



ISAGENIX SUPPLEMENT TO THE POLICIES AND PROCEDURES

Associate-Sponsored Discounts, Contests, Promotions, and Raffles

We value entrepreneurial leaders who motivate and support Members of their teams by recognizing extraordinary achievements within their independent businesses, and we encourage the proper use of promotions and other similar measures to build a business and support a team. While we want to encourage that entrepreneurial spirit, we also want to make sure everyone is playing by the same rules. This will help keep the company and your business safe while also creating a level playing field for all Isagenix Independent Associates.

To minimize possible confusion among Associates concerning what is and what is not permissible when it comes to Associate-sponsored incentives, we are publishing the following general guidelines and providing further elaboration on the reasons and principles underlying these guidelines:

1. Associate-sponsored contests within their own teams may be permissible if done responsibly and in accordance with Isagenix policies and guidelines. Although each situation is unique, and additional guidance may be necessary, some key considerations for leaders who desire to run their own promotions are as follows:
 - a. All rewards or incentives should be based on the sale of products to consumers and legitimate business-building activities to that end, never on just enrollments;
 - b. Promotions should reward leaders for finding consumers who buy our products without subsidizing the product purchases by the consumers;
 - c. Promotions should be affordable for the leader offering the promotion and presented in a way that does not put any pressure on the other Members of the team to offer their own promotions;
 - d. Communication about team-based promotions must be limited to the Members of the team and publicized only to Members of the team (e.g., no public posts on social media) to protect leaders from allegations of cross-recruiting and to avoid making a particular team appear more attractive to join than another; and
 - e. When a contest is only promoted to existing team members, individuals who join that team after the contest starts may, but need not, be eligible to participate (however, if details of the contest become publicly available, the contest could be viewed as an incentive to enroll on that particular team, and as a result, only those who were on the team before the information became publicly available are eligible to participate).

Again, among other things, these rules are intended to help maintain a level playing field among all Associates.

2. Associate-sponsored contests or promotions within an Associate's own team that are designed to reward business-builder activities (such as referrals, loyalty rewards, new product trials, meeting attendance or participation, hosting meetings or otherwise promoting the use and success of Isagenix products and programs, new Customer acquisition, rank advancement, leadership development, and consistency) are permitted subject to the above guidelines.
3. Associate-sponsored promotions targeting the general public are not allowed if they include any offer to subsidize product purchases or provide other special discounts, rebates, shared Product Introduction Bonuses, and other financial incentives that effectively subsidize purchases by consumers. This rule does not apply to discounts and promotions offered by the company, which are available to everyone, or team fitness challenges open to the public if there is no exchange of money for participation in the challenge, the prize is in line with Section 1(c), and the criteria for determining the winner of the prize is based on safe physical transformations. The purpose of this rule is to:
 - a. Maintain a level playing field and avoid giving an unfair advantage to more established leaders who have more resources than other Associates;
 - b. Avoid causing other Associates to feel undue pressure to match those promotions to be able to effectively compete for new Customers;

- c. Avoid setting a precedent of using high-cost incentives that could discourage new Members from getting into the business;
 - d. Prohibit activity that could be considered as:
 - i. manipulation of the Isagenix Team Compensation Plan,
 - ii. “paying for enrollments,” or
 - iii. otherwise potentially unlawful activity under certain circumstances.
 - e. Protect the Isagenix brand and reputation by minimizing confusion about our pricing and promotions.
4. Raffles: Associate-sponsored raffles are allowed as long as the following requirements are met:
- a. The raffle is only directed at existing Customers and Associates or is offered at an in-person gathering such as a trade show or opportunity meeting;
 - b. The Associate sponsoring the raffle may not accept any money in connection with the raffle;
 - c. The sponsoring Associate may not promote the raffle to, or allow to participate in the raffle, anyone who is in another Isagenix organization;
 - d. The sponsoring Associate must take on the responsibility of ensuring that the raffle does not violate any applicable law (Many jurisdictions have prohibitions against holding raffles with limited exclusions for charitable purposes. Isagenix cannot provide advice on the legality of a raffle or competition.);
 - e. The sponsoring Associate must ensure that the raffle complies with the principles outlined in Sections 1 and 3 above regarding contests and promotions;
 - f. Using a raffle as a means of enticing, encouraging, or subsidizing the opening of an Isagenix account is not permitted. The opening of a new account cannot be either a requirement for entry into a raffle or a prize in a raffle; and
 - g. A raffle for purposes of this guidance document is any competition in which participants pay a fee or take some action in a business-building activity that grants them a chance to win a prize.
5. Examples of potential contests, promotions, and raffles that would comply with this guidance:
- a. In connection with an Associate-sponsored event, an Associate could invite existing Customer and Associate attendees to enter their names (at no cost) in a raffle for an opportunity to win all or a portion of a product display. This type of raffle would be acceptable for a virtual event, provided entrance in the raffle is based on attendance or some other form of participation in the virtual event and not enrollment.
 - b. An Associate could run a raffle for their existing team members whereby the team member can qualify for the chance to win a prize if they achieve a rank advancement within a certain time period.
 - c. An Associate could run a fitness challenge for existing team members whereby the team member can win a prize for doing certain activities. For example: Join a private fitness challenge, post in a team Facebook group once a week, and participate in weekly team calls. Because an enrollment is incidental to the spirit of the contest and the contest was only promoted to existing team members, even team members who join after the contest starts can participate.

If you have any questions about this guidance and how it might apply to a promotion you would like to run, or if we can provide any other assistance, contact Isagenix Compliance at Compliance@IsagenixCorp.com.

Guidance documents by Isagenix describe the company's current thinking on a topic. Isagenix reserves the right to amend this document or provide additional guidance as appropriate. The standards in this document will be enforced in accordance with the Policies and Procedures. Because each situation is unique, you should consult with Isagenix Compliance (Compliance@IsagenixCorp.com) if you have any questions about how this or other guidance may apply to your situation.