L'Occitane, Inc. Consultant Terms & Policies

- 1. The Agreement. The term "Agreement" collectively refers to these Terms and Policies, the L'Occitane Compensation Plan, the Arbitration & Dispute Resolution Policy, and the L'Occitane Business Entity Addendum (the Business Entity Addendum is only applicable to Consultants who enroll as a business entity), in their current form and as may be changed in the future. Independent Consultants shall be referred to as "Consultants" or "you." L'Occitane, Inc. shall be referred to as "L'Occitane" or the "Company." Any promises, representations, offers, or other communications not expressly set forth in the Agreement are of no force or effect.
- 2. Adherence to the Agreement. Consultants must comply with the Agreement. If you have not yet reviewed the Terms and Policies at the time you execute this Agreement, they are posted in your Consultant L'Occi Drive. You must review the Terms and Policies within five days from the date on which you execute this Agreement. If you do not agree to the Terms and Policies, your sole recourse is to notify the Company and cancel this Agreement. Failure to cancel constitutes your acceptance of the Agreement, including these Terms and Policies. You must be in good standing, and not in violation of the Agreement, to be eligible for bonuses or commissions from L'Occitane.
- **3.** Changes to the Agreement. The Company reserves the right to change the Agreement as reasonably necessary. Changes shall be effective 30 days after notice of the changes and publication of the notice in each Consultant's L'Occi Drive, but changes shall not apply retroactively to conduct that occurred prior to the effective date of the changes. If you do not agree to any changes, your recourse is to cancel your L'Occitane Agreement.

- **4. Consultants' Rights.** Consultants for L'Occitane:
- Have the right to sell, and solicit orders for, L'Occitane products in accordance with these Terms and Policies. It is within the exclusive right of L'Occitane to accept or reject orders submitted by Consultants;
- Have the right to enroll others as L'Occitane Consultants;
- If qualified, have the right to earn commissions pursuant to the L'Occitane Compensation Plan.
- 5. Independent Contractor Status. Consultants are independent contractors and not employees, partners, legal representatives, or franchisees of L'Occitane. Consultants are solely responsible for paying all expenses they incur, including but not limited to travel, food, lodging, secretarial, office, telephone, Internet and other business expenses. CONSULTANTS SHALL NOT BE AS L'OCCITANE EM-TREATED PLOYEES FOR FEDERAL. STATE OR LOCAL TAX PURPOSES. L'Occitane is not responsible for withholding and shall not withhold or deduct FICA, or taxes of any kind from Consultants' compensation. Consultants are not entitled to workers compensation or unemployment security benefits of any kind from L'Occitane.
- 6. Assignment of Rights and Delegation of Duties. Consultants may not assign any rights under the Agreement without the prior written consent of L'Occitane. Any attempt to transfer or assign the Agreement without the express written consent of L'Occitane renders the Agreement voidable at the option of L'Occitane and may result in termination of your L'Occitane business.

If the assets of L'Occitane, or a controlling ownership interest in L'Occitane, is transferred to a third party, L'Occitane may assign its rights and delegate its duties and obligations under the Agreement to such third party as part of the sale or transfer.

- **7. Waiver.** Any waiver by either party of any breach of the Agreement must be in writing and signed by an authorized agent of the party against which the waiver is asserted. Any waiver of a breach by a party shall be a one-time waiver only and shall not operate or be construed as a waiver of any subsequent breach.
- **8. Waiver of Right of Publicity.** Consultants grant L'Occitane an irrevocable license to reproduce and use their name, photograph, video, personal story, testimonial, and/or likeness in its advertising or promotional materials, including but not limited to use in online forums. Consultants waive all claims for remuneration for such use and all rights to inspect or approve all draft, beta, preliminary, and finished material.
- **9. Minimum** Age. Persons under age 18 may not be Consultants and no Consultant shall knowingly recruit or sponsor, or attempt to recruit or sponsor, any person under age 18.
- 10. Severance. If any provision of the Agreement, in its current form or as changed in the future, is held void or unenforceable, only the void or unenforceable portion(s) of the provision shall be severed from the Agreement and the remaining provisions shall remain in effect. The severed provision shall be reformed so that it is in compliance with the law and reflects the purpose of the original provision as closely as possible. The existence of any claim or cause of action of a Consultant against L'Occitane shall not constitute a defense to L'Occitane's enforcement of any term or provision of the Agreement.
- 11. Term and Renewal of a L'Occitane Business. L'Occitane reserves the right to terminate all Consultant Agreements upon

30 days' notice if the Company elects to: (1) cease business operations; (2) dissolve as a business entity; or (3) terminate distribution of its products and/or services via direct selling channels.

A participant in this multilevel marketing program has a right to cancel at any time, regardless of reason. Cancellation may be submitted in writing to the Company at its principal business address or via the Consultant's L'Occi Drive.

- **12. Maryland Residents**: A participant may cancel the contract for any reason within 3 months after the date of receipt of goods or services first ordered; upon cancellation, the Company shall repurchase the goods; and the repurchase price shall be at least 90% of the original price paid by the participant.
- 13. General Conduct. Consultants, in both their personal and business capacities, shall safeguard and promote the good reputation of L'Occitane and its products. Consultants shall not engage in illegal, deceptive, misleading, unethical or immoral conduct, or other conduct, that could reasonably be foreseen to cause damage to L'Occitane's goodwill and reputation.

Because it is impossible to specify all misconduct that violates this provision, the following is a non-exhaustive list of conduct that is specifically prohibited under this policy:

- Making statements in your business that are deceptive, untruthful, unfair, or misleading;
- Making any implied or express representation that any state or federal government official, agency, or body has approved or endorses L'Occitane, its program, or products;
- Engaging in criminal or fraudulent conduct in either your business or personal life that could reasonably be foreseen to

- damage the Company's reputation or the culture that exists within the field sales force:
- Engaging in conduct that can reasonably be interpreted as constituting harassment, intimidation, discrimination, predatory, abusive, obscene, humiliating to others or conduct that threatens violence;
- The unwanted disclosure of a thirdparty's personal information;
- Using a L'Occitane business and/or any L'Occitane platform to promote a social, political or religious purpose.
- 14. Social Media. In addition to meeting all other requirements specified in these Terms & Policies, if a Consultant utilizes any form of social media in connection with her L'Occitane business, including but not limited to blogs, Facebook, Twitter, LinkedIn, YouTube, or Pinterest, the Consultant agrees to each of the following:
- Consultants are responsible for the content of all material that they produce and all of their postings on any social media site, as well as all postings on any social media site that they own, operate, or control.
- Consultants shall not make any social media postings, or link to or from any postings or other material that can reasonably be considered political, religious, socially divisive, sexually explicit, obscene, pornographic, offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, creed, religion, gender, sexual orientation, physical disability, or otherwise), graphically violent, solicitous of any unlawful behavior, that engages in personal attacks on any individual, group, or entity, or is in violation of any intellectual property rights of the Company or any third party (including but not limited to the use of names, images or likenesses of other persons without their permission).

- No product sales or enrollments may occur on or through any social media site. To process sales or enrollments, a social media site must link only to the Consultant's L'Occitane replicated website myloccitane.com, L'Occitane's corporate website or an official L'Occitane corporate social media page.
- It is each Consultant's responsibility to follow the social media site's terms of use
- Any social media site that is directly or indirectly operated or controlled by a Consultant that is used to discuss or promote L'Occitane's products, or the L'Occitane opportunity, may not link to any website, social media site, or site of any other nature that promotes the products, services, or business program of any direct selling company other than L'Occitane.
- Consultants shall comply with all applicable national and local codes, standards, laws, rules and regulations (including compliance with the Federal Trade Commission's current guidelines and guidance regarding endorsements and testimonials) by clearly and conspicuously disclosing Consultant's material relationship with Company as an independent Consultant, and, if necessary, will also clearly and conspicuously include any and all appropriate disclosures or hashtags, i.e., #Sponsored L'Occitane or #ad or #Loccitane-Consultant, or other disclosure approved in writing by Company.
- During the term of this Agreement and for a period of 12 calendar months thereafter, a Consultant may not use any social media site on which they discuss or promote, or have discussed or promoted, the L'Occitane business or L'Occitane's products to directly or indirectly solicit anyone for another direct selling or network marketing program (collectively, "direct selling").
- During the term of the Agreement and for 12 calendar months after the cancel-

lation of a Consultant's business for any reason, a Consultant shall not take any action on any social media site on which they discuss or present, or have discussed or presented, L'Occitane's products or the L'Occitane business that may reasonably be foreseen to draw an inquiry from L'Occitane's Consultants relating to the Consultant's other direct selling business activities or products. Violation of this provision shall constitute a violation of the nonsolicitation provision in Policy 24.

- If a Consultant creates a business page on any social media site to promote or relates to L'Occitane, its products, or opportunity, the page may not promote or advertise the products or opportunity of any other direct selling business other than L'Occitane and its products. If the Consultant's L'Occitane business is cancelled for any reason or if the Consultant becomes inactive, the Consultant must deactivate the page immediately.
- Consultants shall respect the privacy of other social media users.
- Consultants shall not engage in abusive social media practices including but not limited to harvesting or trolling for connections, shaming, discriminating, or bullying others.

15. Consultant Collateral Tools and Mobile Applications. Consultants may create their own collateral Tools (websites excluded) to promote their L'Occitane business or L'Occitane's products and services. Tools include material that can reasonably be considered as promoting or advancing a Consultant's L'Occitane business or the Company's products. Official L'Occitane-supplied websites (Consultants' replicated websites) are the only online forum through which L'Occitane products may be sold or L'Occitane Consultant enrollments may be transacted (prohibited online forums include, but are not limited to, Consultants' external websites, online auctions and classified listings, social media sites, and consultant-created mobile applications). The following rules apply to all Consultant-produced Tools:

- Tools may not take and/or process product or service orders, sales or enrollments.
- The Tools must clearly and conspicuously identify the Consultant who is using the Tools and must clearly and conspicuously disclose that he/she is a L'Occitane Independent Consultant, and that the Tools are not L'Occitane's corporate Tools.
- Upon cancellation of an independent Consultant's L'Occitane Agreement for any reason, the former Consultant must immediately discontinue using the Tools and/or making them available to other Consultants;
- The Tools must exclusively promote L'Occitane's products and the L'Occitane opportunity;
- The Tools must comply with all provisions of these Terms & Policies:
- Prior to going live with any Tools, the Consultant must submit a draft of the Tools to the Company for review and receive the Company's written authorization to use the Tools. Following approval, any changes to the Tools must also be submitted to the Company and receive written approval before use. Tools must be submitted to L'Occitane loccicare@mvloccitane.com. Company strives to provide a written decision within 30 days from the date on which it receives a submission, but if the Company does not issue written authorization within such time, the Tool(s) is unauthorized and may not be used. Postings on social media sites must comply with all Terms & Policies, but do not require the Company's pre-approval.

L'Occitane reserves the right to rescind approval for any approved Tools, and Consultants waive all claims against L'Occitane, its officers, directors, owners, employees, and agents for damages, expenses, costs, or remuneration of any other nature arising from or relating to such rescission.

Approved Tools will be posted in the Consultants' L'Occi Drives and will be made available to all Consultants free of charge. The Consultant who submitted the Tool to the Company waives all claims to remuneration for such use and grants L'Occitane an irrevocable license to use the Tools, and to allow L'Occitane to provide the Tools to other Consultants free of charge, as the Company deems appropriate.

16. Trademarks and Copyrights. The name "L'Occitane" and other names as may be adopted by the Company are proprietary trade names, trademarks and service marks of L'Occitane or its affiliates. The Company grants Consultants a limited license to use its trademarks and trade names in promotional material in accordance with these Terms and Policies for so long as the Consultant's Agreement is in effect. Upon cancellation of a Consultant's Agreement for any reason, the license shall expire and the Consultant shall immediately discontinue all use of the Company's trademarks and trade names. Under no circumstances may a Consultant use any of L'Occitane's trademarks or trade names in any email address, website domain name, social media handle, social media name or address, or in any unapproved Sales Tools.

L'Occitane commonly puts on live and recorded events as well as webinars and telephone conference calls. During these events Company executives, Consultants, and guests appear and speak. The content of such events is copyrighted material that is owned exclusively by the Company. Consultants may not record company functions for any reason, whether such event is live, a webinar, via conference call, or delivered through any other medium. In addition, Company-produced Sales Tools, including but not limited to videos, audios, podcasts, and printed material, also are protected by copyright. Consultants shall not copy or distribute any such materials without the Company's prior written approval.

17. Sales Outlets. To support the Company's social selling distribution channel and to protect the independent contractor relationship, Consultants agree that they will not sell L'Occitane products in any retail, wholesale, warehouse, discount establishment, flea market, street fair or other temporary venue, any online auction or buy-sell site (including but not limited to Amazon or eBay), nor in any service-related establishment, including but not limited to beauty salons or spas. Notwithstanding the foregoing, Consultants may display and sell L'Occitane products at professional trade shows upon receiving prior written approval from L'Occitane.

- **18. Change of Sponsor**. The only means by which a Consultant may legitimately change his/her sponsor is by voluntarily canceling his/her L'Occitane business and remaining inactive for twelve (12) consecutive full calendar months. The Consultant will lose all rights to his/her former downline organization upon his/her cancellation. Following the 12th consecutive calendar month period of inactivity, the former Consultant may reapply under a new sponsor.
- 19. Waiver of Claims. In cases wherein a Consultant improperly changes his/her sponsor, L'Occitane reserves the right to determine the final disposition of the downline organization that was developed by the Consultant in his/her second line of sponsorship. CONSULTANTS WAIVE ANY AND ALL CLAIMS AGAINST L'OCCITANE, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM L'OCCITANE'S DECI-

SION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW A CONSULTANT WHO HAS IMPROPERLY CHANGED HIS/HER SPONSOR.

- 20. Product Claims. Consultants must not make claims, including but not limited to testimonials, about L'Occitane's products or services that are not contained in official L'Occitane literature or posted L'Occitane's official website. Under no circumstances shall any Consultant state or imply that any L'Occitane product is useful in the diagnosis, treatment, cure, or prevention of any disease, illness, injury, medical or health condition or that any L'Occitane product is intended to affect the structure or any function of the body.
- 21. Income Claims. When presenting or discussing the L'Occitane opportunity or Compensation Plan to a prospective Consultant, Consultants may not make income projections, income claims, income testimonials, or disclose their L'Occitane income (including, but not limited to, the showing of checks, copies of checks, bank statements, or tax records), or the income of any other L'Occitane Consultant. Nor may Consultants make "lifestyle" income claims. A "lifestyle" income claim is a statement or depiction that infers or states that the Consultant is able to enjoy a luxurious or successful lifestyle due to the income they earn from their L'Occitane business. Examples of prohibited lifestyle claims include, but are not limited to, representations (either through audio or visual medium) that a Consultant was able to quit his/her job, acquire expensive or luxury material possessions, or travel to exotic or expensive destinations.
- 22. Compensation Plan and Program Claims. When presenting or discussing the L'Occitane Compensation Plan, you must make it clear to prospects that financial success in L'Occitane requires commitment, effort, and sales skill. Conversely, you must

never represent that one can be successful without diligently applying themselves. Examples of misrepresentations in this area include, but are not limited to:

- It's a turnkey system.
- The system will do the work for you.
- Just get in and your downline will build through spillover.
- Just join and I'll build your downline for you.
- The Company does all the work for you.
- You don't have to sell anything.
- All you have to do is buy your products every month.

The above are just examples of improper representations about the Compensation Plan and the Company's program. It is important that you do not make these, or any other representations, that could lead a prospect to believe that they can be successful as a Consultant without commitment, effort, and sales skill.

- 23. Media Inquiries. Consultants must not interact with the media regarding the L'Occitane business or products. All inquiries from the media, including radio, television, print, online, or any other medium, shall be directed to L'Occitane's marketing department.
- 24. Nonsolicitation. L'Occitane Consultants are free to participate in other direct selling programs. However, during the term of this Agreement and for one year thereafter, with the exception of a Consultant's personally enrolled downline Consultants, a Consultant may not directly or indirectly Recruit other L'Occitane Consultants for any other direct selling business. The term "Recruit" means the direct or indirect, actual or attempted, sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, another L'Occitane Consultant to enroll or participate in another

direct selling opportunity. This conduct constitutes Recruiting even if the Consultant's actions are in response to an inquiry made by another Consultant or customer.

If a Consultant is engaged in another direct selling program, it is the responsibility of the Consultant to ensure that his or her L'Occitane business is operated entirely separate and apart from all other businesses and/or direct selling programs. To this end, the Consultant must not:

- Display L'Occitane promotional material, sales aids, or products with or in the same location as, any non-L'Occitane promotional material or sales aids, products or services.
- Offer the L'Occitane opportunity, products or services to prospective or existing customers or Consultants in conjunction with any non-L'Occitane program, opportunity or products.
- Offer, discuss, or display any non-L'Occitane opportunity, products, services, books or opportunity at any L'Occitane-related trunk-show, meeting, seminar, convention, webinar, teleconference, or other function.
- **25. Participation in other Direct Selling Businesses.** Notwithstanding the preceding policy, if a Consultant operates a business in another direct selling program he/she may not advance to the rank of Impact 4 with L'Occitane.
- **26. Leadership.** To be recognized as a leader in L'Occitane a Consultant must apply to, and be accepted by, L'Occitane into its leadership program. Consultants who have not reached the rank of Leadership Impact Level 2 will not be considered for the Leadership program.
- **27. Nondisparagement.** Negative comments in the field serve only to sour the en-

thusiasm of other Consultants. Therefore, Consultants shall not disparage, libel, slander, or make negative or critical comments to any other Consultant or third party regarding L'Occitane, its management, products or Compensation Plan. All criticism must be directed exclusively to the Company at loccicare@myloccitane.com.

- 28. Confidential Information. "Confidential Information" includes, but is not limited to, the identities, contact information, and/or sales information relating to L'Occitane's Consultants and/or customers: (a) that is contained in or derived from any Consultants' respective Consultant L'Occi Drive; (b) that is derived from any reports issued by L'Occitane to Consultants to assist them in operating and managing their L'Occitane business: and/or (c) to which a Consultant would not have access or would not have acquired but for his/her affiliation with L'Occitane. Confidential Information constitutes proprietary information belonging exclusively to L'Occitane is provided to Consultants in strict confidence. You agree not to directly or indirectly disclose Confidential Information to any third party or use Confidential Information for any purpose other than in building and managing your independent L'Occitane business.
- 29. Handling Personal Information. If you receive Personal Information from or about prospective Consultants or customers, it is your responsibility to maintain its security. You should shred or irreversibly delete the Personal Information of others once you no longer need it. Personal Information is any piece of information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual or household. It includes the name, address, email address, phone number, credit card and payment information, social security or tax identification number and other information associated with these details of customers, potential customers, Consultants and

prospective Consultants.

- 30. Product Inventory & Bonus Buying. Consultants may not carry an inventory of L'Occitane products for resale. All products are direct shipped from the Company to the customer. In addition, bonus buying is strictly prohibited. Bonus buying is any mechanism or artifice to qualify for rank advancement or maintenance, incentives, prizes, commissions or bonuses.
- 31. Limitations on Consultant and Household Businesses. Consultants may own, operate, control, or have an interest in, only one L'Occitane business, and there may be only one L'Occitane business in a household. A "household" is defined as spouses or couples, and dependent children of one or both spouses or couples, living in the same home of the spouses or member of the couple, as well as dependent children of either spouse or member of the couple, while attending school away from home.
- 32. Actions of Third Parties. If a third party acting on behalf of, or with the active or passive assistance or knowledge of a Consultant engages in conduct that would be a violation of the Agreement, the conduct of the third party may be imputed to the Consultant. "Knowledge" of misconduct is not limited to actual knowledge. If a Consultant engages in acts or omissions that the Consultant knows or SHOULD KNOW will enable a third party to violate this Agreement if such action was taken by the Consultant, the Consultant shall be deemed to have knowledge of the violation.
- **33.** Tampering With Product Packaging. L'Occitane products must be sold in their original packaging. Consultants shall not alter the original packaging or labeling.
- **34.** Adjustment to Bonuses and Commissions. Compensation stemming from product sales is fully earned when the applicable return, repurchase, and chargeback periods

applicable to product sales have all expired. If a product is returned to L'Occitane for a refund or is repurchased by the Company, or a chargeback occurs, the compensation attributable to the returned or repurchased product(s) will be recovered by the Company. Unearned compensation will be deducted, in the month in which the refund is issued or the chargeback occurs and continuing every pay period thereafter until the commission is recovered, from the upline Consultants who received bonuses and commissions on the sales of the refunded products.

- L'Occitane reserves the right to withhold or reduce any Consultant's compensation as it deems necessary to comply with any garnishment or court order directing L'Occitane to retain, hold, or redirect such compensation to a third party.
- 35. Return of Merchandise and Sales Aids by Consultants Upon Cancellation or Termination. Within 30 days from the cancellation or termination of a Consultant's business, the Consultant may return products and Sales Tools (including business kits) that he or she purchased directly from L'Occitane within 12 months prior to the date of cancellation (the one-year limitation shall not apply to residents of Louisiana, Massachusetts and Wyoming) so long as the goods are in currently marketable condition and are returned to the Company within 30 days from the date of the Consultant's cancellation or termination. Upon the Company's timely receipt of returned goods and confirmation that they are in currently marketable condition, the Consultant will be reimbursed 90% of the net cost of the original purchase price(s). Shipping and handling charges will not be refunded. If the purchases were made through a credit card, the refund will be credited back to the same account. Goods are in "currently marketable condition" if they are unopened and unused and packaging and labeling has not been altered or damaged. Merchandise that is

clearly identified at the time of sale as nonreturnable, closeout, discontinued, or as a seasonal item is not subject to this repurchase policy. Back Office and Replicated website fees are not refundable except as may be required under applicable state law.

- **36. Montana Residents**: A Montana resident may cancel his or her Consultant Agreement within 15 days from the date on which his or her application is submitted and may return his or her business kit within such time and is entitled to a full refund for the business kit and for any other consideration he/she paid within such time period to participate in the program.
- **37.** Louisiana, Massachusetts and Wyoming Residents: If you cancel your Consultant Agreement, upon receipt of your written request, L'Occitane will refund 90% of the costs you have incurred to participate in the program during the current year.
- 38. Satisfaction Promise. If you're not completely happy with merchandise from L'Occitane, with the exception of sale and discounted items, simply return it to L'Occitane within 45 days from the date of purchase for a refund (a \$4.95 shipping fee shall be deducted from all refunds). This satisfaction promise applies only to merpurchased directly chandise L'Occitane. Merchandise in multi-unit product packs may not be returned or refunded individually; the entire multi-unit product pack must be returned. This satisfaction promise is not applicable to sale items, display items and business supplies and starter kits. Sales of discounted and sale items are final. The Company may cancel the Consultant Agreement of any Consultant that it reasonably believes is engaging in abusive returns.
- **39. Other Cancellation Rights.** Customers, L'Occi Care customers and newly enrolled Consultants have three business days within which to cancel their initial purchase and

obtain a full refund. Residents of Alaska have five business days, and residents of North Dakota age 65 and over have 15 days to cancel and receive a full refund. An explanation of these rights is set forth on the sales receipt.

- 40. Disciplinary Sanctions. Violation of the Agreement, illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by a Consultant, that a reasonable person would believe may damage the Company's reputation or goodwill, may result in the suspension or termination of the Consultant's L'Occitane business, and/or any other disciplinary measures that are reasonably measured to address the misconduct. In situations deemed appropriate by L'Occitane, the Company may institute legal proceedings for monetary and/or equitable relief
- 41. Compliance Disclosure to Upline. If disciplinary action is taken against you for violation of the Agreement, we may disclose the details of the matter and the resolution to your upline Consultants.
- **42. Indemnification.** Consultants agree to indemnify L'Occitane for any and all costs, expenses, consumer reimbursements, fines, sanctions, damages, settlements or payments of any other nature that L'Occitane incurs resulting from or relating to any act or omission by a Consultant that is illegal, fraudulent, deceptive, negligent, unethical, or in violation of the Agreement. L'Occitane may elect to exercise its indemnification rights through withholding any compensation due the Consultant. This right of setoff shall not constitute L'Occitane's exclusive means of recovering or collecting funds L'Occitane pursuant to its right to indemnification.
- **43. Effect of Cancellation.** A Consultant whose business is cancelled for any reason will lose all Consultant rights, benefits and privileges. This includes the right to repre-

sent yourself as a L'Occitane Consultant, to solicit orders for L'Occitane products and the right to receive commissions, bonuses, or other income resulting from your sales. There is no whole or partial refund for tangible business kits that are not currently marketable, Consultant L'Occi Drive, replicated website or renewal fees if a Consultant's business is cancelled.

- 44. Voluntary Cancellation. A participant in this social selling plan has a right to cancel at any time, regardless of reason. Cancellation shall be effective by: (a) submitting written notice of cancellation to the Company at its principal business address or by cancelling his/her business through the Consultant L'Occi Drive; (b) any public announcement of resignation or cancellation by the Consultant (including but not limited to any announcement on social media), which the Company may (but is not required to) rely on as an effective means of cancellation; (c) Consultant's failure to pay the annual L'Occi Drive and Replicated Website fees; (d) Revoking your authorization to contract electronically; or (e) any other means authorized by L'Occitane. If a Consultant is also in the L'Occi Club, the Consultant's L'Occi Club order shall continue unless the Consultant also specifically requests that his or her customer's L'Occi Club order also be canceled.
- 45. Cancellation for Inactivity. If a Consultant fails to earn a commission for 12 consecutive months, his/her Consultant Agreement and L'Occitane business will be reclassified as Inactive, and the former Consultant shall be re-classified as a Customer. If a Consultant is also on L'Occi Club, the Consultant's L'Occi Club order shall continue unless the Consultant also specifically requests that his or her L'Occi Club order also be canceled.
- **46. Business Transfers.** Consultants in good standing who wish to sell or transfer their business must receive L'Occitane's

prior written approval before the business may be transferred. A business that is on disciplinary probation, suspension, or under disciplinary investigation is not in good standing and may not be transferred unless and until the disciplinary matter is resolved. Requests to transfer a business must be submitted in writing to loccicare@myloccitane.com

47. The request to transfer will be denied if the business is not in good standing or if there is another reasonable reason for denying the request. Prior to transferring a business to a third party, the Consultant must offer the Company the right of first refusal to purchase the business on the same terms as negotiated with a third party. The Company shall have ten days to exercise its right of first refusal.

48. Transfer Upon a Consultant's Death. A Consultant may devise his/her business to

his/her heirs. Because L'Occitane cannot divide commissions among multiple beneficiaries or transferees, the beneficiaries or transferees must form a business entity (corporation, LLC, partnership, etc.), and L'Occitane will transfer the business and issue commissions to the business entity. In the case of a business transfer via testamentary instrument, the beneficiary of the business must provide L'Occitane with certified letters testamentary and written instructions of the trustee of the estate, or an order of the court, that provides direction on the proper disposition of the business. The beneficiary must also execute and submit to the Company a L'Occitane Consultant Agreement within 30 days from the date on which the business is transferred by the estate to the beneficiary or the business will be cancelled.

49. Business Distribution Upon Divorce. L'Occitane is not able to divide commissions among multiple parties, nor is it able to divide a downline organization. Consequently, in divorce cases, any settlement or divorce decree must award the business in

its entirety to one party. L'Occitane will recognize as the owner of the business the former spouse to whom the business is awarded pursuant to a legally binding settlement agreement or decree of the court. The former spouse who receives the L'Occitane business must also execute and submit a L'Occitane Consultant Agreement within 30 days from the date on which the divorce becomes final or the business will be cancelled.

- 50. Dissolution of a Business Entity. L'Occitane is not able to divide commissions among multiple parties, nor is it able to divide a downline organization. Consequently, if a business entity that operates a L'Occitane business dissolves, the owners of the business entity must instruct the Company on the identity of the proper party who is to receive the business. The L'Occitane business must be awarded to a single individual or entity that was previously recognized by the Company as an owner of the business entity; the Company cannot divide the business among multiple parties or issue separate commission payments. If the business entity wishes to sell or transfer its L'Occitane business, it must do so pursuant to policy 46. In addition, the recipient of the L'Occitane business must also execute and submit a L'Occitane Consultant Agreement to the Company within 30 days from the date of the dissolution of the business entity or the L'Occitane business will be cancelled.
- **51.** Inducing Consultants to Violate the Agreement. Consultants shall not directly or indirectly induce, encourage, or assist another Consultant to violate the Agreement.
- **52. Reporting Errors.** If a Consultant believes that L'Occitane has made an error in his/her compensation, the structure or organization of his/her genealogy, or any other error that impacts the Consultant's income, he/she must report it to the Company in writing within 60 days from the date on which the mistake occurred. While

- L'Occitane shall use its best efforts to correct errors reported more than 60 days after the date of the error, L'Occitane shall not be responsible to make changes or remunerate Consultants for losses for mistakes that are reported more than 60 days after the mistake occurs.
- **53. International Activities.** Consultants may not sell L'Occitane products or conduct business activities of any nature in any foreign country that the Company has not announced is officially open for multilevel marketing business.
- **54. Severance.** If any policy is determined to be unenforceable, only the unenforceable policy shall be severed from the Agreement and all remaining policies shall remain in effect.