



# ISAGENIX POLICIES AND PROCEDURES

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Isagenix Independent Associate Policies and Procedures South Korea

Effective 1 September 2020

## SECTION 1. CODE OF ETHICS

### 1.1 As an Isagenix Independent Associate, I will:

- conduct myself and my business in a professional, ethical, moral, and legal manner, always being respectful of each and every person I meet;
- represent Isagenix products and the Isagenix income opportunity truthfully and accurately;
- provide ongoing support and active encouragement to other Members, both within and outside of my own organization;
- honor my obligation to protect Isagenix's confidential information, including the contact information of other Members; and
- abide by all of the Isagenix Policies and Procedures, as currently in effect and as may be amended by Isagenix from time to time.

### 1.2 As an Isagenix Independent Associate, I will NOT:

- engage in any activity that would reflect poorly on Isagenix or me, including but not limited to any deceptive, misrepresentative, unlawful, or unethical business or recruiting practice, using any high-pressure recruiting or selling technique, or making any unlawful, unauthorized or exaggerated claim about Isagenix products or the Isagenix income opportunity;
- entice or encourage any existing Member to join my team from another team under any circumstance, directly or indirectly;
- attempt to gain any advantage over any other Associate by claiming or implying that I am able to obtain any special treatment from Isagenix;
- disparage Isagenix or its products, Compensation Plan, management team, employees, affiliates, Customers, or other Associates, or the competition or their products, compensation plans, management teams, employees, affiliates, or independent distributors;
- attempt to manipulate the Isagenix Compensation Plan in any way, including but not limited to enrolling any person as a Customer or Associate who has little or no interest in Isagenix, primarily to qualify for a bonus or other compensation, or by enrolling or encouraging others to enroll with multiple Positions and/or selling Isagenix products through unauthorized channels; or
- attempt in any way, directly or indirectly, to violate or circumvent the Isagenix Policies and Procedures and other Agreements and policies that apply to me.

## SECTION 2. YOUR RELATIONSHIP WITH ISAGENIX

As used in these Policies and Procedures, the terms “you”, “your”, and “Associate” refer to Isagenix Independent Associates, individually or collectively, depending on the context.

### 2.1 Requirements for an Isagenix Independent

To be eligible to become an Isagenix Independent Associate, you must:(a) comply with the elements set forth in Article 15, Paragraph 1 of the Act on Door-to-Door Sales, etc. including being legally competent and of legal age (at least 19 years old) to enter into a binding contract in the jurisdiction in which you reside;(b) be a citizen or taxpaying resident of, with a legal right to work and earn compensation in, Republic of Korea;(c) submit a complete, legible, unaltered, and valid [Isagenix Independent Associate Application and Agreement](#) (“IAAA”), that includes valid and accurate personal contact information;(d) review and, as appropriate, complete all required materials and documents, including the [Isagenix Privacy Policy](#) as found on [Isagenix.com](#), the Isagenix Policies & Procedures (“Policy” or “Policies”), the

Isagenix Team Compensation Plan (“Compensation Plan”), and the [Korea Fair Trade Commission’s Isagenix Earnings Disclosure Statement](#), and review and complete any training materials and/or programs as may be required by Isagenix; (e) pay a Membership Fee to the extent permitted by the Act on Door-to-Door Sales, etc., if necessary, or purchase an Associate Support System, as applicable; (f) provide a valid contact information to Isagenix; and (g) not currently hold or previously held any interest in an Isagenix Position (directly or indirectly through a family member, business entity or otherwise) unless you have met the reenrollment criteria in Section 3.5. (See Section 3.5 for additional information and restrictions.) Isagenix will not be responsible for any delay, loss or forfeiture of any payments held pending completion of the application and enrollment process or receipt of required information or a valid contact information. By becoming an Associate, and each time you receive and accept a commission or bonus payment, you agree to abide by the then most current terms and conditions of the IAAA, the Policies, the Compensation Plan, the applicable Isagenix Guidance Documents, and other applicable policies, agreements or obligations.

Isagenix Customers may apply to become an Associate at any time in order to participate in the Compensation Plan. These persons remain eligible to purchase Isagenix products at the prices dictated by the Customer Membership Type elected upon enrolling as a Customer. In addition, the person may retain his/her current Position so long as he/she makes the election within 24 months after becoming a Customer. If a Customer elects to become an Associate after 24 months, he/she may enroll at the bottom of his/her current leg with his/her current Enrolling Sponsor. Upon becoming an Associate, the person will then be eligible to receive compensation under the Compensation Plan.

## **2.2 Accurate Information**

You may not enroll or help anyone else enroll with false, inaccurate, fabricated, misleading, or incomplete information. It is your responsibility to inform Isagenix of any changes to your contact or other personal information. Isagenix will not be responsible for delays and possible loss or forfeiture of Compensation that would otherwise be payable to individuals who have provided false, inaccurate, fabricated, misleading, or incomplete information. Isagenix reserves the right to void or delay any enrollment, including voiding pending orders and payments, pending validation of account information. Isagenix may terminate any Position that is being operated by any person other than the person(s) named on the IAAA or related Isagenix account.

## **2.3 No More than One Position**

You may not have a financial interest or any other interest in more than one Position, including participation in the building of or ordering products through such Position, even when that Position is held by a separate business entity or another person, except in limited circumstances (such as Re-Entry Positions) as officially designated and approved in writing by Isagenix. If you are found working or assisting to work a Position in someone else’s name, such Positions may be terminated and the waiting periods in Section 3.5 will apply from the Position’s most recent activity.

## **2.4 Spouses**

Spouses may hold separate Positions, provided that they are in the same Line of Sponsorship and one spouse directly sponsors the other (except in cases where each spouse owned a Position prior to being married). Each spouse agrees that the actions of one spouse may be attributed to the other spouse and may result in corrective action against both spouses.

## **2.5 Re-Entry Positions**

An Independent Associate holding an executive position, who meets the qualifications set forth in the Request for Re-Entry Position form may request one additional Position, known as a Re-Entry Position. Isagenix may amend or terminate any Re-Entry Position at any time at its sole discretion if a notice is made 90 days before such amendment or termination. Isagenix also may amend or discontinue the Re-Entry Program at any time at its sole discretion. (Please refer to the Compensation Plan, Request for Re-Entry Position, for additional details and information.)

## **2.6 Independent Contractor**

Isagenix Independent Associates, in whatever form, are independent contractors. You acknowledge and agree that you are not an agent, employee, legal representative or franchisee of Isagenix, your Sponsor(s), or any other Independent Associate. You further understand and agree that you will not be treated as an employee for the purposes of the Labor

Standards Act, tax, or other applicable law. You understand and agree that you are responsible for paying taxes, including income taxes. As an independent contractor, you will be operating your own independent business, buying and selling products and services available through and by Isagenix on your own accord. You have complete freedom in determining the number of hours you will devote to your business, and you have the sole discretion of scheduling such hours. Isagenix will not provide you with a place of business, and if you desire a place of business other than your own residence, you will be responsible for procuring, furnishing, equipping, and paying for such place of business. As an independent contractor, you are also responsible for complying with any applicable business licensing requirements.

## **2.7 Annual Renewal**

You must renew your IAAA annually by the anniversary date of your enrollment (“Renewal Date”). If you fail to renew by the renewal date, whether intentionally or not, you may forfeit your Position, compensation and other benefits associated with your membership.

## **2.8 Becoming an International Sponsor**

If you wish to enroll Members outside your Home Region and earn compensation based on the sale of Isagenix products in those Regions, you must become an Associate by submitting a fully completed and executed International Sponsorship Application and Agreement (“ISAA”). If you choose to become an Associate with International Sponsorship, you must abide by the ISAA, the Policies and Procedures, the IAAA, the Compensation Plan, and the local laws and regulations applicable to each country in which you operate.

# SECTION 3. UNDERSTANDING YOUR ISAGENIX POSITION

## **3.1 Placement of Your Isagenix Position**

When you become an Associate, you will occupy a Position in your Enrolling Sponsor’s Team in accordance with the Compensation Plan. The person who enrolled you with Isagenix is your Enrolling Sponsor; the person who occupies the Position immediately above you is your Placement Sponsor (the Enrolling Sponsor and the Placement Sponsor may be the same person).

## **3.2 Change of Sponsorship or Placement**

To protect the integrity of the Compensation Plan and to discourage unethical cross-recruiting practices, Isagenix does not allow sponsorship or placement changes, except in very limited, unique and unusual circumstances. Any request to change sponsorship or placement must be made in writing within three business days after the enrollment and sent directly to Isagenix via email to [CustomerServiceKR@Isagenixcorp.com](mailto:CustomerServiceKR@Isagenixcorp.com). The request initially will be reviewed by the Customer Service Team and Compliance Team and if it is found to warrant further action, may be sent to the Field Relations Board (“FRB”) for consideration. The request may be denied at Isagenix’s sole discretion.

## **3.3 Modifying Your Position**

You may not modify any Position without the prior express written approval of Isagenix that is dated and signed by an authorized officer of Isagenix. Isagenix may, at its sole discretion, approve or disapprove any modification you propose to make to your Position. Before Isagenix will consider any changes you must submit a written statement outlining the proposed modification and the reasons for the modification. Any request to change Position must be made in writing within three business days after the enrollment and sent directly to Isagenix via email to [CustomerServiceKR@Isagenixcorp.com](mailto:CustomerServiceKR@Isagenixcorp.com).

## **3.4 Voluntary Cancellation of Your Associate Contract**

You may cancel your Associate Contract, including your Position(a) at any time by signing and submitting a written request to Isagenix or (b) by failing or choosing not to engage in any Business Building Activity for six consecutive months or longer. Once your Associate Contract/Position has been cancelled, you may not reenroll as an Associate of Isagenix or have a financial interest in another Position except in accordance with the reenrollment policy as provided in Section 3.5. If you desire to voluntarily cancel your Associate Contract/Position and intend to reenroll, you must sign and submit a “Voluntary Request to Relinquish Position With Intent to Re-Enroll” form (sometimes referred to as the “Reenrollment

Request Form”). Written requests for cancellation are considered effective when a valid request is received by Isagenix. Cancellation notices may be mailed to:

Isagenix (Asia Pacific) Korea Yuhan-Hoesa  
Attn: Account Requests  
4th Floor, KOFOTI Building  
518 Teheran-ro, Gangnam-gu  
Seoul, Korea 06180

sent via facsimile to: (02) 6105-2348; or scanned and emailed to: [CustomerServiceKR@IsagenixCorp.com](mailto:CustomerServiceKR@IsagenixCorp.com).

### 3.5 Reenrolling After Cancellation; Eligibility

To protect the integrity of each Isagenix Position by discouraging individuals from attempting to switch Marketing Organisations, no person who currently holds or has held an interest in a terminated or canceled Position may reenroll until expiration of the period specified in this Section, except as provided below.

If you wish to reenroll, you may apply to subject to the following rules and waiting periods:

- Customers may reapply six months from the date of their most recent Qualifying Activity.
- Associates who have never earned a commission or who have earned less than KRW 500,000 total from Isagenix over the 12-month period immediately preceding their last Qualifying Activity may reapply six months after the date of their last Qualifying Activity.
- Associates who have earned Compensation totaling KRW 500,000 or more with Isagenix over the 12-month period immediately preceding their last Qualifying Activity may reapply 12 months from the date of their last Qualifying Activity.
- Regardless of income received, Associates who have ever achieved the rank of Director or above may reapply 24 months from the date of their last Qualifying Activity, and neither they nor their spouse are eligible to re-earn any Rank Advancement Bonuses previously earned in either of their Positions.

A Qualifying Activity, for purposes of this policy, is defined as placing 100 BV or more in product orders in a single calendar month, earning a commission or receiving any form of compensation, attending an incentive trip, enrolling a Member or providing a new Customer referral, or engaging in any solicitation or prospecting activity.

If you wish to continue ordering Isagenix products from your current Position at Member prices during your waiting period without resetting your waiting period each time you order, you must sign and submit a Reenrollment Request Form. By submitting this form, you irrevocably waive and forfeit all rights relating to your current Position(s) (including all Compensation and Ranks). You must explain your reasons for making the request and where you intend to enroll after the waiting period expires. For purposes of this exception, your applicable waiting period will start on the date Isagenix receives your completed Reenrollment Request Form, even if your Position has already been inactive for any amount of time. Your intent to cancel and reenroll will be communicated to your current Enrolling Sponsor, and volume from your purchases will continue to be credited to your current Enrolling Sponsor until the date your wait-out period expires and your new enrollment takes place.

Anyone found trying to circumvent this policy in any way, including by attempting to enroll with another Isagenix Marketing Organization prior to their approved reenrollment date, by enrolling under a business entity or a different name, by cooperating with another person or working a business for another person, by operating an account in the name of a spouse or family member, or by engaging in any Qualifying Activities, may be subject to corrective action, up to and including the “resetting” of his or her waiting period, repayment of any bonuses or commissions earned in the new Position, denial of reenrollment requests, and/or the termination of his or her Associate Contract, including any and all Position(s). Anyone who is aware of or complicit in efforts to violate or circumvent this policy is subject to the same corrective action.

Isagenix may, in its sole discretion, prohibit or condition an Associate’s ability to earn a Rank Advancement Bonus if that Associate has already earned the Rank Advancement Bonus in a previous Position and has elected to reenroll under this Section 3.5. For purposes of this determination, Isagenix may consider whether an Associate’s spouse has earned a Rank Advancement Bonus.

Despite this Section 3.5, if you elect to wait out and enroll in a new Position, you may not enroll anyone who was in your prior Position's Marketing Organization, regardless of their applicable wait-out period, except as approved in writing by Isagenix. You may not encourage anyone who is already enrolled in Isagenix, whether as a Customer or Associate, to cancel his or her Position or move to another Marketing Organization, even if you tell him or her to do so in accordance with this policy, and even if you had previously enrolled that person. Isagenix generally will investigate patterns of reenrollments and reenrollment requests suggestive of violations of this policy. Isagenix may, at its sole discretion, refuse any reenrollment request for any reason, even if the applicant has complied with the specified waiting periods and taken all other steps necessary for reenrollment.

Although Isagenix permits spouses to hold separate Positions, they must remain in the same Line of Sponsorship. Therefore, before either spouse can reenroll, both spouses must satisfy the conditions and waiting periods applicable to their respective Positions.

### **3.6 Divorce**

In case a judgment by the court with jurisdiction or a disposition by governmental agencies including the Korea Fair Trade Commission, Isagenix will honor a valid divorce decree or settlement agreement with respect to ownership of Positions, provided that the divorce decree, settlement agreement, or other resolution (collectively "Resolution") does not conflict with the Policies, the Compensation Plan, Guidance Documents, or the Terms and Conditions of the IAAA. Additionally, the rights pertaining to a single Position cannot be divided so as to provide some rights in the Position to one individual and other rights to another.

### **3.7 Succession**

Upon the death of an Associate, all rights to the Associate's Position may be transferred to a successor as provided in the Associate's will, trust or other testamentary document or as otherwise ordered by a court of competent jurisdiction or other testamentary process, subject to approval by Isagenix. Within six months after an Associate's death or incapacitation, the successor(s) must present legitimate verification of death or incapacitation and proof of their right of succession. In such case, the successor must sign and submit a new IAAA and must, in all respects, qualify to enroll as an Associate and be bound by all current and future terms and conditions set forth in the IAAA, the Policies, Guidance Documents, and Compensation Plan. If the successor is already a Member who holds a Position, Isagenix may allow the successor to hold both the successor's original Position and the inherited Position for up to nine months, provided that the successor has appropriately requested to withdraw from one of the Positions and such sale or transfer has taken place prior to the expiration of the nine month period.

## **SECTION 4. ISAGENIX PRODUCTS**

### **4.1 Purchasing Isagenix Products**

No person is required to enroll as an Associate to purchase Isagenix products. Isagenix may adjust the prices of its products or services at any time. Although Associates may be required to achieve certain levels of sales to earn certain levels of compensation, Associates are not required to purchase any Isagenix products or participate in the Autoship program to become or remain an Associate. Please refer to the Compensation Plan for additional details.

### **4.2 No Inventory Loading**

The Isagenix Compensation Plan is based on sales of Isagenix products to End Consumers. Associates may purchase only that amount of product that will be consumed by the Associate (and the Associate's Immediate Household) or promptly sold to End Consumers. Customers may purchase products only for the Customer's personal use or the personal use of their Immediate Household, and not for resale. Isagenix prohibits any scheme to purchase products or to enroll new Customers or Associates, either directly or through others, for the primary purpose of qualifying any Position for any commission, bonus, Rank advancement, special promotion, contest, or other incentive.

### 4.3 Payments and Payment Authorization

All orders must be accompanied by proper payment, including all applicable shipping and handling fees and Value Added Tax. If payment is not made within a timely manner after the submission of purchase orders, you may authorize Isagenix to withhold the amount owed from any future Compensation payments.

### 4.4 Autoship Program

As a convenience, Members may enroll in our optional Autoship program, depending on market availability, so that Members can automatically receive Isagenix products on a recurring schedule approximately every 30 days without the need for physically placing an order. Please refer to the Customer Membership Account Application and Agreement for additional details. We may encourage Associates to participate in the Autoship program to receive best pricing, but Associates are not required to join the Autoship program in order to participate in the Compensation Plan or business promotions.

### 4.5 Resale of Products

You must be an Associate to purchase Isagenix products for resale. However, no Associate (or Customer) may sell, offer, or otherwise provide Isagenix products to third parties for the purpose of resale through the Internet or other electronic commerce channels. Nor may any Associate sell or offer to a third party any quantity of Isagenix products greater than that generally purchased by an individual for personal use or for the use of the person's Immediate Household without prior express written consent of Isagenix Field Relations Board. Associates may not (directly or indirectly through any intermediary or instrumentality) offer, display or sell, or facilitate the offering, displaying or selling of Isagenix's products on a retail basis in any manner (including online auctions websites, such as eBay or Amazon, e-commerce websites, retail websites, social media sites or apps, infomercials, and television), except as follows(1) through an Isagenix-provided Associate website; (2) in service-related and by-appointment businesses, where the primary source of income is from such services and not from product sales (for example, in salons, spas, offices, health clubs, and weight loss clinics); and (3) through any special program initiated and expressly approved by Isagenix. When marketing Isagenix products, you may use only Isagenix-produced or Isagenix-approved literature, banners, and signs. Isagenix also strictly prohibits the sale of Isagenix products in any jurisdiction where Isagenix is not officially open for business. These obligations and prohibitions continue even after any termination or cancellation of your relationship with Isagenix.

### 4.6 Value Added Tax

Associate understands and agrees that Value Added Tax could be imposed when purchasing the products.

### 4.7 Product Satisfaction Guarantee

Isagenix offers product satisfaction guarantee as set forth in the Isagenix Return and Refund Policy. Please note that when you, as an Independent Associate, sell, deliver or transfer products in person, you are responsible for your customer's satisfaction. If these personal customers are dissatisfied with a product, they must go through you for a replacement product or refund first. Please refer to the [Isagenix Return and Refund Policy](#) (which may be found at [Isagenix.com](#)), which is incorporated herein by reference, for details and instructions. You may contact Customer Care at [080-822-0255](tel:080-822-0255) during normal business hours with any questions. When product is returned to Isagenix, commissions and bonuses paid to Associates from the sale of that product will be charged back and deducted from future payments to those Associates who originally received the commissions and bonuses. If no compensation will or is expected to be paid to those Associates, the commissions and bonuses paid to Associates from the sale of that product will be returned to Isagenix.

## SECTION 5. PROTECTING YOUR BUSINESS

### 5.1 Out-of-Market Sales

Isagenix offers an International Sponsorship program in which you may benefit from sales of Isagenix products outside of your Home Region. However, you may not sell Isagenix products or promote the Isagenix opportunity in countries or territories that have not been officially opened by Isagenix. You also may not sell or promote Isagenix products or literature designed for one jurisdiction, country, or territory in a different jurisdiction, country, or territory. Any violation of this provision could seriously jeopardize or compromise the ability of Isagenix to obtain governmental approval to conduct

business in countries where approval is pending or planned. Accordingly, if you violate this or any other applicable policy or the laws of any country, territory, or jurisdiction you are subject to Isagenix's corrective action, including without limitation, fines, prohibitions of conducting business in such jurisdictions, and/or the termination of your Position, as deemed appropriate by Isagenix at its sole discretion.

## **5.2 Confidential Information**

To assist you in building an Isagenix business, and in reliance on your agreement to the terms of this Section, Isagenix may supply you with, or grant you access to, certain reports and other confidential and/or proprietary information that belongs to Isagenix. This information includes, but is not limited to, marketing plans and strategies, products, purchases, pricing, relationships with vendors and suppliers, and the identities of and contact information for Isagenix Associates and Customers provided to you in any document or report, and the identities of and contact information for Associates and Customers with whom you first became acquainted as a result of your relationship with Isagenix, whether or not they are in your Marketing Organization (collectively, "Confidential Information").

To protect your business and the businesses of all Associates, you acknowledge and agree that the Confidential Information belongs to Isagenix and must be kept completely confidential for as long as such information is deemed by Isagenix to be confidential. You agree that you will not, directly or indirectly through a third party, use or disclose any Confidential Information for any purpose unrelated to your Isagenix business, whether during the term of your association with Isagenix or thereafter. You acknowledge that the Confidential Information is of such character as to render it unique and that disclosure or use thereof in breach of this policy will result in irreparable damage to Isagenix and its Associates. You recognize and agree that misuse of the Confidential Information cannot be fully compensated through monetary damages. Accordingly, you acknowledge and agree that Isagenix and its Associates will take legal actions to prevent breach of this Section. If any legal action is taken or civil action is filed to enforce this provision, the prevailing party shall be awarded its costs and expenses, including reasonable attorneys' fees. You understand and agree that in addition to Isagenix, other Associates may be entitled to take legal actions or seek compensation for damages if you violate this provision. You understand and agree that the confidentiality obligations and related remedies will survive the termination or cancellation of your relationship with Isagenix.

## **5.3 Non-Solicitation**

As an Associate, you are an independent contractor and therefore are not prohibited from participating in other business ventures, even when those business ventures compete directly with Isagenix. However, to protect the integrity of the Isagenix business and to legitimately support and protect your business interests and those of other Associates, during the term of your relationship with Isagenix, you agree that you will not solicit or encourage, directly or indirectly, any Isagenix's Associate or Customer to join or work with another network marketing, multi-level marketing, or direct selling company. You further agree that, except as otherwise authorized by Isagenix, you will not introduce, promote, or sell other business ventures, goods, or services to any Associate or Customer.

A solicitation includes any direct or indirect attempt to entice or encourage Isagenix's Associate or Customer to consider joining or working with or for another network marketing, multi-level marketing, or direct selling company. A solicitation may include communicating information (including through online and social media postings) about another business venture to any Associate or Customer, to the extent a reasonable third party would interpret your communication, explanation or argument as an attempt to solicit his or her interest in that business venture. For additional information, please consult the applicable Guidance Documents which can be obtained in your ABO or contact Isagenix Compliance at [ComplianceKR@IsagenixCorp.com](mailto:ComplianceKR@IsagenixCorp.com).

Violation of this provision is grounds for termination of your Position and may also give rise to other claims for unauthorized use of Confidential Information. You acknowledge that a breach of this policy will result in irreparable damage to Isagenix and its Associates. You recognize and agree that violations of this policy cannot be fully compensated through monetary damages. Accordingly, you acknowledge and agree that Isagenix and its Associates will be entitled to take any legal action to prevent breach of this policy. If any legal action is taken to enforce this policy or recover damages, the prevailing party shall be awarded of its costs and expenses, including reasonable attorneys' fees. You understand and agree that in addition to Isagenix, other Associates may be entitled to take legal actions and seek damages if you violate this provision.

## 5.4 Changing Marketing Organizations

To protect the integrity of the Compensation Plan, and to protect the business interests of each Marketing Organization in Isagenix, no Associate or Customer, whether current or former, may move to a different Marketing Organization or change his or her Enrolling Sponsor, except as expressly provided otherwise by these Policies. Specifically, if you wish to resign and later reenroll with a different Enrolling Sponsor or be placed in a different Marketing Organization, you may apply to reenroll after the appropriate waiting period has passed, as set forth in Section 3.5. Isagenix may deny reenrollment at its sole discretion.

Any attempt to circumvent this policy, including any attempt to conceal an improper reenrollment (for example, by enrolling under someone else's name or a business entity, submitting false information to Isagenix, or working a business for someone else), is grounds for corrective action against all who had involvement in the improper activity, up to and including compensation damages pursuant to relevant laws and regulations and termination of their Position(s).

It is also a violation of your Associate Contract to solicit or encourage any Associate or Customer to change Marketing Organizations. There are various ways this can happen such as direct solicitation or discrediting another Associate in order to encourage someone to resign and reenroll with another Marketing Organization. Soliciting or encouraging another Associate or Customer to change Marketing Organizations may be deemed a violation of this Section even if such Associate or Customer waits out the appropriate amount of time under Section 3.5.

## 5.5 Anti-Manipulation

Isagenix encourages Associates to do their best to fairly and honorably maximize their opportunity to earn compensation under the Compensation Plan in a legal and ethical manner. To help foster and maintain fairness and a level playing field for all Associates, any attempt to manipulate the Compensation Plan is strictly prohibited and is grounds for immediate corrective action, up to and including compensation damages pursuant to relevant laws and regulations and termination of the involved Position(s). Evidence of manipulation at issue in this Section may include, but is not limited to the following:

- Fictitious enrollments, including enrollments using false or incomplete contact information or identification, or information that cannot be verified using reasonable efforts. To obtain credit for an enrollment, the Enrolling Sponsor must ensure that his or her enrollee provides genuine and accurate information to Isagenix.
- Gratuitous enrollments, including enrollments of individuals who have little or no interest in Isagenix, other than enrolling as a favor to someone, such as a friend or family member, or only in exchange for some other benefit, such as free products or some other form of compensation.
- Enrollment as Associates who have little or no knowledge about what is going on in their business (indicating that their business is actually being managed by someone else), or individuals who wished to be Customers only and were enrolled as Associates.
- Stacking of enrollments intended for one or a few people to earn benefits including compensation by a means of, among others, manipulation of IAAA's for the purpose of increasing commissions or bonus payouts or qualifying for Rank Advancements under the Compensation Plan.
- Multiple Associates or Customers using the same method of payment, the same shipping address, the same email address, the same Fax number, and other activities that may indicate manipulation or attempted manipulation.

Isagenix's Compensation Plan is designed to offer an income opportunity and other benefits to those who, among other things, devote the requisite time and effort in pursuing this opportunity. The Policies are designed to help protect those efforts and we encourage you to report any suspected manipulative activities to the Compliance Department at [ComplianceKR@IsagenixCorp.com](mailto:ComplianceKR@IsagenixCorp.com).

## 5.6 Income Claims

You understand and agree that Associates will not misrepresent the actual or potential income that may be earned under the Compensation Plan. Any representation about earnings must be based on documented facts, placed in the appropriate context, and accompanied by the appropriate disclosures, including the Isagenix Earnings Disclosure Statement which is available at disclosure of Information found at <http://ftc.go.kr>. Associates are responsible for providing the relevant information to prevent misrepresentation of their statements.



## 5.7 Product and Weight Loss Claims

When describing Isagenix products and personal experiences with Isagenix, including the use of testimonials (by you or other Members), you understand and agree that you will only describe Isagenix products and product experiences in a manner that is compliant with the relevant laws and regulations and consistent with the product and weight loss claims contained in official Isagenix marketing materials or as otherwise approved in advance in writing by Isagenix. In particular, when making any product claim or weight loss claim, you agree to comply with the relevant laws and regulations and accompany the claim with any appropriate disclaimers, copies of which can be obtained in Isagenix's ABO or at [ComplianceKR@IsagenixCorp.com](mailto:ComplianceKR@IsagenixCorp.com). Associates are responsible for providing the relevant information to prevent misrepresentation of their statements. You understand and agree that you will not represent that any Isagenix product is intended to diagnose, treat, cure or prevent any diseases or health conditions, unless otherwise approved in Official Isagenix Marketing Materials.

## 5.9 Media Appearances and Inquiries

To protect the Isagenix brand and to ensure a consistent message, Isagenix has determined it is in the best interest of all Associates to have designated company spokespersons handle all communications with the media. Accordingly, you are not permitted to contact, solicit, respond to, interview with, or otherwise communicate with the media about Isagenix, its products, compensation plan, their Isagenix experience, or anything else relating to Isagenix, even if you do not mention Isagenix by name, unless you receive prior written consent from Isagenix. It is a violation of this policy to provide any information to the media without prior written approval from Isagenix, regardless of whether the information is positive or negative, accurate or inaccurate. "Media" is defined broadly to include all traditional news outlets, television and radio shows, print media, as well as all internet-based journalistic communications, which may include blogs, forums, and bulletin boards relating to journalistic news or similar outlets. All inquiries from the media must be referred to Isagenix at [080-822-0255](tel:080-822-0255) or [ComplianceKR@IsagenixCorp.com](mailto:ComplianceKR@IsagenixCorp.com).

## 5.10 Non-Solicitation of Isagenix Employees

To protect against conflicts of interest, to help ensure a level playing field for all Associates, and to protect the Company's investment in developing highly skilled and marketable employees to support all Associates, Isagenix employees are prohibited from becoming Isagenix Associates and from working for Isagenix Associates in any capacity to assist with Isagenix related activities, while employed by Isagenix and for a period of one-year following termination of their employment with Isagenix, unless they receive prior written consent from Isagenix. Accordingly, as part of this Non-Solicitation Provision, you agree that you will not solicit or encourage, directly or indirectly, any Isagenix employee to leave his or her employment with Isagenix and you agree not to solicit, enroll, hire or otherwise work with any Isagenix employee during the term of his or her employment with Isagenix and for one-year thereafter, without the prior written consent of Isagenix.

## SECTION 6. TRADEMARKS, ADVERTISING AND INTERNET USAGE

### 6.1 Isagenix Trademarks, Copyrighted Materials, and other Intellectual Property

Isagenix trademarks include the name Isagenix and all variations thereof, as well as the names of all Isagenix products and services and other marks as typically indicated by the use of the "™" or "®" symbols. Isagenix trademarks also may include various word combinations relating to Isagenix using the prefix "ISA" or the suffix "GENIX". All Isagenix marketing and sales materials, including audios, videos, websites, posts, print and digital presentations, handouts or books, or other tangible and intangible works of authorship are the copyrighted work of Isagenix.

An Associate may use Isagenix's trademarks, copyrighted material, and other intellectual property only with Isagenix's prior written permission, which may be expressed through general publication (to all Associates) or through a specific writing to one or more Associates. Without limitation, Isagenix may require conformity with specifications, may require that materials that use Isagenix's trademarks and/or copyrighted materials be sourced from Isagenix or an Isagenix-approved supplier, and may otherwise condition use of its trademarks and copyrighted works. Any permission granted by Isagenix shall constitute a limited, non-exclusive, nontransferable and revocable license to use such trademarks and copyrighted works solely in connection with the Isagenix business. You agree to immediately transfer to Isagenix, upon Isagenix's request, any Internet domain name or other registration or application containing an Isagenix trademark, including any word combinations using the prefix "ISA" or the suffix "GENIX". This provision shall survive the termination of your relationship with Isagenix.

## 6.2 Advertising

Isagenix provides sales tools and other materials that you can use to promote Isagenix products and the income opportunity. Creation of your own materials is discouraged; however, you may use certain other materials, including self-created materials, if and only if you first submit the materials to Isagenix corporate offices for review and the materials have been properly approved. The materials shall not be used prior to receiving written approval from Isagenix corporate. Isagenix may refuse to approve any materials at its sole discretion. All materials you create must be truthful, accurate and not misleading. Any and all statements about the benefits of Isagenix products or about the Isagenix income opportunity must comply with all Policies and the laws and regulations in the jurisdiction where the materials are used.

## 6.3 Internet Usage and Social Media

You may use the Internet, including social media, to promote Isagenix products and your business provided you do so in a responsible manner. Isagenix provides useful tools and training materials to help you understand how to use the Internet to promote Isagenix in an effective and socially acceptable manner. You understand and agree that you will abide by all Policies and Guidance Documents relating to Internet usage, as may be amended by Isagenix from time to time, and you will not make any inaccurate, exaggerated, or misleading statements about Isagenix or its products or income opportunity in any media, including through the use of videos, pictures, or other means.

**Note:** Please refer to the Supplement to the Policies and Procedures on Internet Advertising and Social Media found on [Isagenix.com](https://www.isagenix.com) for further guidance.

## 6.4 Repackaging and Relabeling Prohibited

Associates may not delete, add, modify, tamper with, repackage, relabel, refill, or alter the labels on any Isagenix products or literature in any way. Nor may Associates break out products from product bundles (such as Business Builder Pack, Everyday Wellness Pack, or other product packs) and sell such products individually. Isagenix products may only be sold in their original containers and packaging. Relabeling or repackaging violates your agreements with Isagenix and could violate laws that generally require persons, including Associates, to implement and adhere to specified quality controls and procedures relating to the repackaging or relabeling of Isagenix products. Violations of such laws could result in severe criminal penalties. Associates should also be aware that personal civil liability may arise when, as a consequence of the repackaging or relabeling of products, the person(s) using the product(s) suffers any type of injury or damage. Associates are also responsible for learning and adhering to the proper storing and handling instructions for Isagenix products.

## SECTION 7. ENFORCEMENT OF POLICIES

### 7.1 Remedies

To protect the integrity of the Isagenix culture and to help maintain a level playing field for all Associates, the Compliance Department helps educate Associates about the Policies and actively monitors Associates' business building activities. If an Associate violates these Policies, including the Isagenix Code of Ethics, the IAAA, any Guidance Documents, or other agreements with Isagenix, or engages in any unethical, illegal, fraudulent, or deceptive conduct, or any other violation of any laws, statutes, or ordinances, we may, at our sole discretion, take one or more of the following actions after listening to the Associate's explanations as to his/her actions and internal review process:

- issue a written advisory;
- revoke recognition or invitation to an Isagenix event;
- suspend or revoke access to special privileges, including executive reports, access to the ABO, access to social media pages and groups, and other privileges;
- seek compensation damages or cancellation fee, which may be withheld from current or future commissions and/or bonus payments;
- temporarily suspend commissions, bonuses, and other payments;
- remove the Associate from participation in promotions, bonuses, incentive trips, contests and other non-Compensation Plan benefits;
- temporarily suspend or permanently terminate the Associate's Position(s) and all rights thereto;
- reassign all or part of the Associate's Marketing Organization;

- file complaints or initiate legal actions to seek compensation damages as applicable; and/or
- take any other action or corrective measures that Isagenix deems appropriate under the circumstances.

You understand and agree that Isagenix has the right to withhold payment of all commissions and bonuses during the period that Isagenix is investigating any alleged misconduct. If your Position is terminated due to a breach that occurred prior to the investigation, you will not be entitled to any commissions or bonuses withheld during the investigation period, unless otherwise required by law.

## 7.2 Field Relations Board

The Field Relations Board reviews disputes, decisions, and disciplinary actions relating to Associates and their Isagenix businesses. When an Associate requests FRB to review and FRB requests an Associate to explain, such requests must be timely submitted to the Compliance Department at [ComplianceKR@IsagenixCorp.com](mailto:ComplianceKR@IsagenixCorp.com). The Associate's explanation must include all information and documents the Associate believes supports his/her case and that the Associate would like to have considered in the review. All decisions of the Field Relations Board are Isagenix's final decision.

## SECTION 8. AMENDMENTS

Upon proper two weeks prior notification, Isagenix may, at its sole discretion, amend the IAAA Terms and Conditions, the Policies, the Guidance Documents, and any other materials pertaining to your Isagenix business, including any other agreements entered into between you and Isagenix. You understand and agree that you will be bound by the most current versions of the IAAA Terms and Conditions, the Policies, the Compensation Plan, and the Guidance Documents, including any updates or revisions since the date of your enrollment, upon any of the following occurrences (provided that, if there is an amendment to the Compensation Plan, the amendment will be effective three months after the notification of the amendment): (a) completing the enrollment process to become an Associate or Customer; (b) renewing your annual Membership; (c) each time you personally enroll a new Associate or Customer; and (d) each time you accept commissions or other payments under the Compensation Plan.

You will be bound by any amendments upon notification of the amendments through any Isagenix official channels of communication effective (including via e-mail, fax and phone) seven days after the posting of such notice (provided that, if there is an amendment to the Compensation Plan, the amendment will be effective three months after the notification of the amendment) if you do not object otherwise. Those channels of communication include, but are not limited to, posting of information to the Isagenix website or Associate Back Office ("ABO"), e-mail to your IsaMail account or email address on file, announcements in any official Isagenix newsletter or other publication, or mailed to you at the address on file.

## SECTION 9. GENERAL PROVISIONS

### 9.1 Scope, Applicability and Interpretation

These Policies govern the relationship between Isagenix (Asia Pacific) Korea Yuhan-Hoesa and/or any of its affiliates ("Isagenix") with any Associate or entity that holds an Isagenix Position. These Policies are incorporated by and form part of, the IAAA. Whenever used in the Associate Contract, including the Policies, the term "including" means "including without limitation", unless expressly stated otherwise.

### 9.2 Compensation Plan and Guidance Documents Incorporated By Reference

The Compensation Plan and Guidance Documents, as may be amended from time to time, are incorporated by reference into these Policies and you agree to be bound by the Compensation Plan and the Guidance Documents, as the same may be amended by Isagenix from time to time. However, in the case of amendment of the Compensation Plan, the amendment will be effective three months after the notification of the amendment is made.

### 9.3 Consent to Use of Personal Information

In addition to the terms and conditions of the IAAA, you are subject to the terms of the Isagenix Privacy Policy, which is incorporated as part of these Policies.

#### **9.4 Reporting and Resolving Errors**

If you have any questions or believe there has been an error regarding commissions, bonuses, reports, orders, or charges, you must notify Isagenix in writing within 30 days of the date of the purported error in question. Isagenix will not be responsible for errors, omissions or problems not so reported.

#### **9.5 Waiver**

Isagenix never waives its right to insist on compliance (a) with the Policies, the IAAA, the Guidance Documents, the Compensation Plan and other agreements between Associates and Isagenix and (b) with the applicable laws governing the conduct of a business and network marketing. This is true in all cases, both specifically expressed and implied, unless an officer of Isagenix who has actual and specific authority to bind Isagenix to such waivers or declare intention on behalf of Isagenix explicitly states in writing that Isagenix waives any of these provisions. In addition, any time Isagenix approves a waiver of any provision, that approval is specific to the single occurrence, unless otherwise stated, and does not extend to any other violation, whether past, present, or future. This provision deals with the concept of “waiver”, and the parties agree that Isagenix does not waive any of its rights under any circumstances short of the written confirmation alluded to above.

#### **9.6 Indemnification**

You agree to indemnify and hold harmless Isagenix, its officers, managers, directors, employees, beneficial owners, and agents (collectively “Isagenix Indemnitees”) against and from any claim, damage, loss, or liability, including costs incurred from civil or criminal complaints, attorneys’ fees, court or arbitration costs, or lost business Isagenix Indemnitees incur, arising from the violation of your Associate Contract.

You understand and agree that you are responsible for any verbal or written representations you make regarding Isagenix’s products and business opportunity, including the Compensation Plan, and you agree you will not make any unauthorized or unlawful representations, express or implied, verbal or non-verbal. You agree to indemnify and hold harmless Isagenix Indemnitees against and from any and all liability including costs incurred from civil or criminal complaints, attorneys’ fees, court, or arbitration costs or lost business we incur as a result of any unauthorized or unlawful representations that you make.

#### **9.7 Exclusion of Damages**

No Isagenix officer, director, employee, affiliate, successor, or assignee shall be liable for any special, punitive, indirect, or consequential damages, for any claims or actions resulting from or arising out of these Policies or any other agreement you have entered into with Isagenix, the functionality or operation of any website, or any acts or omissions of any Isagenix party, whether based on contract, tort (including negligence), strict liability, or any other cause of action.

#### **9.8 Severability and Judicial Modification**

If any portion of these Policies, or any other agreement you have entered into with Isagenix, is deemed by any arbitrator or court of competent jurisdiction to be invalid or unenforceable, it is your and Isagenix’s mutual intent that the arbitrator or court shall strike or modify the applicable provision only to the extent necessary to make such provision enforceable, and enforce the provision as modified. In any event, the remainder of these Policies and all other agreements shall remain in full force and effect.

#### **9.9 Survival of Terms**

You understand and agree that each of the provisions of these Policies relating to confidentiality, non-solicitation, resale of products, including prohibitions of online sales, arbitration, and other provisions as expressly stated herein will survive three years after the termination of your relationship with Isagenix.

## 9.10 Governing Law and Dispute Resolution

ANY CONTROVERSY OR CLAIM ARISING OUT OF, OR RELATING TO, THESE POLICIES AND PROCEDURES, THE COMPENSATION PLAN, OR THE GUIDANCE DOCUMENTS, OR THE BREACH THEREOF, SHALL BE GOVERNED BY THE LAWS OF THE REPUBLIC OF KOREA. IF YOU FILE A CLAIM AGAINST ISAGENIX, PURSUANT TO THE ACT ON DOOR-TO-DOOR SALES, ETC., IT SHOULD BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE DISTRICT COURT HAVING JURISDICTION OVER THE ADDRESS OF THE INDEPENDENT ASSOCIATE OR CUSTOMER.

## SECTION 10. GLOSSARY

**Achieved Rank**– the highest Rank in which an Associate has qualified within the Compensation Plan.

**Associate**– an independent contractor who has met and continues to meet the eligibility requirements set forth in the Associate Contract. Associates may purchase and resell Isagenix products, subject to applicable laws, policies and agreements, and are generally eligible to earn compensation under the Compensation Plan.

**Associate Back Office (ABO)**– is the online portal through which Associates have access to information and tools helpful to operate their Isagenix businesses.

**Associate Contract**– the contract between Isagenix and each Associate which includes the Isagenix Independent Associate Application and Agreement, the Isagenix Policies and Procedures, the Isagenix Team Compensation Plan, the Guidance Documents, and the Business Entity Form (if applicable), all in their current form or as amended by Isagenix from time to time in its sole discretion. These documents, including items incorporated by reference in such documents, may be collectively referred to as and comprise the “Agreement.”

**Associate Membership Account**– the Isagenix account established by an Associate upon agreeing to the Associate Contract, providing required information and meeting the requisite requirements. The Associate Membership Account may also be referred to as “Associate Account,” “Membership Account,” or “your Account.”

**Associate Support System**– the online support system available to each Isagenix Associate at enrollment. It includes an Isagenix Associate Website where an Associate’s Retail Direct Customers may purchase Isagenix products at the retail price and where an Associate may enroll new Customers and Associates. It also includes access to the Associate Back Office and training materials.

**Autoship**– an optional program of convenience permitting preselected, pre–authorized orders to be automatically shipped on a selected date each month. The Autoship program provides additional savings and convenience to Members who elect to participate. Associates are not required to participate in the Autoship program in order to participate in the Compensation Plan.

**Business Building Activity**– enrolling a new Customer or Associate, receiving a Compensation payment, advancing in Rank, or participating or completing other business related activities as may be specified by Isagenix.

**Business Center**– the term “Business Center” is given the meaning set forth in the Compensation Plan.

**Compensation**– the commissions, bonuses and other consideration received by an Associate under the Compensation Plan or through other incentives or promotions implemented by Isagenix for the sale of its products.

**Compensation Plan**– the Isagenix Team Compensation Plan

**Customer Membership Account**– the account established by Customers upon agreeing to the terms and conditions of the Customer Membership Account Application and Agreement and supplying the requisite information. The Customer Membership Account may also be referred to as a “Customer Account.”

**Customer Type**– the type or level of membership selected by a Customer as indicated by the Customer’s election at the time of enrollment

**Customers**– End Consumers who have created a Membership Account to purchase Isagenix products at discount prices for their own personal use or the personal use of their Immediate Household only. In addition to persons who have created a Membership Account, other persons may purchase Isagenix products as “Retail Customers,” “Retail Direct Customers,” or other type of customers as may be designated from time to time by Isagenix, all of whom also may be considered End Consumers. Customers, Retail Customers and Retail Direct Customers may not participate in the Compensation Plan or resell products. The term “Customer” by itself refers only to persons who have created a Customer Membership Account and does not refer to Retail Customers or Retail Direct Customers.

**End Consumers**– persons who acquire Isagenix products for the purpose of consuming them rather than for the purpose of reselling to someone else.

**Enrolling Sponsor**– the person who is credited for personally enrolling a Customer or an Associate.

**Field Relations Board (FRB)**–the Board responsible for reviewing certain matters relating to compliance with the Associate Contract, including decisions made by the Compliance Department.

**Guidance Documents**– the guidelines, FAQs, supplements, training materials, and other tools and documents published or presented by Isagenix that interpret, clarify, and provide additional detail with respect to these Policies. The Guidance Documents, as updated from time to time, are considered part of these Policies (unless otherwise stated in the specific Guidance Document) and can be found on official Isagenix publications, including in the Associate Back Office.

**Home Region**– the Isagenix Region that includes the country or territory where the Associate resides at the time of enrollment. An Associate may benefit from the sales activity of new Members in the Associate’s Home Region without applying for and receiving approval as an International Sponsor.

**Immediate Household**– the head(s) of a household and dependent family members residing in the same household.

**Independent Associate Application and Agreement (IAAA)**–the application and agreement which a person who desires to be an Isagenix Independent Associate must properly complete, execute, and submit to Isagenix as one of the prerequisites to becoming an Associate.

**International Sponsor**–an Associate who has been approved to enroll Associates and Customers in Regions other than the enrolling Associate’s Home Region and may qualify to earn Compensation for product sales in such other Region(s).

**International Sponsorship Application and Agreement**–the application and agreement that an Associate must properly complete, execute, and submit to Isagenix as one of the prerequisites to becoming an International Sponsor.

**Line of Sponsorship**– the line of Associates above a given Position in a Team Placement Tree.

**Marketing Organization**– all Customers and Associates who are situated below a given Associate in the Associate’s Team Placement Tree and from whose product purchases the Associate’s Compensation is derived.

**Member**– a Customer or an Associate or both, depending on the context.

**Official Isagenix Marketing Material**– literature, audio recordings, video recordings, and other materials developed, published, printed or distributed by Isagenix or its approved third party suppliers. Materials and recordings developed, published, printed or recorded by Associates or any other person or entity is not “Official Isagenix Marketing Material.”

**Placement Sponsor**– the Associate under whom an enrolling Associate or Customer is placed in the Compensation Plan. The Placement Sponsor and the Enrolling Sponsor may be the same person.

**Policies and Procedures**– rules and regulations governing the conduct of Associates with respect to their independent Isagenix businesses, including this document and the Guidance Documents, as may be amended by Isagenix from time to time.

**Position**– (1) the Business Center held by an Associate or (2) the placement location of a Member in the Enrolling Sponsor's Team Placement Tree for purposes of measuring and tracking product sales and allocating commission payments to Associates based on product sales.

**Preferred Customer**– a Customer who has established a Customer Membership Account, and has agreed to certain terms and conditions. A Preferred Customer may elect to participate in the Isagenix Autoship program.

**Rank**– the title or status that an Associate has achieved pursuant to the Compensation Plan. The ten Ranks are: Associate, Consultant, Manager, Crystal Manager, Director, Crystal Director, Executive, Crystal Executive, Platinum, and Crystal Platinum.

**Region**– a country or a group of countries designated by Isagenix for purposes of distinguishing an area of the world where an Associate may sponsor new Associates and Customers.

**Retail Customer**– a person who purchases Isagenix products directly from an Associate in person.

**Retail Direct Customer**– a person who purchases Isagenix products from Isagenix at the suggested retail price by going through an individual Associate's website.

**Support Team**– the Line of Sponsorship above your Position in the Team Placement Tree (including your Enrolling Sponsor and Placement Sponsor) who are in a direct line to your Position through your Enrolling Sponsor.

**Team Placement Tree**– an Associate's Marketing Organization (Right and Left Teams) in which newly enrolled Customers and Associates are placed. See Compensation Plan for additional information.