doing business.
- (b) **Context and True Statements.** WAs may not use Allowed Content in violation of the Policy Manual or out of context (or infer meaning other than the express meaning of the Allowed Content) by the use of modifiers, additional text, or other content. All content must be true and accurate.

- (c) **Variations, Takeoffs or Abbreviations.** WAs may not use a variation of the Allowed Content for any purpose, including phonetic equivalents, foreign language equivalents, takeoffs, or abbreviations. The following examples are unacceptable variations: “do’TERRA” or “doughTERRA” or deTIERRA”
- (d) **Slogans and Taglines.** WAs may not add to, subtract from, or modify in any way dōTERRA slogans or taglines. For example: Changing “Gift of the Earth” to “Gift from the Earth” or “Earthly Gifts”
- (e) **Disparaging or Offensive Use.** WAs may not use Allowed Content in a disparaging, offensive, or injurious manner.
- (f) **Best Light.** All Allowed Content must be shown only in the best light, in a manner or context that reflects favourably on dōTERRA and its Products.
- (g) **Endorsement or Sponsorship of a Third Party.** WAs may not use Allowed Content in a manner that would imply dōTERRA’s affiliation with or endorsement, sponsorship, or support of any third-party Product or service, or any political cause or issue.
- (h) **Use in Computer or Telephone Based Media.** The following sections apply to Computer and Telephone Based Media.
 - (i) **Headers and Titles.** Except for in a dōTERRA Replicated Website, the name “dōTERRA” may not be used, in any title, subtitle, or header to Computer or Telephone Based Media. dōTERRA branded Facebook pages, Instagram pages, Pinterest pins, blogs, or YouTube channels are not permitted.
 - (ii) **Social Media.** WAs with a Social Media presence, either personal or business, should review the static content regularly and delete any claims in the comment or third-party sections that are not legal. dōTERRA branded Facebook pages, Instagram pages, Pinterest pins, blogs, or YouTube or Vimeo channels are not permitted.
 - (iii) **Disclaimer.** Except for the dōTERRA Replicated Website, each Computer or Telephone Based Media shall clearly indicate that it is not authored by dōTERRA, or any of its affiliated companies, and that the owner of the site bears all responsibility for the content.
 - (iv) **Domain Names.** WAs may not use dōTERRA Intellectual Property name(s) in a domain name without express written approval from dōTERRA, which consent shall be within the sole discretion of dōTERRA. Such use must also be through a written use agreement signed with dōTERRA. Examples of use that are not acceptable: “dōTERRA.com” “dōTERRAcompany.com” “dōTERRAcorporate.com,” etc. WAs should consult the Media Specific Guidelines of their Local Market.

- (v) **Privacy Policy Language.** WAs must implement a written privacy policy that protects any information gathered from the website from being sold or used by anyone else.
- (vi) **Spam Prohibition.** WAs may not Spam. Spamming includes, but is not necessarily limited to: (1) sending unsolicited email messages that contain any email or web addresses from a WA's account to online users; (2) posting message that contain the WA's service address in new groups that are unrelated to the WA's Products; (3) creating false "from sources" in an email message, or newsgroup posting with the WA's service address, thereby giving the impression that the message originated from dōTERRA or its network of WAs; (4) sending unsolicited emails or faxes to lists of people that are not within the WA's Organisation or with whom the WA has not had a prior business or personal relationship. All dōTERRA related email broadcasts must only be sent to WAs in the Organisation of the WA. Emails must not contain any false representations, income claims, or testimonials.
- (i) **Proper Use of Trademarks.** WAs must properly use Allowed Content containing dōTERRA Intellectual Property, as follows: Trademarks are adjectives used to modify nouns; the noun is the generic name of a Product or service. As adjectives, trademarks may not be used in the plural or possessive form. Correct: "You should buy two bottles DigestZen softgels." Not Correct: "You should buy two DigestZens."
- (j) **Use of Allowed Content Outside Australia:**
 - (i) WAs should not use trademark symbols on Product communications that will be distributed outside Australia.

12.5 Acknowledgement and Protection of Rights

- (a) **Acknowledgment of Rights.** WAs agree that all Allowed Content is owned exclusively by dōTERRA Holdings, LLC, or licensed to dōTERRA Holdings, LLC. Except for the limited rights granted by the Contract for the term of the Contract, WAs acknowledge that dōTERRA hereby retains all legal title to and beneficial ownership of and all rights to the intellectual property and all intellectual property rights related thereto for all purposes. WAs agree to assist dōTERRA to protect dōTERRA's rights in the intellectual property at dōTERRA's request.
- (b) **Agreement to Protect.** WAs agree to assist dōTERRA to the extent necessary in the procurement of any protection or to protect any of dōTERRA's rights to the Allowed Content.
- (c) **Assignments.** WAs agree that nothing contained in the Contract shall be construed as an assignment or grant to the WA of any right, title or interest in or to the Content or Allowed Content, it being understood that all rights relating thereto are reserved by dōTERRA,

except for the right to use the Allowed Content as expressly provided in the Contract. WAs agree that at the termination or expiration of the Contract, WAs will be deemed to have assigned, transferred and conveyed to dōTERRA any trade rights, equities, good will, titles or other rights in and to dōTERRA Intellectual Property which may have been obtained by WAs or which may have vested in WAs in pursuance of any endeavours covered hereby, and that WAs will execute any instruments requested by dōTERRA to accomplish or confirm the foregoing. Any such assignment, transfer or conveyance shall be without other consideration other than the mutual covenants and considerations of the Contract.

Section 13. RETAIL STORE, SERVICE ESTABLISHMENT SALES AND TRADE SHOW POLICY

Retail Store Policy

- 13.1 With written approval from dōTERRA (which will not be unreasonably withheld), a WA may sell Products and/or promote the opportunity to be a WA and sell dōTERRA Products through retail stores such as health food stores, grocery stores, and other such establishments, except in such stores or establishments that, in dōTERRA's sole discretion, are large enough to be considered state, regional or national chains.
- 13.2 WAs may not sell Products through online auctions or market place sites, such as eBay, Amazon, Facebook Marketplace, Alibaba or Catch of the Day, without written approval from dōTERRA.

Service Establishments

- 13.3 WAs may sell Products through service establishments that provide services related to the Products. For example, dōTERRA Products may be sold through the offices of doctors and other healthcare professionals, health clubs, spas, and gyms. Hospitals may not be enrolled without written permission from compliance and legal departments.

Suitability

- 13.4 dōTERRA reserves the right, in its sole discretion (acting reasonably), to make a final determination as to whether an establishment is a suitable place for the sale of the Products. dōTERRA's granting of permission in a particular case does not waive its right to enforce this Policy Manual in any and all other cases.

Trade Show Policy

- 13.5 WAs wishing to display, promote and sell dōTERRA Products and the dōTERRA opportunity in connection with a trade show may rent a booth or set up an exhibit at a trade show or convention (**Convention**), subject to dōTERRA's written approval of the Convention (which will not be unreasonably withheld) and the WA's compliance with the following requirements:

- (a) The WA must complete and submit an Event Submission Form to dōTERRA. This form is located in the online dōTERRA Virtual Office.
- (b) In order to obtain a booth and secure exclusive rights, dōTERRA must receive a form requesting permission to participate at least 4 weeks prior to the show.
- (c) dōTERRA reserves the right to grant exclusivity and to only allow 1 booth representing dōTERRA and Products per show. Only dōTERRA Products and/or the opportunity to be a WA and sell dōTERRA Products may be offered in the trade show booth. Only dōTERRA produced marketing materials may be displayed or distributed. A purchase of a dōTERRA - produced WA banner, to display in the booth, is required. Exclusive rights are granted in the sole discretion of dōTERRA.
- (d) The WA will not reference dōTERRA in any form of advertisement or promotional material that implies that dōTERRA is participating in the Convention. Instead, any Company-approved advertisement or promotional material must make specific reference to the WA as an independent WA of dōTERRA. This includes any maps or listings prepared by the sponsor of the Convention.
- (e) The WA will not make earnings representations without using dōTERRA's current full earnings disclosure. WAs shall not make any unsubstantiated or misleading claims regarding the level of potential income a WA is able to earn, or the lifestyle that income may sustain.
- (f) The WA will not use the Convention to promote any Product, service, or business opportunity other than the dōTERRA business in which the WA may be involved.
- (g) During the Convention the WA must personally comply with this Policy Manual and all applicable laws (including, without limitation, the Australian Consumer Law), and is responsible for:
 - (i) the actions of every Person who works in the booth at the Convention;
 - (ii) all material distributed at the Convention; and
 - (iii) all other aspects of participation in the Convention.
- (h) In addition to the other remedies provided in the Policy Manual, dōTERRA reserves the right to deny future Convention participation for any policy breach at a Convention.

Section 14. INTERNATIONAL BUSINESS

Permissible Activity in Unopened Markets

- 14.1 Prior to the official opening of an Open Local Market, permissible WA activity in an Unopened Market is limited to providing business cards and conducting, organising or participating in meetings where the number of attendees at any given meeting, including the WA, does not exceed 5. Participants in such meetings must be personal acquaintances of the WA or personal acquaintances of the WA's personal acquaintances in attendance at the meeting. The meetings must be held in a home or a public establishment but may not be held in a private hotel room.
- 14.2 All cold calling techniques (soliciting persons who are not prior personal acquaintances of the contacting WA) are strictly prohibited in Unopened Markets.

Prohibited Acts in Unopened Local Markets

- 14.3 A WA may not import or facilitate the importation, sale, gift, or distribution of dōTERRA Products, services, or Product samples.
- 14.4 A WA may not place any type of advertisement or distribute promotional materials regarding dōTERRA, its Products or the dōTERRA opportunity, except dōTERRA-approved Sales Aids, which are specifically authorised for distribution in Unopened Markets.
- 14.5 A WA may not solicit or negotiate any agreement for the purpose of committing a citizen or resident of an Unopened Market to the dōTERRA opportunity, a specific Enrolling Sponsor or specific line of sponsorship. Furthermore, a WA may not sign up citizens or residents of Unopened Local Markets in an Open Local Market or by using Contract forms from an Open Local Market, unless the citizen or resident of the Unopened Market has, at the time of sign-up, permanent residence and legal authorisation to work in the Open Local Market. It is the Enrolling Sponsor's responsibility to ensure compliance with residency and work authorisation requirements. Membership or participation in, or ownership of a corporation, partnership or other legal entity in an Open Local Market does not by itself fulfil the residency or work authorisation requirements. If a WA fails to provide verification of residency and work authorisation when requested by dōTERRA, this failure to comply with the Policy Manual may constitute a material breach of the WA Agreement allowing dōTERRA to terminate it in accordance with clause 7 of the WA Agreement.
- 14.6 A WA may not accept money, or other consideration, or be involved in any financial transaction with a potential WA for the purposes of renting, leasing or purchasing facilities to promote or conduct Company-related business.
- 14.7 A WA may not promote, facilitate, or conduct any type of activity which exceeds the limitations set out in this Policy Manual or which dōTERRA, in its sole discretion, deems to be contradictory to dōTERRA's business or ethical interests in international expansion.

Activity in Local Markets

- 14.8 A WA conducting business outside their Local Market are subject to and shall comply with the dōTERRA Policy Manual applicable for the Local Market in which the WA is conducting business. A WA marketing products outside their Local Market shall comply with the applicable Local Market business opportunity and product claim policies when marketing the Company as a business opportunity or its products in the Local Market.

No Exclusive Local Markets

- 14.9 There are no exclusive Local Markets. A WA has the right to operate anywhere in the WA's country of residence.

Prohibited Local Markets

- 14.10 dōTERRA reserves the right to designate certain Local Markets in which it is prohibited to sell Products until the market has been designated an Open Local Market by dōTERRA.
- 14.11 It is the responsibility of each WA, prior to each instance of conducting pre-market opening activities in an Unopened Market, to verify through current contact with dōTERRA that the Local Market in which he plans to conduct those activities is not a prohibited Local Market. A WA may obtain a list of prohibited Local Markets by calling dōTERRA.

Section 15. AUTHORISED USE OF WELLNESS ADVOCATE'S INFORMATION.

WA Lists

- 15.1 Lists of WAs and all contacts generated from WAs (**Lists**) are the confidential property of dōTERRA. dōTERRA has derived, compiled, configured, and currently maintains the Lists through the expenditure of considerable time, effort, and monetary resources. The Lists, in their present and future forms, constitute commercially advantageous assets and trade secrets of dōTERRA. The right to disclose Lists and other WA information maintained by dōTERRA is expressly reserved by dōTERRA and may be denied at dōTERRA's discretion.

Confidentiality of Lists

- 15.2 Vendors, suppliers, or other persons obtaining access to Lists of WAs through their production or distribution of that material contractually agree to the confidentiality and proprietary nature of those Lists, and that any use of those Lists or contacts generated from those Lists, except for the sole purpose of furthering dōTERRA's business, is expressly forbidden. They also agree that the information is the property of dōTERRA, and that any materials offered to the WAs which make any reference to dōTERRA or its programs may be made only with dōTERRA's prior written consent.

Specific Lists

- 15.3 dōTERRA provides a uniquely tailored portion of the Lists to WAs (hereinafter in the context of Lists, the "**Recipient**"). Each portion of the provided List contains only information specific to the Recipient's level and his or her own Organisation.

Limitations on Use

- 15.4 These Lists are provided for the exclusive and limited use of the Recipient to facilitate the training, support, and servicing of the Recipient's Organisation for furtherance of dōTERRA-related business only. Each Recipient agrees that each use, within its intended scope, constitutes a separate exclusive license agreement between the Recipient and dōTERRA.

Lists Belong to Company

- 15.5 These Lists remain, at all times, the exclusive property of dōTERRA, which may, at any time and in dōTERRA's sole discretion, reclaim and take possession of the Lists. The Lists constitute Confidential Information for the purposes of the Contract.

Section 16. BREACH AND MISCONDUCT.

Rights Conditioned Upon Performance

- 16.1 A WA's rights under the Contract are conditional upon and subject to the WA's continued performance in accordance with the terms of the Contract. dōTERRA may excuse a WA's non-performance in whole or in part without waiving its rights and remedies under the Contract.

Failure to Comply with the Policy Manual

- 16.2 It is a requirement of the Contract that WAs comply with the requirements of the Policy Manual at all times in the operation of a WA's dōTERRA business, and not engage in any illegal, fraudulent, deceptive, or unethical business conduct.
- 16.3 In addition to any rights of suspension or termination under the Contract and its other rights available at law, the remedies dōTERRA may apply (acting reasonably) in the event of non-compliance include (but are not limited to) the following measures:
- (a) Issue an oral and/or written warning or admonition to the WA;
 - (b) Closely monitor the conduct of the WA over a specified period of time to ensure compliance;

- (c) Require the WA to provide dōTERRA with additional assurances that the WA's performance will be in compliance with the Contract. Further assurances may include requiring the WA to take certain actions in an effort to mitigate or correct non-performance;
 - (d) Deny or suspend privileges that are awarded from time to time by dōTERRA or cease performing its obligations under the Contract, including but not limited to, awards, recognition at corporate events or in corporate literature, participation in sponsored events, placement of product orders, promotion within the Sales Compensation Plan, access to dōTERRA information and genealogies, or the WA's participation in other Company programs or opportunities;
 - (e) Discontinue or limit payment of Bonuses from all or any part of the sales of the WA or the WA's Organisation;
 - (f) Withhold future Bonus or commission payments;
 - (g) Reassign all or part of the WA's organisation; and/or
 - (h) Adjust the WA's status.
- 16.4 Having regard to the importance of the Policy Manual and the Sales Compensation Plan, a failure to comply with them in the course of operating the WA's dōTERRA business may constitute a material breach of the WA Agreement, allowing dōTERRA to terminate in accordance with clause 7 of the Contract.
- 16.5 All obligations regarding confidentiality of information and the WA network Lists survive termination of the Contract, including but not limited to the obligations outlined in Section 15. of this Policy Manual.

Investigation

- 16.6 The following procedure applies when dōTERRA investigates an alleged violation of the Contract:
- (a) dōTERRA will provide the WA with written notice of the alleged breach of Contract. Each WA agrees that the relationship between a WA and the dōTERRA is entirely contractual. Accordingly, dōTERRA will neither honour nor respect any claim by a WA that the relationship is or has been quasi-contractual, has arisen by implication from any continuing practice or course of action, has been verbally authorised by an employee of the dōTERRA in contradiction of the terms of the Contract, or is otherwise implied in fact.
 - (b) dōTERRA will give the WA 10 business days from the date of dispatch of a notification letter during which the WA may present all information relating to the incident for review by dōTERRA. dōTERRA reserves the right to prohibit activity (e.g. placing orders, sponsoring,

modifying WA information, receiving Bonuses, etc.) by the Distributorship in question from the time notice is sent until a final dōTERRA decision is rendered.

- (c) On the basis of any information obtained from collateral sources and from dōTERRA's investigation of the statements and facts taken together with information submitted to dōTERRA during the response period, dōTERRA will make a final decision regarding the appropriate outcome, which may include the measures set out in section 16.3 of the Policy Manual or termination of the Contract in accordance with clause 7 of the WA Agreement. dōTERRA will notify the WA of its decision within 10 business days. An outcome that does not involve termination will be effective as of the date on which notice of the dōTERRA's decision is dispatched.

Section 17. OTHER MATTERS.

Changes to the policy manual and sales compensation plan

- 17.1 dōTERRA expressly reserves the right to amend this contract, including this Policy Manual, from time to time, at dōTERRA's discretion. dōTERRA will provide notice of any materially detrimental changes, and may (at dōTERRA's discretion) provide notice of any other changes, by email at least 30 days before the changes take effect. Otherwise, updated terms will be posted on dōTERRA's website with immediate effect.

Transfer of Distributorship Position

- 17.2 Except as otherwise noted in this Policy Manual a WA may dispose of, sell, transfer, or otherwise assign his or her Distributorship assets in any manner allowed by the Contract and applicable law (including sale, gift, or bequest) with the express prior written consent of dōTERRA (which will not be unreasonably withheld). Any transfer of a Distributorship is subject to the following rules:
 - (a) Upon transfer, a new Distributorship is created, but the new Distributorship takes the place of the former Distributorship organisationally. Further, unless expressly agreed to in writing by dōTERRA, the Accounts Receivable balance, PV, LRP points, and enrolment date shall be retained by the former Distributorship.
 - (b) For purposes of signing up again as a WA, a gift, sale, transfer or assignment is treated as a termination with respect to the transferor. In other words, a WA who gifts, sells, conveys or otherwise transfers his or her Distributorship must wait six months (if Premier Rank or lower) or twelve months (if Silver Rank or higher) from the official termination date (or the date of the last Product purchase, if earlier than the termination or transfer date) to sign up again.

Distributorship Succession

- 17.3 In the event that a WA dies or becomes incapacitated, that WA's Organisation will pass to the WA's legal successors under the appropriate laws. Successors should promptly notify dōTERRA in writing of such an event within 10 business days and provide the proper documentation.

Operation of the Distributorship During Succession

- 17.4 During the pendency of a divorce, separation or entity dissolution involving the WA(s) within a Distributorship, the parties must adopt one of the following methods of operation:
- (a) One of the parties may, with consent of the other(s), operate the Distributorship pursuant to an assignment in writing whereby the relinquishing Spouse, shareholders, partners or trustees authorise dōTERRA to deal directly and solely with the other Spouse or non-relinquishing shareholder, partner or trustee.
 - (b) The parties may continue to operate the Distributorship jointly on a "business-as-usual" basis, whereupon all compensation paid by dōTERRA will be paid in the joint names of the WAs or in the name of the entity to be divided as the parties may independently agree between themselves.
 - (c) During the pendency of a divorce or separation, one of the parties may propose another method of operation, which dōTERRA will consider and will not unreasonably reject.

Distributorships are Indivisible

- 17.5 A Distributorship is a personal and indivisible right attaching to each WA. Under no circumstances can a Distributorship, or any income attributable to a Distributorship, be divided. Similarly, under no circumstances will dōTERRA split Bonus cheques between divorcing or separating Spouses or dissolving entities. dōTERRA will recognise only one Organisation and will issue only one Bonus cheque per Distributorship per commission cycle. Cheques shall always be issued to the same individual or entity.

Court Proceedings.

- 17.6 WAs involved in court proceedings over the ownership or the management of a Distributorship are under obligation to inform the Court that the Distributorship is indivisible, and that dōTERRA will not divide an Organisation or Bonus cheques. The final order must expressly assign ownership of the Distributorship.

Waiting Period

- 17.7 If a former WA has completely relinquished all rights in their original Distributorship, they are thereafter free to enrol under any sponsor of their choosing, so long as they meet the waiting period requirements in section 17.2(b) of this Policy Manual. In such case, however, the former WA

shall have no rights to any WAs in their former Organisation or to any former Customers or PMs. They must develop the new business in the same manner as would any other new WA.