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SECTION 1 – PURPOSES OF LIFEVANTAGE POLICIES AND PROCEDURES

LifeVantage Corporation and affiliated corporate entities (hereinafter, “LifeVantage” or “Company”) has developed the following guidelines to assist the Company and its LifeVantage Distributors mutually succeed in their relationship. The LifeVantage Policies and Procedures (“P&P”) provide the following benefits:

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

SECTION 2 – INTRODUCTION

2.1 – Incorporated into LifeVantage Distributor Agreement

The LifeVantage Policies and Procedures also referred to herein as the Manual or P&P in their present form and as amended from time to time are incorporated into, and form an integral part of, the LifeVantage Distributor Application and Agreement (“LifeVantage Distributor Agreement”). Throughout the P&P, when the term “Agreement” is used, it collectively refers to the LifeVantage Distributor Application and Agreement, the LifeVantage Policies and Procedures, the LifeVantage Sales Compensation Plan, the LifeVantage Privacy Policy and Website Use Agreement and any applicable business entity forms. These documents are incorporated by reference into the LifeVantage Distributor Agreement. Unless otherwise defined herein, capitalized terms shall have the meaning specified in Section 18 of the P&P. It is the responsibility of each LifeVantage Distributor to read, understand, adhere to and ensure that they are aware of and operating under the most current version of the P&P. When enrolling a new LifeVantage Distributor, it is the responsibility of the Enroller (as further defined below) to provide the most current version of this Manual and the LifeVantage Sales Compensation Plan to the applicant prior to their execution of the LifeVantage Distributor Agreement. All terms contained within the P&P are subject to the terms contained within the LifeVantage Distributor Agreement. In the event of a discrepancy between any provision of the LifeVantage Distributor Agreement and the P&P or the LifeVantage Sales Compensation Plan, the P&P shall prevail.

2.2 – Purpose of Policies

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

2.3 – Changes to the Agreement

Because applicable laws, as well as the business environment periodically change, LifeVantage reserves the right to amend any portion of the Agreement and its prices and product offerings. The Company shall provide notice of any amendments to the Agreement by one or more of the following methods: (1) posting on the Company’s official website; (2) electronic mail (e-mail); (3) special mailings from the Company; or, (4) posting to your distributor back office. The most current and controlling version will be located at www.LifeVantage.com. The amendments to the Agreement shall become effective 30 days after notice by one of the methods set forth above. Once the amendment(s) are published, you may elect to reject them. If you reject them, your Agreement will terminate and will not be renewed. If you are not willing to accept these changes, LifeVantage must be notified in writing prior to the change being effective, by contacting []. By executing the Agreement, you agree to abide by all properly noticed amendments or modifications that LifeVantage elects to make to the Agreement.



If the LifeVantage Distributor continues to purchase or sell Company products, enrol and/or accept rebates, commissions or bonuses from LifeVantage, such actions shall be deemed acceptance of any properly noticed amendments to the Agreement. Amendments shall not apply retroactively to conduct that occurred prior to the effective date of the Amendment. Any amendments to the Agreement accomplished through the notice and opt-out procedures contained in this section shall not apply retroactively to conduct that occurred prior to the effective date of the amended Agreement and shall not amend the dispute resolution procedures provided for in Section 14. Any retroactive changes to the Agreement or any amendments to the dispute resolution procedures shall require affirmative assent. You agree that affirmative assent can be obtained from you by electronic signature, written confirmation, or electronic click-through/click wrap agreements.

2.4 – Delays

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

2.5 – Severability

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

2.6 – Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a LifeVantage Distributor. No failure of LifeVantage to exercise any right or power under the Agreement or to insist upon strict compliance by a LifeVantage Distributor with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of the LifeVantage right to demand exact compliance with the Agreement. Waiver by LifeVantage can be affected only in writing by an authorised officer of the Company. The LifeVantage waiver of any particular breach by a LifeVantage Distributor shall not affect or impair the LifeVantage rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other LifeVantage Distributor. Nor shall any delay or omission by LifeVantage to exercise any right arising from a breach affect or impair the LifeVantage rights as to that or any subsequent breach. The allegation or existence of any claim or cause of action of a LifeVantage Distributor against LifeVantage shall not constitute a defense to the LifeVantage enforcement of any term or provision of the Agreement.

2.7 – Right to Terminate

Each LifeVantage Distributor is aware of the rights to terminate without cause, as set forth in the Agreement.

SECTION 3 – BECOMING A LIFEVANTAGE DISTRIBUTOR

RULES OF CONDUCT

Each LifeVantage Distributor promises to:

- 1) Conduct themselves and their operations as a LifeVantage Distributor honestly, morally and legally to help protect the LifeVantage opportunity for all.
- 2) Keep their activities honorable to reflect well on themselves and on LifeVantage.
- 3) Speak well of LifeVantage, as well as competitors.
- 4) Honestly present the LifeVantage product as per the LifeVantage literature, including accurate and legally permissible health claims and benefits.



- 5) Explain the LifeVantage Sales Compensation Plan honestly and completely.
- 6) Respect the privacy of others and keep their personal earnings and the earnings of others private.
- 7) Take their Enroller and Upline responsibilities seriously, including, aiding and supporting those in their Marketing Organization.
- 8) Abide by the product guarantee and return policies for themselves and for their customers.
- 9) Respect the professional relationships between LifeVantage and any of its advisors, endorsers or affiliates by speaking of them appropriately and refraining from making contact with them.
- 10) Direct all media inquiries to LifeVantage.
- 11) Honor the established relationships between Enrollers and Enrollees to avoid conflicts of interest with other Distributors, Enrollers and enrollees.
- 12) Adhere to the Agreement.
- 13) Conduct their LifeVantage Distributorship professionally in order to help protect the LifeVantage opportunity for all.

3.1 – Requirements to Become a LifeVantage Distributor

To become a LifeVantage Distributor, each applicant must:

- 1) Be a minimum of eighteen (18) years of age and legally competent to enter into a contract;
- 2) Have a valid Social Security or Federal Tax ID number;
- 3) Purchase a LifeVantage Start Kit; and
- 4) Submit a properly completed and signed LifeVantage Distributor Agreement to LifeVantage. The Company reserves the right to reject any applications to become or annually renew as a LifeVantage Distributor.

The Agreement is effective upon acceptance of the LifeVantage Distributor Agreement by the Company as set forth herein

3.2 – LifeVantage Distributor Application by Fax or Internet

In addition to applying online or with a physical LifeVantage Distributor Agreement, an applicant may also apply by faxing to LifeVantage a properly completed LifeVantage Distributor Agreement. Applicants registering by fax may include their credit card information to purchase the Start Kit and must ensure that they fax all pages of the LifeVantage Distributor Agreement to LifeVantage.

3.3 – Renewal of a LifeVantage Distributorship

The term of the Agreement is one (1) year from the date of its acceptance by LifeVantage. A reasonable renewal fee may be required and billed each successive year on the anniversary date of the Agreement. Once the annual renewal fee has been collected, the Agreement will be renewed provided the LifeVantage Distributor is in good standing and the Agreement has not been otherwise cancelled as provided herein.

SECTION 4 – OPERATING A LIFEVANTAGE DISTRIBUTORSHIP

4.1 – Adherence to the LifeVantage Sales Compensation Plan

LifeVantage Distributors must adhere to the terms of the LifeVantage Sales Compensation Plan. LifeVantage Distributors shall not offer the LifeVantage opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official LifeVantage literature. LifeVantage Distributors shall not



require or encourage other current or prospective LifeVantage Distributors to participate in LifeVantage in any manner that varies from the LifeVantage opportunity as set forth in official LifeVantage materials. LifeVantage Distributors shall not require or encourage other current or prospective LifeVantage Distributors to execute any agreement or contract other than official LifeVantage agreements to become a LifeVantage Distributor. Similarly, LifeVantage Distributors shall not require or encourage other current or prospective LifeVantage Distributors to make any purchase from, or payment to, any individual or other entity to participate in the LifeVantage Sales Compensation Plan and LifeVantage opportunity other than those identified in the Agreement and/or official LifeVantage literature.

4.2 – Business Entities

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

4.3 – Minors

A person who is recognized as a minor in his or her jurisdiction of residence may not be a LifeVantage Distributor. LifeVantage Distributors shall not enroll or recruit minors or anyone unable to legally form a contract to become a distributor of LifeVantage.

4.4 – One LifeVantage Distributorship per Person and two per Household

Except as provided in this Section 4.4, a LifeVantage Distributor may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, member, owner or beneficiary, in only one LifeVantage Distributorship. Individuals of the same family unit may not enter into or have an interest in more than two LifeVantage Distributorships (see Section 6.5 “Stacking”). A “family unit” is defined as spouses (as further defined below) and dependent children living at or doing business at the same address. In order to maintain the integrity of the LifeVantage Sales Compensation Plan, spouses who wish to become separate LifeVantage Distributors must each sign a separate LifeVantage Distributor Application and Agreement, and must have the same Enroller. A person may be “placed” in his or her spouse’s LifeVantage Distributorship as long as they have the same Enroller. An individual may have a second and third position only as they are earned as “multiple Business Centers” as described in the LifeVantage Sales Compensation Plan.

4.4.1 – Actions of Household Members or Affiliated Individuals

If any member of a LifeVantage Distributor’s immediate household engages in any activity which, if performed by the LifeVantage Distributor, would violate any provision of the Agreement, such activity will be deemed a violation by the LifeVantage Distributor and LifeVantage may take disciplinary action pursuant to the Agreement against the LifeVantage Distributor. Similarly, if any individual associated in any way with a Business Entity (collectively “Affiliated Individual”) violates the Agreement, such action(s) will be deemed a violation by the entity distributorship and LifeVantage may take disciplinary action against the Business Entity.

4.4.2 – Independent Contractor Status

LifeVantage Distributors are independent contractor distributors, not employees of the Company. LifeVantage Distributors are not purchasers of a franchise or of a business opportunity. The Agreement between LifeVantage and its LifeVantage Distributors does not create an employer/employee relationship, agency, partnership or joint venture between the Company and any LifeVantage Distributor. LifeVantage may, require notarized documents before implementing any changes to a LifeVantage Distributorship. Please allow thirty (30) days after the receipt of the request by LifeVantage for processing. A LifeVantage Distributor is responsible for paying all applicable taxes due from all compensation earned as a LifeVantage Distributor. A LifeVantage Distributor has no authority (express or implied) to bind the Company to any obligation. Each LifeVantage Distributor shall establish their own goals, hours and methods of sale, so long as they comply with the terms of the Agreement and all applicable laws.



4.5 – Enrolling/Placing or Sponsoring

All active LifeVantage Distributors in good standing may enroll and place (sponsor) eligible applicants into LifeVantage. Each prospective distributor has the ultimate right to choose their own Enroller and Placement Sponsor. If two LifeVantage Distributors claim to be the Enroller and/or Placement Sponsor of the same new LifeVantage Distributor or Customer, the Company shall presume that the first application received by the Company is controlling, but the Company shall retain the right to determine and decide in its discretion all issues of disputed enrollment. Company is controlling, but the Company shall retain the right to determine and decide in its discretion all issues of disputed enrollment.

4.6 – Changes to a LifeVantage Distributorship

4.6.1 – General

Each LifeVantage Distributor must immediately notify LifeVantage of all changes to the information contained on his or her LifeVantage Distributor Agreement and/or Business Entity Form, as applicable. LifeVantage Distributors may modify their existing LifeVantage Distributor Agreement by submitting a written request for a Name Change Request Form, a properly executed LifeVantage Distributor Agreement, and any requested supporting documentation.

4.6.2 – Addition of Co-Applicant

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

4.6.3 – Change of Enroller

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

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

4.6.3.2 – The LifeVantage Distributor seeking to transfer/change submits a properly completed and fully executed Enroller Change Request Form, which includes the written approval of their Enroller and immediate five (5) Enroller Upline LifeVantage Distributors. Photocopied or facsimile signatures are not acceptable. The LifeVantage Distributor who requests the transfer must submit a processing fee for administrative charges and data processing. If the transferring LifeVantage Distributor also wants to move any of the LifeVantage Distributors in their Marketing Organization, each Downline LifeVantage Distributor must obtain a properly completed Enroller Change Request Form and return it to LifeVantage with the processing fee (i.e., the transferring/ changing LifeVantage Distributor and each LifeVantage Distributor in their Marketing Organization multiplied by the processing fee is the cost to move a LifeVantage organization.) Downline LifeVantage Distributors of the Marketing Organization will not be moved with the transferring/changing LifeVantage Distributor unless all of the requirements of this section are met. LifeVantage Distributors requesting the transfer/change must allow thirty (30) days after the LifeVantage receipt of the complete Enroller Change Request Form and fees for processing and while a decision is being made.



4.6.4 – Change of Placement Sponsor

Change of Placement Sponsor New enrollees that have not been placed under a particular Placement Sponsor at the time of enrollment will, by default, be placed Front Line or immediately below the position of their Enroller. If a Placement Sponsor has not been selected by the end of the first thirty (30) days of enrollment, then their Enroller becomes their Placement Sponsor and changes thereafter must be made in accordance with and through a properly completed and fully executed Placement Sponsor Change Request form, which includes the written approval of their immediate nine (9) Placement Sponsor Upline LifeVantage Distributors. The LifeVantage Distributor who requests the change must submit a processing fee for administrative charges and data processing. LifeVantage Distributors requesting the change must allow thirty (30) days after the LifeVantage receipt of the Placement Sponsor Change Request form for processing while a decision is being made. If the change is approved, only one Placement Sponsor change will be allowed per LifeVantage Distributor and Customer.

4.6.5 – Cancellation and Reapplication

A LifeVantage Distributor may change Marketing Organizations by voluntarily cancelling their LifeVantage Distributorship and remaining inactive (i.e., no purchases of LifeVantage products for resale, no sales of LifeVantage products, no enrolling, no attendance at any LifeVantage functions, participation in any other form of LifeVantage Distributor activity, or operation of any other LifeVantage Distributorship) for six (6) consecutive calendar months. Following the six (6) consecutive calendar months period of inactivity, the former LifeVantage Distributor may reapply under a new enroller. LifeVantage will consider waiving the six (6) month waiting period under exceptional circumstances. Such requests for waiver must be submitted to LifeVantage in writing.

4.7 – Roll-up of Marketing Organization

LifeVantage Distributor positions in a Marketing Organization do not automatically roll up when they are vacated. Rather, when a position is vacated for any reason, either voluntarily or involuntarily, the vacated position will remain in its current position in the Marketing Organization, and its downline organization will remain intact, until at least the time that LifeVantage has recouped all costs and losses, including attorneys fees, associated with the reason the position has been vacated, such as a Distributor's termination and the events that are connected with or led to the termination. This provision includes all costs, fees, and expenses associated with litigation that may result from or be connected with such termination. Once LifeVantage determines, in its discretion, that it has recouped all such costs and losses, the vacated Distributor position may be removed from the LifeVantage Marketing Organization, and the downline organization may roll up to the immediately upline Distributor, all in the discretion of LifeVantage. No LifeVantage Distributor shall have any vested right or claim (1) in the roll-up of any vacated position in any Marketing Organization, regardless of whether the position has been vacated through voluntary resignation or non-renewal, involuntary termination, or otherwise; or (2) in the timing of such roll-up. The decision whether or not to roll up a particular position after it is vacated, and when, is always within the discretion of LifeVantage.

4.8 – Sale, Transfer or Assignment of a LifeVantage Distributorship

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

- 1) If the buyer, transferee, or assignee is an active LifeVantage Distributor, they must first terminate their current LifeVantage Distributorship and wait at least six (6) months before becoming eligible to hold another LifeVantage Distributorship.
- 2) LifeVantage must approve the transaction in writing.
- 3) The selling, transferring, or assigning LifeVantage Distributor must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer, or assign a LifeVantage Distributorship.
- 4) No sale, assignment, or transfer can result in a change to the line of enrollment or Marketing Organization of the sold, assigned, or transferred distributorship, both upline and downline.



- 5) The selling, transferring, or assigning LifeVantage Distributor must offer the Company a right of first refusal to purchase or acquire the distributorship or interest on the same terms as agreed upon with the prospective recipient. The Company shall have thirty (30) days from the date of receipt of the written offer from the selling, transferring, or assigning LifeVantage Distributor to exercise its right of first refusal.
- 6) The buyer, transferee, or assignee must be or become a qualified LifeVantage Distributor. This requires the buyer, transferee, or assignee to execute and submit a new Distributor Application and Agreement to the Company and to agree to all terms of the Agreement, including the P&Ps.
- 7) The selling, transferring, or assigning LifeVantage Distributor must wait a period of six (6) months from the date of the sale, transfer, or assignment of their LifeVantage Distributorship before they will be eligible to again enroll as a LifeVantage Distributor.
- 8) All parties to the proposed transaction must execute any documents requested by the Company in connection with the transaction. Satisfaction of these minimum criteria for sale, transfer, or assignment of a LifeVantage Distributorship are not a guarantee that the Company will approve such sale, transfer, or assignment. Approval of any such transaction always resides in the discretion of LifeVantage.

4.9 – Separation of a LifeVantage Distributorship

LifeVantage Distributors sometimes operate their LifeVantage Distributorships as spouses through a Business Entity. At such time as a marriage ends, or a Business Entity dissolves, arrangements must be made to assure that any separation or division of the Business Entity is accomplished so as not to adversely affect the interests and income of other LifeVantage Distributors upline or downline of the distributorship. If the separating parties fail to provide for the best interests of other LifeVantage Distributors and the Company, LifeVantage may involuntarily and immediately terminate the Agreement and roll-up their LifeVantage Distributorship and its entire Marketing Organization pursuant to the Agreement. Under no circumstances will the Downline of divorcing or legally separating spouses or a dissolving Business Entity be divided based on the requests or desires of the divorcing or legally separating parties. Similarly, under no circumstances will LifeVantage split commission and bonus earnings between divorcing or legally separating spouses or members of dissolving Business Entities. LifeVantage will recognize only one distributorship and will issue only one commissions payment per LifeVantage Distributorship per commission cycle. Commission payments shall be issued to the individual or Business Entity listed on the LifeVantage Distributorship. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the LifeVantage Distributorship, commissions will continue to be paid to the primary member/applicant on the account. If a former spouse or a former affiliated individual has completely relinquished all rights in their original LifeVantage Distributorship, they are thereafter free to enroll under any enroller of their choosing, so long as they meet the waiting period requirements set forth in the Agreement. In such case, however, the former spouse or partner shall have no rights to any downline Marketing Organization in their former organization. The former spouse, business partner and/or affiliated individual must develop a new Marketing Organization in the same manner as would any other new LifeVantage Distributor.

4.10 – Succession

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

The successor(s) in interest must:

- 1) Execute a LifeVantage Distributor Agreement;
- 2) Comply with terms and provisions of the Agreement;
- 3) Meet all of the qualifications for the deceased LifeVantage Distributor's status;



- 4) Bonus and commission payments of a LifeVantage Distributorship transferred pursuant to this section will be made in a single payment jointly to the legal successor(s) in interest. Such successor(s) must provide LifeVantage with an “address of record” and account information for all bonus and commission payments.
- 5) If the LifeVantage Distributorship is bequeathed to multiple legal successors in interest, they must form a Business Entity and acquire an applicable national identification number or other equivalent identification number. LifeVantage will issue all bonus and commission payments and tax forms to each LifeVantage Distributor as required by the applicable taxation authority.

4.11 – Transfer Upon Death of a LifeVantage Distributor

To effect a testamentary transfer of a LifeVantage Distributorship, the successor in interest must provide the following to LifeVantage:

- 1) A certified copy of the death certificate;
- 2) A notarized copy of the will or other instrument establishing the successor’s right to the LifeVantage Distributorship; and
- 3) A completed and signed LifeVantage Distributor Agreement. If the successor in interest is already a LifeVantage Distributor, the Company can grant exception to the one (1) LifeVantage Distributorship per Household rule upon written request from the successor in interest.

4.12 – Transfer Upon Incapacitation of a LifeVantage Distributor

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

4.13 – Errors or Questions

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

4.14 – Bankruptcy

Sale, transfer, or assignment of a LifeVantage Distributorship through bankruptcy is prohibited. This prohibition applies if a Distributor files for bankruptcy and his or her Distributor position or Distributor Agreement would otherwise become part of an estate in bankruptcy or an asset for sale or disposition as part of the proceedings. Under no circumstances may a Distributorship be transferred to any other person or entity as part of a bankruptcy proceeding, either by the Distributor, the bankruptcy trustee, a court, or otherwise. Unless a Distributor is permitted to retain his or her Distributorship as part of the resolution of the bankruptcy proceedings, such Distributorship shall be deemed cancelled and the Distributor position vacated as of the date of the bankruptcy filing.

SECTION 5 – RESPONSIBILITIES OF LIFEVANTAGE DISTRIBUTORS

5.1 – Change of Address, Telephone or E-mail

To ensure timely delivery of products, support materials and sales commission payments, it is critically important that your addresses with LifeVantage are current. Street addresses are required for shipping since LifeVantage product will not be delivered to a post office box. LifeVantage Distributors planning to move should send any change of address,



telephone or e-mail to the LifeVantage Distributor Support Department. If a LifeVantage Distributor is presently on a monthly subscription order, the subscription order will automatically be updated to the new address. If more than one change of address notice or subscription order agreement has been submitted to LifeVantage, the most recent one will supersede previous notices. Please allow thirty (30) days after the receipt of the notice or new subscription agreement by LifeVantage for processing.

5.2 – Continuing Development Obligations

5.2.1 – Ongoing Responsibility

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

5.2.2 – Ongoing Sales Responsibilities

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

5.3 – Non-Disparagement

LifeVantage wants to provide its LifeVantage Distributors with the best products, compensation plan and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments hereby agree they will be submitted in writing to the LifeVantage Distributor Support Department. LifeVantage Distributors should not, however, disparage, demean or make negative remarks about LifeVantage, other LifeVantage Distributors, LifeVantage products, the LifeVantage Sales Compensation Plan, or any LifeVantage directors, officers or employees with a, unless such statements are truthful and required by compulsory legal process.

5.4 – Providing Documentation to Applicants

An Enroller Distributor must provide the most current version of the Agreement to include the LifeVantage Policies and Procedures and the LifeVantage Sales Compensation Plan to the individual(s) whom they are considering enrolling to become a LifeVantage Distributor before such applicant signs a LifeVantage Distributor Agreement. The most recent LifeVantage Distributor Agreement may be found on the official LifeVantage website.

5.5 – Reporting Policy Violations

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

5.6 – Company Claims

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



SECTION 6 – CONFLICTS OF INTEREST

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

6.1 – Non-Solicitation and Recruiting

6.1.1 – Concurrent Recruiting Prohibited

During the term of the Agreement, LifeVantage Distributors may not directly or indirectly Recruit other LifeVantage Distributors for any other Network Marketing Venture (a “Competing Activity”). The term “Recruit” means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly (including but not limited to the use of a website or social media), or through a third party, another LifeVantage Distributor to enroll or participate in a Competing Activity. This conduct constitutes Recruiting even if the Distributor’s actions are in response to an inquiry or contact made by another Distributor.

6.1.2 – Post-Termination Recruiting Prohibited

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

6.1.3 – Concurrent Cross-Promotion Prohibited

During the term of the Agreement, LifeVantage Distributors are also prohibited from associating their LifeVantage business activities with any non-LifeVantage business opportunity or products or offering such non-LifeVantage business opportunities or products to other LifeVantage Distributors, regardless of whether such other business opportunity or products relate to Network Marketing Ventures. In particular, without limitation, a LifeVantage Distributor may not:

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



6.1.4 – Remedies

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

6.2 – Targeting Other Direct Sellers

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

6.3 – Cross-Sponsoring

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

6.4 – Holding Applications or Orders

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

6.5 – Stacking

"Stacking" is strictly prohibited. The term Stacking includes: (1) the failure to transmit to LifeVantage or the holding of a LifeVantage Distributor Agreement in excess of two (2) business days after its execution; (2) violating the two LifeVantage Distributorships per household rule; and/or (3) enrolling fictitious individuals or Business Entities to become LifeVantage Distributors or Customers.



SECTION 7 – LIFEVANTAGE DISTRIBUTOR COMMUNICATION AND CONFIDENTIALITY

7.1 – Marketing Organization (Genealogy Reports)

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

- 1) Directly or indirectly disclose any information contained in any Marketing Organization Activity Report to any third party;
- 2) Directly or indirectly disclose the password or other access code to their Marketing Organization Activity Report;
- 3) Use the information to compete with LifeVantage or for any purpose other than promoting their LifeVantage Distributorship;
- 4) Recruit or solicit any LifeVantage Distributor or Customer of LifeVantage listed on any report, or in any manner attempt to influence or induce any LifeVantage Distributor or Customer to alter their business relationship with LifeVantage;
- 5) Use or disclose to any person, partnership, association, corporation or other entity any information contained in any Marketing Organization Activity Report. Upon demand by the Company, any current or former LifeVantage Distributor will return the original and all copies of Marketing Organization Activity Reports to the Company; and
- 6) It is a violation of the Agreement and these Policies and Procedures for a LifeVantage Distributor or a third party to access this data via reverse engineering, keystroke monitoring or by any other means. The provisions of this section 7.1 shall survive termination of the Agreement.

7.2 – Communication and Data Protection

Each LifeVantage Distributor agrees that LifeVantage or a party acting on its behalf may contact a LifeVantage Distributor by email or at the telephone numbers or fax number listed on application or as updated on their account. Distributors understand that their consent is not a condition of purchase. LifeVantage Distributors consent and agree to the LifeVantage Privacy Policy and Website Use Agreement when executing the Agreement. LifeVantage is the data controller of any Personal Information (as defined in the LifeVantage Privacy Policy and Website Use Agreement) that may be provided LifeVantage when placing an order for products or services. LifeVantage Distributors agree that LifeVantage or a party acting on its behalf may collect Personal Information from them including names, birth dates, genders, addresses, phone and fax numbers, banking and credit card information and transmit that information to LifeVantage Corporation which is located in the United States of America for the purpose of executing orders and making commission payments. LifeVantage Corporation may provide Personal Information of LifeVantage Distributors and Customers to its shipping partners and credit card processors for the purpose of processing orders. LifeVantage Distributors consent and agree to LifeVantage transferring the data for these purposes. LifeVantage Distributors may request a copy of Personal Information, or to correct, remove or update Personal Information, by contacting LifeVantage in writing by mail or by sending an e-mail to support@lifevantage.com.



SECTION 8 – ADVERTISING

8.1 – General

In order to safeguard and promote the good reputation and established brands of LifeVantage and its products and ensure that the promotion of LifeVantage, the LifeVantage opportunity, and LifeVantage products are consistent with the public interest and avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices, all LifeVantage Distributors, except those with significant experience and who have achieved the rank of Elite Pro 7 or higher per below exception, are encouraged to use only the sales aids and support materials produced by LifeVantage. The Company has carefully designed its products, product labels, compensation plan and promotional materials to ensure that the presentation of each aspect of LifeVantage is fair, truthful, substantiated and complies with the vast and complex legal requirements of all applicable laws. In the event that an experienced LifeVantage Distributor, who has achieved the rank of Elite Pro 7 or higher, produces supplemental marketing material of any kind including, but not limited to, advertisements of any media type, flyers, brochures, digital media, websites, audio recordings, posters, or banners, LifeVantage requires that such be submitted to the LifeVantage Compliance Department for approval before it may be used or made public. All such proposed materials may be sent to LifeVantage Compliance Department at compliance@lifevantage.com. Unless the LifeVantage Distributor receives specific written approval to use such materials the request shall be deemed denied. Also, LifeVantage reserves the right, at its discretion, to edit or discontinue previously approved LifeVantage Distributor materials. All such materials may not be sold and may only be offered free of charge. LifeVantage further reserves the right to rescind approval for any sales tools, promotional materials, advertisements or other literature, and LifeVantage Distributors waive all claims for damages or remuneration arising from or relating to such rescission. Elite Pro 7 or higher LifeVantage Distributors may not make any claims stating that documents or materials that they have written or produced have been given approval from the LifeVantage Compliance Department or that they are “compliance-approved” even if they have received approval through the Compliance Department for their marketing materials. As these compliance policies are vital to the long-term stability of LifeVantage and the preservation of the opportunity for all, violations of these policies will be strictly enforced. Failure to obtain approval for supplemental marketing materials of any kind and/or failure to implement the policies in any material may result in any of the actions set forth in the Agreement including, without limitation, the following:

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

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

8.2 – Trademarks and Copyrights

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



LifeVantage Distributor's Name
LifeVantage Independent Contractor Distributor

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

8.3 – Unauthorized Claims and Actions

8.3.1 – Indemnification

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

8.3.2 – Product Claims

No claims, which include personal testimonials, as to therapeutic, curative or beneficial properties of any products offered by LifeVantage may be made except those contained in official LifeVantage materials. In particular, no LifeVantage Distributor may make any claim that LifeVantage products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases or signs or symptoms of disease. Not only are such claims violations of LifeVantage policies, but they potentially violate applicable laws, including, but not limited to, federal and state laws and regulations, such as the Federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act.

A LifeVantage Distributor that provides product experience testimonials in any medium should use care to disclose their affiliation with LifeVantage, i.e., LifeVantage® Independent Distributor, be honest in their testimonial personal experience and assert that they are not claiming that their experience is the typical result experienced by consumers.

8.3.3 – Income Claims

It is important that all LifeVantage Distributors are fully informed and have realistic expectations concerning the income opportunity associated with being a LifeVantage Distributor. Therefore, it is important that LifeVantage Distributors not make any claims, specific or implied, regarding the income opportunity that are false or misleading, including income guarantees of any kind. As to lifestyle claims (e.g., my LifeVantage business allowed me to buy a boat, quit my job, purchase a new home, etc.), LifeVantage Distributors may only make such claims if the following conditions are met:

- 1) The information must be accurate and not misleading;
- 2) The information must be based on their experience and actual compensation level or be consistent with information in Company support materials and
- 3) The LifeVantage Distributor provides each person in attendance with a copy of the applicable LifeVantage Income Disclosure Statement.

Hypothetical income examples that are used to explain the operation of the LifeVantage Sales Compensation Plan and which are based solely on mathematical projections, may be made to prospective LifeVantage Distributors, so long as the LifeVantage Distributor who uses such hypothetical examples makes clear to the prospective LifeVantage Distributor(s) that such earnings are hypothetical and also show the disclaimer on the LifeVantage Sales Compensation Plan.



8.3.4 – Use of Celebrity Names and Likeness

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

8.3.5 – Interaction with Scientific Advisory Board and other Company Consultants

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

8.3.6 – Governmental Approval or Endorsement

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

8.4 – Mass Media

8.4.1 – Promotions Utilizing Mass Media Prohibited

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

8.4.2 – Media Interviews

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

8.5 – Internet

8.5.1 – General

Regardless of compliance with the Agreement and the policies set forth herein, all LifeVantage Distributors are personally responsible for their online postings and all other online activity that relates to LifeVantage. Therefore, even if a LifeVantage Distributor does not own or operate a blog or social media site, if a LifeVantage Distributor posts to any such site that relates to LifeVantage or which can be traced to LifeVantage, the LifeVantage Distributor is responsible for the posting and must act in a way that builds, strengthens and enhances the LifeVantage reputation, image and standing in the community. LifeVantage Distributors are also responsible for postings which occur on any external website that the LifeVantage Distributor owns, operates or controls. LifeVantage Distributors must disclose their full names on all relevant social media profiles that relate to LifeVantage and its products or business, and each must conspicuously identify themselves as a “LifeVantage Independent Contractor Distributor.” Anonymous postings or use of an alias is prohibited. LifeVantage Distributors must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. Determination of what is inappropriate is at Company’s discretion, and offending LifeVantage Distributors will be subject to disciplinary action. LifeVantage Distributors may not use blog spam, spamdexing or any other mass-replicated methods to leave comments on any website, blog or message board. Comments LifeVantage Distribu-



tors create or leave online must be useful, unique, relevant and specific to the blog's article. As a general rule, LifeVantage Distributors may not use any geographic references in the page names/ titles or URLs of their LifeVantage-related social media or external websites. For purposes of clarification and the avoidance of doubt, other than for a Default URL or an approved amendment to a Default URL, LifeVantage Distributors may not use the terms "LifeVantage," "Protandim" or any derivation thereof, in any external website address or related URL (e.g., www.jillsellsProtandim.com or www.blogspot.lifevantageofUnitedStates.com). Any External Website which contains "LifeVantage" or "Protandim," other LifeVantage product and program names, or any derivation thereof in the URL, must be transferred to LifeVantage or closed/terminated upon demand by LifeVantage. In no event may the LifeVantage Distributor sell such domain name to any third party without the prior express written consent of LifeVantage.

8.5.2 – LifeVantage Distributor Websites

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

8.5.3 – Social Media and Other Websites

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

8.5.3.1 – The Official LifeVantage Public Facebook (or similar) Pages

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

8.5.3.2 – Closed LifeVantage Distributor Facebook (or similar) Pages

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

8.5.3.3 – Other Internet Use

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

- 1) Communicate preliminary information about LifeVantage or their involvement with LifeVantage;
- 2) Direct users to their LifeVantage replicated website; and
- 3) Post LifeVantage-produced business support materials only that have been approved by LifeVantage for posting and taken from Company's approved "Internet Toolbox."

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



8.5.3.4 – Use of Third-Party Intellectual Property

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

8.5.4 – Respecting Privacy

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

8.5.5 – Professionalism

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

8.5.6 – Prohibited Postings

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

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

8.5.7 – Responding to Negative Online Posts

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

8.5.8 – Cancellation of Your LifeVantage Business

If a LifeVantage Distributor's business is cancelled for any reason, they must discontinue using the LifeVantage name, and all the LifeVantage trademarks, trade names, service marks and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all external websites that they utilize and do so as soon as possible, and no later than 14 days from the date of cancellation. If a LifeVantage Distributor's post on any social media site on which they have previously identified themselves affiliated with LifeVantage, they must conspicuously disclose that they are no longer with the Company.



8.5.9 – E-mail

LifeVantage Distributors must use the following disclaimers within any email correspondence when discussing LifeVantage or the LifeVantage opportunity:

The sender of this email is a LifeVantage Distributor and as such is an independent contractor of LifeVantage. LifeVantage Distributors are not employees of LifeVantage. If you have questions about the company, please contact LifeVantage Distributor Support by phone 1(866) 460-7241, or email, at support@lifevantage.com. This email message (including attachments) contains information which may be confidential and/or legally privileged. Unless you are the intended recipient, you may not use, copy or disclose to anyone the message or any information contained in the message or from any attachments that were sent with this email. If you have received this email message in error, please advise the sender by email, and delete the message. Unauthorized disclosure and/or use of information contained in this email may result in civil and criminal liability.

8.5.10 – Online Classifieds

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

8.5.11 – Online Auction Websites

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

8.5.12 – Online Retailing

For the safety and satisfaction of those who use LifeVantage products, and to protect the lawful business interests of LifeVantage and its distributors, LifeVantage strictly prohibits the sale of its products to third-parties who will in turn resell the products through any means. LifeVantage Distributors may not, under any circumstances: (1) enlist or allow a third-party to sell LifeVantage products using the Internet (including without limitation through the use of any online retail store, ecommerce site, or auction site); or (2) sell or provide LifeVantage products to any third-party that the LifeVantage Distributor knows or has reason to believe will sell such products over the Internet.

8.5.12(a) – Liquidated Damages.

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

8.5.12(b) – Injunctive Relief.

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

8.5.12(c) – Cooperation with Investigations.

To assist LifeVantage in the important task of identifying the source(s) of potentially diverted product, LifeVantage Distributor agrees that, upon written request from LifeVantage, the LifeVantage Distributor will promptly provide LifeVantage with a list of all persons to whom the LifeVantage Distributor has sold LifeVantage products. LifeVantage Distributor shall keep up-to-date records of such sales, and shall obtain identifying information on all persons to whom products are sold. Furthermore, the LifeVantage Distributor will promptly suspend all sales or shipments of products to any person that LifeVantage identifies in writing as a possible diverter of LifeVantage products.



8.5.13 – Banner Advertising

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

8.5.14 – Spam Linking

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

8.5.15 – Digital Media Submission (e.g., YouTube, iTunes, PhotoBucket, etc.)

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

8.5.16 – Sponsored Links and Pay-Per-Click (PPC) Ads

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

8.6 – Spamming and Unsolicited Faxes

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

8.7 – Telemarketing

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



8.8 – Advertised Product Price

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

SECTION 9 – RULES AND REGULATIONS

9.1 – Identification

All LifeVantage Distributors are required to provide their Social Security Number, Federal Employer Identification Number or equivalent government issued identification number, as applicable, to LifeVantage on the LifeVantage Distributor Agreement. Upon enrollment, the Company will provide a unique LifeVantage Distributor Identification Number (DIN) to the LifeVantage Distributor by which they will be identified. This number will be used to place orders and track Financial Distributions.

9.2 – Income Taxes

Each LifeVantage Distributor is responsible for paying all applicable taxes on any income generated as a LifeVantage Distributor. If a LifeVantage Distributor is tax exempt, the tax identification, national identification number, Social Security Number or other equivalent identification number, as applicable, must be provided to LifeVantage. LifeVantage shall, in all cases, be entitled to withhold any and all tax of whatever nature as is required of it by any and all applicable laws and whether levied on a Federal, national state/province or local (municipality, communal or otherwise) level (a “political unit”), and shall further charge, assess or otherwise add to the amounts invoiced or to be invoiced to you whatever value-added, sales, turnover, or equivalent taxes as is required of it by any and all applicable laws of any political unit having jurisdiction to require LifeVantage to do so. LifeVantage will provide to each Distributor only such tax reports and/ or similar tax reporting forms of the jurisdiction in which LifeVantage is itself established, but only if and to the extent required to do so by an applicable law or regulation, and shall further only provide tax reports and/or similar tax reporting forms of the jurisdiction in which each such LifeVantage Distributor is established if and to the extent LifeVantage is required to do so by an applicable law or regulation.

9.3 – Insurance

9.3.1 – Business Pursuits Coverage

A LifeVantage Distributor may wish to arrange insurance coverage for their LifeVantage Distributorship. Be advised that most homeowner’s insurance policies do not cover business-related injuries or the theft of or damage to inventory or business equipment. Each LifeVantage Distributor should contact their insurance agent to make certain that their relevant property is protected. This may often be accomplished with a simple “Business Pursuit” endorsement attached to their present homeowner’s policy.

9.3.2 – Product Liability Coverage

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

9.4 – International Marketing

LifeVantage Distributors are authorized to enroll Customers or Distributors only in countries in which LifeVantage is authorized to conduct business as announced in Official LifeVantage Materials or on the Company website. Permissible conduct and activity in unauthorized and/or Not-For-Resale markets is described in the below sections.



9.4.1 – International Marketing Definitions

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

9.4.1.1.1 – All cold-calling techniques (soliciting persons who are not prior personal acquaintances of the contacting LifeVantage Distributor) are strictly prohibited in unauthorized markets;

9.4.1.1.2 – Importing or facilitating the importation of, selling, gifting or distributing in any manner, Company products, services or product sample(s);

9.4.1.1.3 – Placing any type of advertisement or distributing any promotional materials regarding the Company, its products or the opportunity, except for official LifeVantage material specifically authorized for distribution in unopened markets as designated by the Company;

9.4.1.1.4 – Soliciting or negotiating any agreement for the purpose of committing a citizen or resident of an unopened market to the opportunity, a specific enroller or specific line of sponsorship. Furthermore, LifeVantage Distributors may not sign up a citizen or resident of unopened markets in an Authorized Country or by using the LifeVantage Distributor Agreement forms from an Authorized Country, unless the citizen or resident of the unopened market has, at the time of sign-up, permanent residence and the legal authorization to work in the Authorized Country. It is the enrolling LifeVantage Distributor's responsibility to ensure compliance with residency and work authorization requirements. Membership or participation in, or ownership of a corporation, partnership or other legal entity in an Authorized County may not by itself fulfill the residency or legal authorization to work requirements. If a participant to a LifeVantage Distributorship fails to provide verification of residency and work authorization when requested by the Company, the Company may, at its election, declare the LifeVantage Distributor Agreement void from its inception;

9.4.1.1.5 – Accepting money or other consideration, or being involved in any financial transaction with any potential LifeVantage Distributor either personally or through an agent, for purposes relating to Company products or the opportunity, including renting, leasing or purchasing facilities for the purpose of promoting or conducting Company-related business;

9.4.1.1.6 – Promoting, facilitating or conducting any type of activity which exceeds the limitations set forth in the Agreement and these policies or which the Company, in its sole discretion, deems to be contradictory to the Company's business or ethical interests in international expansion.

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

9.5 – Adherence to Laws and Ordinances

9.5.1 – Local Ordinances

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

9.5.2 – Compliance with Applicable Laws

LifeVantage Distributors shall comply with all federal, state and local laws and regulations in the conduct of their LifeVantage Distributorships.



9.5.2.1 – Anti-Corruption Laws

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

SECTION 10 – SALES

10.1 – Commercial Outlets

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

10.2 – Trade Shows, Expositions and Other Sales Forums

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

10.3 – Excess Inventory Purchases Prohibited

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

10.4 – Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. “Bonus buying” includes, but is not limited to the direct or indirect involvement of: (1) the enrolment of individuals or entities without the knowledge of and/or execution of a LifeVantage Distributor Agreement by such individuals or entities; (2) the fraudulent enrolment of an individual or entity as a LifeVantage Distributor or Customer; (3) the enrolment or attempted enrolment of non-existent individuals or entities as LifeVantage Distributors or Customers; (4) the use of a credit card by or on behalf of a LifeVantage Distributor or Customer when the LifeVantage Distributor or Customer is not the account holder of such credit card; and (5) purchasing LifeVantage product on behalf of another LifeVantage Distributor or Customer or under another LifeVantage Distributor’s DIN, or Customer ID to qualify for commissions, bonuses or incentives.



10.5 – Repackaging and Relabeling Prohibited

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

SECTION 11 – SALES REQUIREMENTS

11.1 – Product Sales

The LifeVantage Sales Compensation Plan is based upon the sale of LifeVantage products to end consumer customers. LifeVantage Distributors must fulfill personal and Marketing Organization sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for applicable rebates, bonuses, commissions and advancement to higher levels of achievement.

11.1.1 – Sales Volume

LifeVantage Distributors must satisfy the Personal Sales Volume (“PV”) and Organizational Sales Volume (“OV”) requirements to fulfill the requirements associated with a particular rank as specified in the LifeVantage Sales Compensation Plan. OV shall include the total CV of all LifeVantage Distributors in their Marketing Organization plus the LifeVantage Distributor’s PV. LifeVantage will allow LifeVantage Distributors who fail to qualify in any given month to make up the necessary volume one time in a calendar year at no cost. Thereafter, a LifeVantage Distributor may qualify up to two more times in the same calendar year by making up the necessary volume and paying a \$100 fee each time.

11.2 – No Territory Restrictions

There are no exclusive territories granted to anyone.

11.3 – 70% Sales Rule

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

11.4 – Sales Receipts

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



SECTION 12 – REBATES, BONUSES AND COMMISSIONS

12.1 – Rebates, Bonuses and Commission Qualifications

A LifeVantage Distributor must be active and in compliance with the Agreement to qualify for rebates, bonuses and commissions (“Financial Distributions”). So long as a LifeVantage Distributor complies with the terms of the Agreement, LifeVantage shall pay Financial Distributions to such LifeVantage Distributor in accordance with the LifeVantage Sales Compensation Plan.

12.1.1 – Adjustment to Rebates, Bonuses and Commissions

When a product is returned to LifeVantage for a refund, the Financial Distributions attributable to the returned product(s) will be deducted in the month in which the refund is given and continuing every pay period thereafter until the commission is recovered, from the LifeVantage Distributors who received the Financial Distributions on the sales or purchase of the refunded products.

12.1.2. – Commissions Payout Fees

LifeVantage uses various third parties to facilitate payments to its Distributors and Distributors will be assessed a nominal fee or transaction fee charged by such third party to access and/or withdraw their earnings.

12.1.3. – Cancellation Within the First 30 Days

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

12.2 Unclaimed Commissions and Credits

LifeVantage Distributors must deposit or cash rebate, commission and bonus payments within six months from their date of issuance. A payment that remains uncollected after six (6) months will be void. After a payment has been voided, LifeVantage will attempt to notify the LifeVantage Distributor who has a void payment by sending a monthly written notice to their last known address or email identifying the amount of the payment and advising that the LifeVantage Distributor can request that the payment be reissued. There is a nominal fee charged for any re-issued payments.

12.3 Incentive Trips and Awards

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

112.4 – Reports

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



12.4.1 – Marketing Organization Reports

LifeVantage Distributor understands that LifeVantage regularly provides information to each of its LifeVantage Distributors. This includes, but is not limited to, reports of online or telephonic Marketing Organization Downline activity, such as personal and group sales volume, and downline sponsoring activity (the “Information”).

12.4.2 – Report Indemnification

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

SECTION 13 – PRODUCT GUARANTEE, RETURNS AND INVENTORY REPURCHASE

13.1 – Product Guarantee

Opened and unopened product and marketing materials returned within thirty (30) days of purchase shall receive a 100% refund. All returns must have a Return Merchandise Authorization (“RMA”), issued through Distributor Support. Product must be received by the Company within ten (10) business days of receipt of the RMA or the product will not be eligible for return.

13.2 – Inventory Repurchase

Unopened product with at least 6 months remaining before its expiration date may be returned within twelve (12) months of purchase and shall receive a 100% refund, less a 10% handling and restocking fee, conditioned upon the receipt of a Return Merchandise Authorization (“RMA”), issued through Distributor Support, and in accordance to 12.2 – Adjustment to Rebates, Bonuses and Commissions, above. Please allow for up to twenty (20) days from the time that the product is received for the refund to be processed.

13.2.1 – If a shipment is refused whether it is a Subscription or an order that has just been placed, LifeVantage will charge a 10% restocking fee to the form of payment on file.

13.3 – Exceptions to the Refund Policies

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

13.4 – Montana Residents

Montana residents may cancel the Agreement within fifteen (15) days from the date of enrollment and may return their Start Kit for a full refund within such time period.

SECTION 14 – Dispute Resolution and Remedies

14.1 – Limitation of Remedies

To the fullest extent permissible under applicable law, neither LifeVantage nor any of its officers, directors, managers, employees, agents, or affiliates shall be liable to any LifeVantage Distributor or anyone else for any indirect, consequential,



incidental, special, or punitive damages that arise out of or relate to the Agreement, including but not limited to: alleged damages relating to delays or failures with regard to the ordering, delivery and quality of LifeVantage products; the payment or nonpayment of compensation under the LifeVantage Sales Compensation Plan; and any information provided by LifeVantage to LifeVantage Distributors, including information relating to Marketing Organization, uplines, LifeVantage Distributor lists and earnings, and other similar information. Neither LifeVantage nor any of its officers, directors, managers, employees, agents, or affiliates shall be liable under any theory for any condition or circumstance caused by force majeure, including but not limited to strikes, labor difficulties, riots, war, fire, natural disasters, death, health crises, including epidemics and pandemics, civil unrest, curtailment or interruption of a source of supply, or government decrees or orders.

14.2 - Mandatory Arbitration

14.2.1 - Agreement to Arbitrate

Except as may be expressly provided otherwise by the Agreement, any controversy, claim, or dispute between the Company and a LifeVantage Distributor(s), including but not limited to any controversy, claim, or dispute arising out of or relating in any way to the Agreement, whether such claim arises in tort, contract, equity, or otherwise, shall be resolved by binding and confidential arbitration administered by JAMS in accordance with its Comprehensive Rules and Procedures, which are available on JAMS's website. The arbitrator shall have exclusive authority to determine whether any particular claim or controversy is arbitrable and covered by this provision. The arbitrator shall also have exclusive authority to resolve any dispute relating to the enforceability of this arbitration provision, including, but not limited to, any claim that all or part of this provision is void or voidable. The parties further agree that no arbitrator has the authority to (1) award relief in excess of what this Agreement provides; or (2) award consequential or punitive damages or any other damages not measured by the prevailing party's actual, direct damages. LIFEVANTAGE DISTRIBUTORS HEREBY WAIVE ALL RIGHTS TO TRIAL BY JURY OR TO ANY COURT. All arbitration proceedings shall be held exclusively in Salt Lake County, State of Utah, to the mandatory exclusion of all other forums. All parties shall be entitled to all discovery rights pursuant to the Federal Rules of Civil Procedure, and the Federal Rules of Evidence shall apply. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which JAMS provides.[1] The costs of initiating the arbitration shall be borne by the party initiating arbitration, with each party to bear all of its other costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. The arbitrator shall provide a reasoned and written decision. This agreement to arbitration shall survive any termination or expiration of the Agreement.

14.2.2 – Confidentiality

With the exception of discussing the claims with bona fide witnesses to the dispute, and unless otherwise stipulated by all parties thereto, the parties and the arbitrator shall maintain the confidentiality of the arbitration proceedings and shall not disclose to any third party the substance of, or basis for, the controversy, dispute, or claim; the substance or content of any settlement offer or settlement discussions or offers associated with the dispute; the pleadings, or the content of any pleadings, or exhibits thereto, filed in any arbitration proceeding; the content of any testimony or other evidence presented at an arbitration hearing or obtained through discovery in an arbitration; the terms or amount of any arbitration award; and the rulings of the arbitrator on any procedural and/or substantive issues involved in the case. The parties agree and understand that maintaining confidentiality as provided in this provision is of the utmost importance and agree that LifeVantage has valuable trade secrets and proprietary and confidential information that are protected by this provision; and that LifeVantage shall be entitled to temporary, preliminary, and permanent injunctive relief to enforce this provision. If a party violates its confidentiality obligations under this arbitration provision, the non-breaching party shall incur significant damages to its reputation and goodwill that shall not be readily calculable. Therefore, if a party, its attorneys, agents, or a proxy of a party breaches the confidentiality provisions of this arbitration provision, the following shall apply:

- The non-breaching party shall be entitled to liquidated damages in the amount of \$10,000.00 United States Dollars or local currency equivalent per violation, or \$25,000.00 United States Dollars or local currency equivalent per violation if the disclosure is published on the internet, including but not limited to disclosure on any website or on any social media forum. Every disclosure of each claim, allegation, pleading, or other prohibited disclosure shall constitute a separate violation. Notwithstanding this confidentiality and liquidated damage provision, nothing herein shall limit the right or ability of a party to disclose evidence, claims, or allegations relating to the dispute to any individual who is, or who may be, a bona fide witness to the dispute.

The parties agree that this liquidated damage amount is reasonable and waive all claims and defenses that it constitutes a penalty; AND



- Breach of the confidentiality provision by disseminating or publishing information covered by this provision (including but not limited to posting on the Internet or on any social media platform) by a party, a party's agent, or a party's proxy shall constitute an act of wanton and gross bad faith, and shall constitute a waiver of the breaching party's right to pursue the claim(s) and/or defense(s) against the non-breaching party, and shall entitle the non-breaching party to a default judgment against the breaching party.

14.2.3 – Class Action Waiver

CLASS ACTION WAIVER: Any claim brought by a LifeVantage Distributor must be brought in the respective party's individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiff, or similar proceeding ("Class Action"), unless prohibited by law. The parties expressly waive any ability to maintain any Class Action in any forum. The arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any person or entity not a party to the arbitration. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator. A LifeVantage Distributor may opt out of this class action waiver by submitting written notice of the Distributor's desire to opt out to the Company's Compliance Department (compliance@lifevantage.com) within thirty (30) days from the date on which they enroll as a LifeVantage Distributor. THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT AND TO HAVE A JUDGE OR JURY DECIDE THEIR CASE, AND THE PARTIES EXPRESSLY WAIVE THE RIGHT TO BE PARTY TO A CLASS OR REPRESENTATIVE ACTION. THE PARTIES UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, SOLELY THROUGH ARBITRATION.

14.2.4 – Separate and Severable Agreement

The parties understand and agree that this Section 14.1 operates as a separate and distinct agreement that is severable from the remainder of the Agreement and is enforceable regardless of the enforceability of any other provision of the P&Ps or the Agreement as a whole. Consideration for this separate provision includes, without limitation, the parties' mutual agreement to arbitrate claims.

14.2.5 – Right of LifeVantage to Seek Judicial Relief

Nothing in these Policies and Procedures shall prevent LifeVantage from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction, or other relief available to safeguard and protect LifeVantage's interest prior to, during, or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

14.2.6 – Exclusion from Arbitration and Mandatory Venue

The arbitration obligation of this section shall not apply in cases and disputes arising from or relating to violation of the following sections of this Agreement (1) Section 6 (Conflicts of Interest); (2) Section 7.1 (Marketing Organization (Genealogy Reports)); Section 8.5.11 (Online Auction Websites); and Section 8.5.12 (Online Retailing). The parties agree that violation of any of these sections shall entitle LifeVantage to temporary, preliminary, and permanent equitable relief because: (a) there shall be no adequate remedy at law; (b) LifeVantage will suffer immediate and irreparable injury should such sections be breached; and (c) if temporary, preliminary, and permanent equitable relief is not granted, the injury to LifeVantage will outweigh the potential harm to the LifeVantage Distributor breaching such provisions if such relief is granted. In any such action, the prevailing party shall be entitled to recover all litigation costs and expenses, including attorneys fees, incurred in connection with such action, including but not limited to investigation of such actions in connection with or prior to litigation. All such actions shall be brought exclusively before the United States District Court for the District of Utah, Central Division, or in the State courts residing in Salt Lake County, Utah, U.S.A. The parties consent to exclusive jurisdiction and mandatory venue before such courts and waive any and all objections to such forums, including forum non conveniens and lack of personal jurisdiction.

14.2.7 – Governing Law

The Federal Arbitration Act shall govern all matters relating to arbitration. Except as specifically provided otherwise by the Agreement, all other matters relating to or arising from this Agreement and/or the relationship between the parties, including interpretation of the Agreement, enforceability of the Agreement, and all claims arising or relating thereto, whether in contract, tort, law, or equity, shall be governed solely by the laws of the State of Utah, without giving effect or regard to any conflicts of laws principles.



14.2.8 – Limitations Period

Any controversy, claim, or dispute between the Company and a LifeVantage Distributor(s), including but not limited to any controversy, claim, or dispute arising out of or relating in any way to the Agreement, whether such claim arises in tort, contract, equity, or otherwise, must be brought within one year from the date on which the act or omission giving rise to the claim occurred, except where prohibited by applicable law.

14.2.9 – Arbitration Not Applicable to Disciplinary Sanctions

LifeVantage shall not be required to engage in the arbitration process prior to imposing disciplinary sanctions for violation of the Agreement pursuant to Section 14.[insert] below.

14.2.10 – Louisiana Residents

The foregoing provisions shall apply to Louisiana residents with the exception that Louisiana residents may bring an arbitration action in his/her home forum and pursuant to Louisiana law.

14.3 Disciplinary Sanctions

14.3.1 – Imposition of Sanctions

Any breach of any part of the Agreement, including these P&Ps, or if LifeVantage determines that a LifeVantage Distributor has engaged in or are engaging in any illegal, fraudulent, deceptive, or unethical conduct, or if LifeVantage determines that a LifeVantage distributor has violated any common law or statutory duty to LifeVantage, including without limitation any duty of care or loyalty, or if LifeVantage determines that a LifeVantage Distributor has engaged in any act or omission that, in the Company's discretion, may damage the Company's reputation or goodwill, may result, at LifeVantage's discretion, in one or more of the following actions:

- 1) A written warning or admonition;
- 2) A requirement that the Distributor take immediate corrective measures, including but not limited to personally refunding customers who may have been harmed by the Distributor's conduct;
- 3) Imposition of a fine, which may be withheld from bonus and commission payments;
- 4) Loss of rights to one or more bonus and/or commission payments and/or Financial Distributions, in whole or in part;
- 5) The withholding of Financial Distributions during the period that LifeVantage is investigating any conduct at issue under this provision;
- 6) Suspension of the Distributor's business and/or Agreement for one or more pay periods;
- 7) The removal or transfer of Distributors in the LifeVantage Distributor's Marketing Organization;
- 8) Cancellation of the Agreement;
- 9) Cancellation of the Agreement of any other of the LifeVantage Distributor's Immediate Household or of an Affiliated Party who is in association with the subject LifeVantage Distributor; and/or
- 10) Any other measure allowed within any portion of the Agreement and which LifeVantage deems appropriate to resolve or provide a remedy for injuries or damages caused by the LifeVantage Distributor's conduct.

14.3.2 – Company Investigation

In the event of a suspension of a LifeVantage Distributor's Agreement by the Company, the Distributor shall have no right or claim to any bonus or commission payments withheld by the Company during the period of suspension. The Company shall be entitled to maintain the suspension period for as long as necessary to fully investigate the facts and events relating to the suspension and to consider the Company's response. In the event that the Company determines after such investigation that,



in its discretion, the grounds for suspension were wholly without merit and unsupported by any evidence, the Company may choose to pay the Distributor some or all of any bonus or commission payments withheld by the Company during the period of suspension; but the Distributor shall have no vested right to the payment of any such bonuses or commissions. In every other circumstance, including but not limited to cancellation of the Agreement or reinstatement despite a finding that the suspension was warranted or supported by some evidence, the Distributor shall not receive or have any claim to bonus or commission payments withheld by the Company during the period of suspension. Nothing in this section is designed to limit the Company's legal rights and remedies, including its right to institute legal proceedings against any LifeVantage Distributor.

14.3.3 – Appeals of Disciplinary Sanctions

If a LifeVantage Distributor wishes to appeal a disciplinary sanction, the LifeVantage Distributor's appeal must be in writing and sent via Certified Mail, Return Receipt Requested and received by the Company within 15 days from the date of LifeVantage's disciplinary notice. If the appeal is not received by LifeVantage within the 15-day period, the sanction will be final. The LifeVantage Distributor must submit all supporting documentation with his or her appeal correspondence and is encouraged to submit all evidence pertaining to the matters at issue. If the LifeVantage Distributor files a timely appeal of any sanction, LifeVantage will review and reconsider the sanction, consider any other appropriate action, and notify the LifeVantage Distributor in writing of its decision.

SECTION 15 – ORDERING

15.1 – Customer

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

15.2 – Purchasing LifeVantage Products

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

15.3 – General Order Policies

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

15.4 – Shipping and Back Order Policy

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

15.5 – Confirmation of Order

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



15.6 – Product Abandonment

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

SECTION 16 – PAYMENT AND SHIPPING

16.1 – Deposits

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

16.2 – Insufficient Funds

It is the responsibility of each LifeVantage Distributor to ensure that there are sufficient funds or credit available in their account to cover any monthly subscription orders or any other order. LifeVantage is not obligated to contact LifeVantage Distributors in regard to orders cancelled due to insufficient funds or credit. This type of order cancellation may result in failure to receive product or to meet the LifeVantage Distributors' Personal Sales Volume requirements for the month.

16.3 – Restrictions on Third Party Use of Credit Cards

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

16.4 – Sales Taxes

By virtue of its business operations, LifeVantage is required to charge sales taxes and any and all other taxes of whatever nature, whether value-added, turnover or equivalent taxes, as is required of it by any and all applicable laws, and whether levied on a Federal, national, State, or local (municipality, communal or otherwise) level. Such tax authorities with jurisdiction to require LifeVantage to charge or collect taxes shall further charge, assess or otherwise add to the amounts invoiced or to be invoiced to distributors and customers on all purchases made by LifeVantage Distributors and Customers and remit the taxes charged to the respective tax authorities. Accordingly, LifeVantage will collect and remit sales taxes and any and all other taxes of whatever nature, whether value-added, turnover or equivalent taxes, as is required on behalf of LifeVantage Distributors, based on the suggested retail price of the products, according to applicable tax rates of the tax authorities to which the shipment is destined. If a LifeVantage Distributor has submitted, and LifeVantage has accepted, a current Sales Tax Exemption Certificate and Sales Tax Registration License or any other applicable tax "or VAT" Registration License or any other applicable tax exemption certificate or proof of turnover or equivalent tax registration, sales taxes or any and all other applicable value-added, turnover or equivalent tax will not be added to the invoice, if and to the extent allowed by applicable law or regulation, and in that case, the responsibility for collecting and remitting such taxes to the appropriate authorities shall be on the LifeVantage Distributor. Exemption from the payment of sales tax or any and all other equivalent taxes as described above is applicable only to orders which are shipped to a jurisdiction for which the proper tax exemption papers or proof of turnover or equivalent tax registration have been filed and accepted. Applicable sales taxes or any and all other equivalent taxes as described above will be charged on orders that are drop shipped to another tax authority jurisdiction, as the case may be. Any sales tax exemption or other equivalent tax exemption as described above which is accepted by LifeVantage shall not, however, be retroactive in nature or effect.

SECTION 17 – INACTIVITY AND CANCELLATION

17.1 – Effect of Cancellation

So long as a LifeVantage Distributor remains Active and complies with the terms of the Agreement, LifeVantage shall pay Financial Distributions to such LifeVantage Distributor in accordance with the LifeVantage Sales Compensation Plan. A LifeVantage Distributor's Financial Distributions constitute the entire consideration for the LifeVantage Distributor's efforts and



activities related to generating sales (including building a Marketing Organization). Following a LifeVantage Distributor's non-renewal of their Agreement (all of these methods are collectively referred to as "Cancellation"), the former LifeVantage Distributor shall have no right, title, claim or interest to the Marketing Organization which they operated, or any commission or bonus from the sales generated by the Marketing Organization. A LifeVantage Distributor whose LifeVantage distributorship is cancelled will permanently lose all rights as a LifeVantage Distributor. This includes cancelled rights to sell LifeVantage products and cancelled rights to receive future commissions, bonuses or other income resulting from the sales and other activities of the LifeVantage Distributor's former Marketing Organization. In the event of cancellation, LifeVantage Distributors agree to waive all rights they may have including, but not limited to, property rights, to their former Marketing Organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of their former Marketing Organization. Following a LifeVantage Distributor's cancellation of their Agreement, the former LifeVantage Distributor shall not hold themselves out as a LifeVantage Distributor and shall not have the right to sell LifeVantage products. A LifeVantage Distributor whose Agreement is cancelled shall receive commissions and bonuses only for the last full commission period they were active and qualified in prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation). LifeVantage Distributors may reapply as a new LifeVantage Distributor in accordance with the Agreement.

17.2 – Cancellation Due to Inactivity

A LifeVantage Distributor has the responsibility to lead their Marketing Organization with the proper example in personal production of sales to end consumer customers. Without this proper example and leadership, the LifeVantage Distributor will lose their right to receive commissions from sales generated through their Marketing Organization when the LifeVantage Distributors personally generates less than 100 in Personal Volume for any commission period. If a LifeVantage Distributor has not fulfilled their Personal Volume for a period of twelve (12) consecutive calendar months, the Company may cancel the Agreement for inactivity. If so cancelled by the Company, the Cancellation Agreement may be cancelled for inactivity. The Cancellation will become effective on the day following the last day of the twelfth month of inactivity. If the LifeVantage Distributor has a valid monthly subscription order at the time of Cancellation, the LifeVantage Distributor will be reclassified as a LifeVantage Customer and their subscription order will not be interrupted and they may continue to purchase as a customer at subscription prices. LifeVantage will notify LifeVantage Distributors that they are being reclassified at least 30 days prior to the reclassification. LifeVantage Distributors may reapply as a new LifeVantage Distributor in accordance the Agreement.

17.3 – Involuntary Cancellation

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

17.4 – Voluntary Cancellation

A LifeVantage Distributor has the right to cancel the Agreement at any time. Cancellation must be submitted in writing to the Company at its principal business address by submitting a request via email to Compliance@lifevantage.com. The written notice must include the LifeVantage Distributor's signature, printed name, address and LifeVantage Distributor DIN. However, if a LifeVantage Distributor is not in good standing with the Company at the time LifeVantage receives notice of cancellation, the consequences of an involuntary cancellation may take effect per the Agreement. LifeVantage Distributors may reapply as a new LifeVantage Distributor in accordance with the Agreement.

17.5 – Non-Renewal

A LifeVantage Distributor may voluntarily cancel their Agreement by sending written notice within thirty (30) days of the anniversary date. The Company in its discretion may also elect not to renew the Agreement upon the Agreement's anniversary date, as further provided in this Agreement.



SECTION 18 – DEFINITIONS

Acceptance – means the acceptance of the application to become a LifeVantage Distributor by completing a LifeVantage Distributor Agreement and delivering it to LifeVantage. “Acceptance” shall be deemed to occur when LifeVantage accepts a valid LifeVantage Distributor Application and Agreement from a person who has decided to become a LifeVantage Distributor.

Active or Active LifeVantage Distributor – means the status of a LifeVantage Distributor who has satisfied the minimum Personal Sales Volume requirements, as set forth in the LifeVantage Sales Compensation Plan, to ensure that he or she is eligible to receive rebates, bonuses and commissions.

Active Rank – the current rank of a LifeVantage Distributor, as determined by the LifeVantage Sales Compensation Plan, for any calendar month. To be considered “Active” relative to a particular rank, a LifeVantage Distributor must meet the criteria set forth in the LifeVantage Sales Compensation Plan for their respective rank.

Agreement – means the contract between the Company and each LifeVantage Distributor which includes the LifeVantage Distributor Application and Agreement, the LifeVantage Policies and Procedures, the LifeVantage Sales Compensation Plan, and any subscription agreement and/or business entity forms (where appropriate), all in their current form or as amended by LifeVantage from time to time. These documents are collectively referred to as and comprise the “Agreement.”

Breach – “Breach,” “Default” and “Violation” mean an actual or alleged transgression or violation of any part of the Agreement.

Business Center(s) – means additional distributor positions placed under the original LifeVantage Distributorship as allowed in the LifeVantage Sales Compensation Plan.

Cancellation – means the termination of a LifeVantage Distributorship. Cancellation may be either voluntary or involuntary, through non-compliance, non-renewal or inactivity. Termination is sometimes used herein interchangeably with cancellation.

Company – means LifeVantage Corporation and any parent, affiliates and/or subsidiary entities.

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

Enrollee – means the LifeVantage Distributors and Customers who have been signed up as LifeVantage Distributors or Customers by another LifeVantage Distributor, who is their Enroller.

Enroller – means the LifeVantage Distributor who enrolls a new LifeVantage Distributor or Customer. The Enroller may Sponsor or Place the new Distributor or Customer under their position or under any other position within their Marketing Organization. The position under which the new Distributor or Customer is placed is the “Placement Sponsor”. The same LifeVantage Distributor may be both the Enroller and the Placement Sponsor.

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

LifeVantage Distributor – means an independent contractor who has signed and completed the official LifeVantage Distributor Application and Agreement and whose LifeVantage Distributor Agreement has been accepted by LifeVantage. A LifeVantage Distributor is required to meet certain qualifications and is responsible for the motivation, support and development of the LifeVantage Distributors in their respective Marketing Organization. LifeVantage Distributors are entitled to purchase LifeVantage products at list or subscription prices, enroll Customers and new LifeVantage Distributors, and participate in the LifeVantage Sales Compensation Plan.

Marketing Organization – means the network of LifeVantage Distributors and Customers who exist under a LifeVantage Distributorship and is also called “downline”. Each LifeVantage Distributor understands that (1) LifeVantage Distributor does not have any ownership or possessory right, title or interest in any Marketing Organization(s) individual, entity, organization or in any materials generated by LifeVantage or created by LifeVantage Distributor or any other individual or entity to the extent that it consists, in whole or in part, of any information about LifeVantage Marketing Organization(s) or any part of the Agreement; (2) the sole property interest of a LifeVantage Distributor with respect to Marketing Organization(s) is the contractual right to receive commissions as set forth in the Agreement; and (3) that LifeVantage is the sole owner of any and all Marketing Organization(s) rights, titles, interests and materials.



Marketing Organization(s) Activity Report – means a monthly report generated by LifeVantage that provides critical data relating to the identities of LifeVantage Distributors, Customers, sales information and enrollment activity of each LifeVantage Distributor’s Marketing Organization. This report contains confidential and trade secret information which is proprietary to LifeVantage. It is owned solely by LifeVantage.

Official LifeVantage Material – means literature, audio or digital recordings and other materials developed, printed, published and distributed by LifeVantage to LifeVantage Distributors and Customers.

Placement Sponsor – means the LifeVantage Distributor under whom the Enroller places a new Distributor or Customer.

Rank – means the “title” that a LifeVantage Distributor has achieved pursuant to the LifeVantage Sales Compensation Plan.

Recruit – means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly (including but not limited to the use of a website or social media), or through a third party, another LifeVantage Distributor to enroll or participate in a Competing Activity. This conduct constitutes Recruiting even if the Distributor’s actions are in response to an inquiry or contact made by another Distributor.

Restockable and Resalable – means products and sales aids if each of the following elements is satisfied: (1) they are unopened and unused; (2) packaging and labeling has not been altered or damaged; (3) the product and packaging are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; (4) products are returned to LifeVantage within thirty (30) days from the date of purchase; (5) the product expiration date has not elapsed; and (6) the product contains current LifeVantage labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued or as a seasonal item, shall not be resalable.

Retail Profit – means the difference between the Subscription Price or List Price of products and the retail price a LifeVantage Distributor elects to charge for products when they are resold to their end consumer retail customers.

Roll-Up – means the method by which a vacancy is filled in a Marketing Organization left by a LifeVantage Distributor whose respective Agreement has been cancelled.

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

Subscription Agreement – means the optional LifeVantage program by which products are automatically shipped to LifeVantage Distributors and Customers. The Subscription Agreement is incorporated into the “Agreement” and can be found as part of the LifeVantage Distributor Application and Agreement or Customer Application and Agreement.

Subscription Price – means the price of the products that is paid to the Company by LifeVantage Distributors or Customers who have chosen to enter into subscription agreement. All commissions and bonuses are paid on commissionable volume of LifeVantage products.

Upline – means the LifeVantage Distributor position(s) above a particular LifeVantage Distributor in a sponsorship line or enrollment line up to the Company. Conversely stated, it is the line of sponsors or enrollers that links any particular LifeVantage Distributor or Customer to the Company.

