



Scentsy Standards Independent Consultant Agreement

United States

04/2025

Introduction

Congratulations! You've taken the first step in your journey as an Independent Scentsy Consultant, and we are so excited for you. Welcome to the family!

The Agreement

Becoming a Consultant means you are entering into a legally binding business relationship with Scentsy, Inc. The Independent Consultant Agreement (in short, "Agreement") is between an Independent Scentsy Consultant ("you") and Scentsy, Inc. ("Scentsy").

Since this is a legal contract, we have to include some legalese (mostly in Chapter 6: Terms and Conditions). To help you follow along, here is a brief rundown of what's included in the Agreement and an explanation of a few terms:

This Agreement contains Scentsy's Standards, which define the fundamental requirements and procedures, expected behaviors and acceptable activities as you share Scentsy's products and opportunity with others. Compliance with these Standards will help you operate your Scentsy business in a healthy and ethical manner. The Agreement also includes the Compensation Plan, which defines the Commission and Bonus structure — basically, how you get paid. When you enroll as an Independent Scentsy Consultant, you are agreeing to comply with the Agreement.

You may come across a few terms in this Agreement that are new to you. If the term is capitalized, check out its definition in Chapter 7: Definitions.

Your rights

As a Current Independent Scentsy Consultant in good standing, you have the right to:

- Sell Scentsy products;
- Participate in the Scentsy Compensation Plan;
- Recruit and sponsor other Consultants (i.e., build your Downline);

- Receive official Scentsy communications;
- Access Scentsy-sponsored support, training and recognition;
- Participate in Scentsy-sponsored promotional and incentive contests and programs; and
- Access an online Consultant Workstation that facilitates and records your business interactions with Scentsy.

The spirit and intent of the Agreement

Where specific Standards are not already established, Scentsy refers to the spirit and intent of this Agreement, which are to:

- Protect your right and ability to operate as an Independent Scentsy Consultant;
- Protect Scentsy's assets and interests;
- Protect the opportunity for all current and prospective Consultants;
- Promote healthy business activities and relationships; and
- Contribute to the mission, vision and values of Scentsy.

Chapter 1: Account Operations

This chapter is mostly procedural. It covers establishing and maintaining an Account. We'll walk you through everything you need to know from enrollment to Cancellation: orders and deliveries, warranties and returns, and even international sales and sponsoring.

Section 1: Establishing a Consultant Account

Eligibility requirements

A. To enroll, you must:

- Be of the legal age of majority in your state of residence;
- Be a legal resident of the United States or U.S. territories;
- Have a legal right to work in the United States;
- Submit a valid tax identification number, such as your Social Security number (SSN) or your Individual Taxpayer Identification Number (ITIN);
- Provide the individual name as it appears on your Social Security card or Individual Taxpayer Identification Number card; and
- Purchase a Starter Kit (North Dakota residents are exempt from this purchase requirement).

B. You and those with a Beneficial Interest in your Account (including your Immediate Household) may **not**:

- Already have a Beneficial Interest in a Scentsy Consultant Account — unless a second Account is inherited or acquired after the marriage of two Consultants whose Accounts were established prior to marriage;
- Be a Principal Member of another direct selling company;
- Be a current employee of Scentsy (effective Oct. 1, 2009); and/or
- Have been an employee of Scentsy within the last three (3) years, unless you have received prior written permission.

C. Scentsy, at its sole and absolute discretion, reserves the right to reject any new enrollment for any reason.

Account types

- A. Individual Accounts: These accounts may be owned and operated only by a single individual or legally married couple under one valid tax identification number.
- B. Business Entity Accounts: These accounts may be owned and operated by a single individual or a group of two or more people by forming a legal business entity. An Employer Identification Number (EIN) and Articles of Incorporation or another officially filed document is required. Commission payments are allocated to the business entity.

Section 2: Account Maintenance

Account information

You are responsible for maintaining your Account with current and accurate information. Scentsy is not liable for delays or damages due to incorrect information in your Account. If you have questions or need to make account changes, email accountservices@scentsy.com.

Account changes

Granting non-owner access: If you would like to grant access to your account to other individuals that have no ownership stake in your account or any other Scentsy account, contact Account Services.

Address, email and telephone: You can update this information on your own through your Consultant Workstation.

Legal name: To change your name, email compliance@scentsy.com. Make sure your name matches your Tax ID.

Country of residence: If you move outside the United States, you need to submit a completed Consultant Country of Residence Change form. This form is required when you relocate to another country, unless you are relocating to a military base.

Formation or breakup of Business Entity* †‡: Submit a Business Entity Registration form.

Sponsorship: The Consultant under whom you enrolled as a Scentsy Consultant is your Sponsor. Scentsy does not allow Sponsor changes except under qualifying circumstances or during Reinstatement. If you are requesting a change in Sponsor, email compliance@scentsy.com.

Sale or transfer: If you are retiring from direct selling, submit a Downline Transfer Application & Request form. These requests are granted at Scentsy's sole and absolute discretion.

Passing of Consultant: Your account will be suspended until we receive benefactor information. If we do not receive benefactor information, we will cancel your account three months after the date of suspension.

Pass to heir or beneficiary†: If you want to assign an heir or beneficiary to inherit your Scentsy business, you must email compliance@scentsy.com and be prepared to provide a court order, copy of the notarized will or other instrument establishing the beneficiary's right to the Scentsy Account. The beneficiary must also complete an Agreement.

Divorce† ‡: Email accountservices@scentsy.com to remove a co-applicant.

**Tax ID changes may require a change fee.*

†Scentsy will not divide Volumes or Commissions on an Account.

‡A departing spouse or business entity member may open a new Account under the same Sponsor at any time or open an Account under a different Sponsor six (6) months after being removed from the Account. Through this transition, if you fail to provide for the best interests of Scentsy, other Scentsy Consultants or Customers, Scentsy may, at its sole and absolute discretion, cancel your Account.

Assignment of rights

You may not assign any rights under the Agreement without first obtaining written authorization, which is granted or denied at Scentsy's sole and absolute discretion. If authorization is granted, the transferee of the Account will assume your position and all obligations, including any outstanding debts.

Section 3: Orders

Pricing, Personal Retail Volume (PRV) and sales tax

Shipping costs, product prices and Personal Retail Volume (PRV) are subject to change at any time and without advance notice to you. Scentsy reserves the right to reject or cancel orders for any reason.

All orders that you submit (excluding orders for Customers marked in your Consultant Workstation as tax-exempt by Scentsy) will include applicable sales tax. Scentsy will collect and remit sales taxes on your behalf, according to applicable tax rates in the state, county and/or municipality where the order is to be shipped.

Insufficient funds and credit card disputes

It is your responsibility to ensure there are sufficient funds to cover orders you submit. If sufficient funds are not available, your order will not be fulfilled and no PRV will be awarded. If credit card charges are disputed on an order placed through your Personal Website (PWS), Corporate Website (CWS) or Consultant Workstation, Scentsy may recoup those charges by withholding or deducting Commissions. In the event that Commissions are not available, you are responsible to reimburse Scentsy.

Warranties, guarantees and returns

- A. **Warranty:** Scentsy product warranties are contained inside the product packaging. If your Customer has a warranty claim, they may contact Consultant Support to initiate the warranty replacement process. If Scentsy products are altered or used in any way other than as specified in Scentsy instructions, Scentsy is not liable for any resulting damages, and any product warranties are void.
- B. **Damaged items and shipping errors:** Report shipping errors and items damaged during shipment to Scentsy within 10 business days of confirmed delivery of shipment.
- C. **Satisfaction Guarantee:** Unless otherwise specified, all Scentsy products come with a guarantee of satisfaction. You are bound to honor the satisfaction guarantee for your Customers for items returned within 30 days from the date they are delivered to the Customer. Scentsy will assist by processing an Exchange in these circumstances with the following conditions:
 - Durable products must be Resalable. Consumable products do not need to be Resalable.
 - Certain items (such as Starter Kits, monthly subscriptions, awards, personalized business tools, etc.) are not eligible for Exchange.
 - You are allotted an annual PRV limit, based on your Title, for Exchanges.

- You are responsible for any costs associated with the Exchange.
- D. Return of inventory: If your Account is cancelled for any reason, you may return Resalable Inventory on Hand, including Scentsy Success Consultant Store items that you purchased directly from Scentsy, for a refund. Refunds will be determined as follows:
- When you return Resalable inventory, Scentsy will refund you 100% of your original purchase cost, less shipping charges and any Commissions, Bonuses and other incentives you have received associated with the returned items.
 - You may cancel your Consultant Agreement within 15 days from your enrollment date and return your Starter Kit for a full refund, Resalable or not.

Obligations to Customer

- A. Order placement: Submit all home party orders to Scentsy through your Consultant Workstation within five (5) days from the date the order was given to you. Close all basket and online parties within 14 days of opening, and submit all orders from basket and online parties within five (5) days of closing.
- B. Order forms/sales receipts: You must use Scentsy Customer Order Forms for all non-PWS sales. When you make a non-PWS sale, provide your Customer with two (2) copies of the sales receipt: one at the time of order and the other at the time of delivery. Retain a copy of all sales receipts and make them available to Scentsy upon request for a period of two (2) years after the sale. All sales receipts, for all payment types, must include:
- Date of the transaction;
 - Your name and contact information (as the selling Consultant);
 - Customer's name and signature;
 - The items purchased and amount paid; and
 - The last day of your Customer's right of cancellation — three (3) business days after the date of transaction. Verbally inform your Customers of the three-day right of cancellation printed on the receipt.
- C. Customer credit card information: Upon delivery of an order to a Customer, immediately destroy all documents in your possession containing your Customer's credit card information. Do **not** retain any Customer's credit card information after delivery of an order to the Customer for any reason. Safeguard your Customer's credit card information any time it is provided to you. Do **not** copy, distribute or allow another person access to a Customer's credit card information.
- D. Delivery: Deliver party orders to Customers within five (5) days of you or your Host receiving them.

- E. Customer service: Set reasonable expectations regarding the products, pricing and delivery for your Customers. Deal fairly and honestly. Loyalty from your Customers is earned by you and not guaranteed by Scentsy.
- F. Obligations to Host: Set reasonable and accurate expectations related to your Host's role, benchmarks and rewards for the Host's party and follow through on any promises you make or arrangements you agreed to with a party Host.

Shipping

- A. Shipping times: Orders are generally shipped within just a few business days, but may take up to 10 business days from the date your order is submitted and payment is received. This timeline is not guaranteed. If an item is not in stock, it will be placed on backorder and shipped when Scentsy receives it. If a backordered item is not expected to ship within 30 days from the date your order is received, you may cancel the backordered item and request a refund or Product Credit, or you may request an Exchange. If a refund or Product Credit is requested and issued, your PRV will be decreased by that amount for the month in which the refund or credit is applied.
- B. APO/FPO: Scentsy will ship party orders to APO/FPO addresses, within certain ZIP codes, through the Military Postal Service (MPS). You must comply with all MPS regulations, including, but not limited to:
 - Items shipped through the MPS may not be resold; and
 - An MPS address may not be set as the default address for a Scentsy party.

Section 4: Sponsoring

Recruiting and sponsoring

You may recruit and sponsor new Consultants in any country where Scentsy is in business. You must have an active PWS for anyone to enroll with you as their Sponsor.

Responsibility to Frontline

Set reasonable expectations with your Frontline regarding the opportunity, products and requirements for establishing and maintaining an Account. Take a proactive role in providing assistance and training, and make yourself available as the first point of contact for your Frontline. Encourage and empower your Frontline to do the same for their Frontline.

Non-sponsoring Consultants

If you'd rather not take on the responsibility of assisting and training Downline Consultants, you may elect to be a non-sponsoring Consultant by emailing

compliance@scentsy.com. As a non-sponsoring Consultant, your Title will not advance beyond Certified Consultant, you waive your right to sponsor new Consultants, and your Downline will permanently Roll Up. If at some point you change your mind, email compliance@scentsy.com to request to begin sponsoring again.

Section 5: Cancellations and Suspensions

Cancellations

Your Account may be cancelled in any of the following ways:

- A. Voluntary Cancellation: You may cancel your Consultant Account at any time and for any reason by submitting a written request to accountservices@scentsy.com.
- B. Cancellation due to Inactivity: Scentsy reserves the right to cancel your account pursuant to its cancellation policy, which is updated from time to time to adapt to changing business conditions. The current Cancellation policy is posted and updated on your Consultant Workstation.
- C. Involuntary Cancellation: Any violation of the Agreement, including any subsequent amendments made by Scentsy, may result in disciplinary action, which could include, but is not limited to, an involuntary Account Cancellation. Additionally, Scentsy expressly reserves the right to cancel the Accounts of Scentsy Consultants upon 30 days' written notice in the event that Scentsy elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.
- D. Upon Cancellation of your Account, your former Downline will Roll Up, you waive all rights associated with being a Scentsy Consultant — including, but not limited to, property rights — to your former Downline organization as well as any Bonuses, Commissions or other compensation derived through the sales and other activities of your former Downline organization, and you must immediately:
 - Stop representing yourself as a Scentsy Consultant in any form;
 - Stop selling Scentsy products, including Inventory on Hand;
 - Stop conducting parties and fundraisers and participating in fairs or shows, including those scheduled prior to Cancellation; and
 - Remove any External Websites from public view and redirect all traffic to scentsy.com.

If your Account is cancelled for any reason you will receive Bonuses and Commissions earned prior to the date of your Account Cancellation, less any amounts withheld for disciplinary reasons or due to product returns. Any Product Credit on your Account will be forfeited.

Suspensions

Your Consultant Account may be suspended either voluntarily or involuntarily. During a Suspension, (1) your Downline and Title remain intact, (2) your Consultant Workstation and PWS are disabled, (3) all rights associated with being a Scentsy Consultant are temporarily revoked and (4) you must:

- Work with an Upline or Downline member to fulfill all pending orders;
- Make arrangements with your Upline Sponsor and/or Director to ensure uninterrupted support for your Downline;
- Stop selling Scentsy products, including Inventory on Hand;
- Stop leading official Team communications and/or trainings (unless otherwise authorized by Scentsy); and
- Stop conducting parties and fundraisers and participating in fairs or shows, including those scheduled prior to Suspension.

A. Voluntary Suspension: If you have Extenuating Circumstances, you may request to voluntarily suspend your Account for up to three (3) months. At the conclusion of the voluntary suspension, you must achieve Active status in the month your account is reopened. The decision to grant a voluntary Suspension will be at Scentsy's sole and absolute discretion. To initiate a request for voluntary Suspension, email accountservices@scentsy.com. For foreign military service assignments, you may request a longer-term voluntary Suspension.

B. Involuntary Suspension: At Scentsy's sole and absolute discretion, your Account may be suspended during a Compliance review or as part of disciplinary action resulting from violations of the Agreement.

Reinstatements

If your Account is cancelled and you wish to return as a Scentsy Consultant, log in to Workstation Lite and do a Self-Reinstatement or email accountservices@scentsy.com to apply for an Account Reinstatement. Your Account may be reinstated only for good cause, which will be determined at the sole and absolute discretion of Scentsy.

Accounts automatically cancelled due to Inactivity are eligible for Reinstatement three (3) months after the Account Cancellation. Accounts voluntarily cancelled are eligible for Reinstatement six (6) months after Account Cancellation. Accounts cancelled for any other reason may request Reinstatement six (6) months after Account Cancellation but are not eligible for Self-Reinstatement.

Accounts will be reinstated at the Title of Essential Consultant or Certified Consultant, depending on the Lifetime PRV of the Account. Accounts will **not** be reinstated with Downline. Upon Reinstatement, you may choose any Sponsor. To remain Active, you must meet the minimum activity requirements no later than the end of the month

following the month your Account is reinstated. Scentsy reserves the right to reinstate a Consultant Account at any time.

Restorations

If you have lost your Downline due to Inactivity, you may request a downline restoration only under Extenuating Circumstances and for good cause, both of which are determined at Scentsy's sole and absolute discretion. This request must be submitted to Account Services within 15 days of the Downline removal. If you do not achieve Active status in the month that your downline is restored, the downline will be permanently removed. Submit downline restoration requests to accountservices@scentsy.com.

Section 6: International

International sales

- A. You may sell Scentsy products in any country in North America for which you have completed a country-specific International Sales Agreement. All sales in that country must be done in accordance with local laws and regulations. You may not bring products across international borders, personally or through a third-party shipper, with the intention of selling them.
- B. You may not sell Scentsy products outside of North America. You may not provide product to others to sell outside North America.
- C. You may enter into contracts with fairs, trade shows or other temporary sales events in any country for which you have signed a country-specific Sales and/or Sponsorship Agreement, and if you are a resident of that country.

International sponsoring

You may recruit, sponsor and be paid Commissions on Downline sales in any country in which:

- You have completed and maintained the International Sponsoring Agreement; and
- Scentsy has officially launched operations.

Pre-marketing

Once Scentsy has officially authorized pre-marketing in a country where Scentsy is scheduled to launch, you may begin networking and promoting the upcoming launch in that country. You may not hold large group meetings, sell Scentsy products or advertise in countries that have not officially launched operations.

Chapter 2: Compensation

Hard work and perseverance, along with a clear understanding of Scentsy's Compensation Plan, will help you enjoy long-term success.

Section 1: Compensation Plan

SCENTSY Compensation Plan		Essential Consultant	Certified Consultant	Lead Consultant	Star Consultant	SuperStar Consultant	Director	Star Director	SuperStar Director
Monthly Responsibilities									
Personal Retail Volume (PRV)		250	500	500	500	500	500	500	500
Lifetime PRV		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Group Wholesale Volume (GWV)			1,000	2,500	6,000	10,000	30,000	80,000	
Team Wholesale Volume (TWV)						2,000	6,000	10,000	
Active Frontline Consultants			1	2	3	3	3	3	
First Generation Directors							2	4	
Monthly Rewards									
Commission from Standard PRV		20%	25%	25%	25%	25%	25%	25%	25%
Commission from Scentsy Club PRV		10%	15%	15%	15%	15%	15%	15%	15%
Personal Retail Volume Bonus when monthly sales exceed 2,500 PRV		5%	5%	5%	5%	5%	5%	5%	5%
Bonus from Personal Wholesale Volume			2%	4%	7%	9%	9%	9%	
Frontline Essential or Certified Consultant TWV Bonus			2%	4%	7%	9%	9%	9%	
Frontline Lead Consultant TWV Bonus				2%	5%	7%	7%	7%	
Frontline Star Consultant TWV Bonus					3%	5%	5%	5%	
Frontline SuperStar Consultant TWV Bonus						2%	2%	2%	
Frontline Director (Q) TWV Bonus						3%	3%	3%	
First Generation Director TWV Bonus						3%	3%	3%	
Second Generation Director TWV Bonus							4%	4%	
Third Generation Director TWV Bonus								5%	

The full Compensation Plan and latest Income Disclosure Statement(s) are available at scentsy.com/join/compensation-and-income-disclosure.

Eligibility

You earn Commissions only through the sale of products. You may also earn Bonuses when you fulfill certain Volume benchmarks — as outlined in the Compensation Plan above — and leadership responsibilities. Bonus eligibility is determined monthly and is contingent upon you meeting the Activity, Volume, Active Frontline and leadership requirements for your Rank. Commissions are paid only to the individual or business entity on file with Scentsy and cannot be reassigned.

Adjustments

If a product is returned to Scentsy for a refund, Scentsy may recoup the Bonuses and Commissions you earned from that sale. Scentsy may also recoup any Bonuses, Commissions, awards, etc., attained through any misconduct by you or your Downline.

Timely reporting of errors

If you believe errors have been made regarding Commissions, Bonuses, charges or the placement of Consultants in your Downline organization, notify Scentsy in writing within 60 days of when the alleged error or incident occurred.

Section 2: Directors, Star Directors and SuperStar Directors

Non-leadership Accounts

If a Roll Up in your Downline would result in your promotion to Director or above, Scentsy, at its sole and absolute discretion, may:

- Place your Account in non-leadership status until certain requirements are met and Scentsy is satisfied that you have earned and are prepared for a leadership role;
- Cause those Downline members to Roll Up to your Sponsor; or
- Allow the Roll Up and the promotion.

Bonus eligibility requirements

If you hold the Title of Director or above, in addition to meeting the volume requirements, you must also meet minimum leadership responsibilities to qualify for the Bonuses outlined in the Compensation Plan. The current leadership responsibilities are outlined in the Compliance Guide in the Consultant Workstation.

Title maintenance requirements

Minimum Volume requirements for each Title are defined in the Compensation Plan. As a Director, if you do not meet the minimum Director Volume requirements — including

Personal Retail Volume (PRV), Team Wholesale Volume (TWV), Group Wholesale Volume (GWV) and Active Frontline — for three (3) consecutive months, your Title will be changed to Director (Q) on the first day of the fourth month. As a Director (Q), if you do not meet the Director Volume requirements for three (3) consecutive months, your Title will change to SuperStar Consultant on the first day of the fourth month. Once you meet the monthly Director Title requirements, your Director Title will be restored.

Leadership review

We take your role as a leader seriously and will do all we can to support your efforts. Upon request, you must be able to provide to Scentsy documentation demonstrating your fulfillment of leadership responsibilities as outlined in the current Compliance Guide. Leaders who do not meet leadership requirements during the review are subject to a probationary period. During the probationary period, payment of Bonus commissions will be suspended temporarily.

Scentsy will work with you and your Upline to ensure that you understand what is expected. If you do not meet expectations during the probationary period, Scentsy reserves the right to terminate your leadership responsibilities by rolling up your downline and/or changing your Title, and you will forfeit any related Bonus payments suspended during the probationary period.

Chapter 3: Marketing

- A. It is your responsibility to help safeguard and promote the good reputation of Scentsy through courteous and ethical conduct and by avoiding unauthorized practices as outlined in the Compliance Guide.
- B. Whenever promoting Scentsy's products or opportunity and in all other aspects of your business, you must be clearly identifiable as an Independent Scentsy Consultant.
- C. It must be clear and easy for any Customer to quickly identify your Account information, whether you have an Individual or Business Entity Account. It must be made clear who the individual(s) is (are) who has (have) ownership in your Account, and you may not make any attempt to confuse Customers into believing you are Scentsy, Inc., rather than an Independent Consultant of Scentsy.

You are responsible for the content of your ads, whether created by you or for you by a third party.

Section 1: Potential Customers

While Scentsy does not grant exclusive territories to anyone for selling, recruiting or marketing, there are some general restrictions that apply to all Consultants when it comes to selling product. These restrictions include:

- Selling to anyone who you reasonably believe is going to resell Scentsy products; and
- Selling to anyone outside your home Region.

Section 2: Pricing and Advertising

Along with this Agreement, we publish a separate Compliance Guide, which is updated regularly. It provides additional guidelines on marketing tactics that you are required to follow.

Corporate pricing and packaging

You are allowed to publicly advertise corporate pricing and corporate specials, promotions or programs in any approved marketing channel. You may not alter product or packaging. You can present unaltered product outside of its packaging, but it must be delivered unaltered and with its original packaging.

Personal specials

Personal specials (including discounts, giveaways, Host Kits and other special considerations) may **only** be offered privately via one-to-one communication. This means personal specials can only be communicated in person, email, direct or private message, telephone or direct mail.

Claims

All claims that you make in your advertising must be truthful and consistent with current, official Scentsy literature. Do not make misleading or deceptive claims of any kind.

- A. Products: You may not make any claims regarding the therapeutic or curative properties of any Scentsy products other than those contained in current official Scentsy literature.
- B. Opportunity: All claims related to Scentsy's business opportunity must be truthful and transparent. If you use a hypothetical income example to explain the Compensation Plan or to illustrate potential earnings, you must make clear that the example is hypothetical. Any representation of past, current or future earnings; any lifestyle claims; or any hypothetical income examples must (1) only account for earnings achieved through the Scentsy Compensation Plan, (2) set proper expectations regarding the effort necessary to achieve those results and (3) be accompanied by the most recent average earnings disclosure provided by Scentsy.

All mentions of anything related to the opportunity, whether that is income, Title promotion, incentive earned, lifestyle or other item that a reasonable person would believe was derived from your Scentsy business must include Scentsy's current Income Disclosure Statement.

- C. Endorsement claims: You may use only Scentsy-approved language or materials when asserting any previous, current or future endorsement of any kind from any entity, including but not limited to government agencies or officials, celebrities or companies.
- D. Political or social claims: You may not make claims regarding Scentsy's position on political or social issues outside of what may be found in official Scentsy literature. Do not use Scentsy's intellectual property (e.g., logos, product images, etc.) in conjunction with personal statements that are political, social or otherwise controversial in nature.

Naming restrictions

Whenever promoting Scentsy's products or opportunity, you must clearly identify yourself as an Independent Scentsy Consultant.

You must include either the term "Independent Scentsy Consultant" or "Scentsy Independent Consultant" in full, except that you may replace the word "Consultant" with your official Title.

In Search Engine Optimization (SEO) title tags or meta descriptions for any social media aliases, you may use your name along with the Scentsy name or Scentsy-branded content, as long as your name is separated from Scentsy's name by using a dash, comma or semicolon.

You may not use "Scentsy" on its own with your name or a country name (e.g., Scentsy Jane or Scentsy Canada).

You may not use the Scentsy name or derivatives (e.g., Scentz, Scent-See, etc.) in an email address, username or URL address.

You must use a unique identifier for your Personal Website (PWS) or other external marketing platform's display name and may not use generic terms, such as "shop" or "buy" or "online store," in isolation that do not clearly identify you as an individual entity. If you want to use those terms, they must be preceded by a unique identifier, such as your name or your official business name.

You may not use "online store" unless it is preceded by either your name or your business name (e.g., "Mary Jones' Online Store" or "Going Wickless Online Store").

Director Team names, names of geographical locations or abbreviations of geographical locations may not be used in isolation in URLs without Scentsy's consent.

You must be responsive to Scentsy's requests to change any related information in the event of a naming conflict.

Search Engine Optimization (SEO)

You may employ only authentic SEO tactics on your External Website and PWS. Authentic SEO is the result of adding genuine value to the online community through meaningful content you author, conversations you join, relationships you create and improving the ease with which all of these are indexed by search engines. Scentsy may take any action it determines necessary to prohibit the use of deceptive SEO tactics. Deceptive SEO tactics are determined at Scentsy's sole and absolute discretion.

Paid online and social advertising campaigns

Sponsored links, pay-per-click (PPC) ads, Facebook fan pages and banner ads are permitted. When using these tactics, direct people to either your External Website or PWS, which must also be the display URL. Your materials must comply with corporate guidelines provided on the Consultant Workstation and this Agreement and must clearly indicate that you are an Independent Scentsy Consultant.

Section 3: Marketing Materials

- A. Consultants are encouraged to utilize marketing materials. These can be downloaded from the Consultant Workstation, purchased from the Scentsy Success Consultant Store, purchased by an approved vendor or created by you, subject to the restrictions in the Compliance Guide. Some general restrictions include: 1) You may create materials for your own personal use; however, you may not sell your self-produced business supplies to other Consultants. 2) You may collaborate with other Consultants and consolidate the purchase of certain materials, such as Event or Team Shirts or other items you may want to use as Team gifts or for other Team-specific uses; however, you may not make items and market them for sale to any other Consultants (including your Team).
- B. It is your responsibility to know and comply with all local laws and regulations pertaining to the distribution of your marketing materials, whether self-produced or purchased.

Section 4: Potential Marketing Locations

Online

A. Personal Website (PWS) Subscription

1. This is the only online channel in which the sales transaction may take place and the only way to enroll new Scentsy Consultants online with you as the Sponsor.
2. Your subscription will automatically continue beyond the initial free three months for a monthly fee unless you cancel the subscription.

You may not alter the branding of the PWS or use your PWS to promote, market or sell non-Scentsy products, and you are solely responsible for any content you add to your PWS. All content, including contact information and the “About Me” section must be truthful and accurate.

B. Consultant External Websites

You are allowed a maximum of one (1) External Website to brand yourself and promote Scentsy’s products and opportunity, and one (1) Team website to connect with and train your Team, with the following general restrictions:

- It is your responsibility to ensure your online marketing activities are truthful, are not deceptive and do not mislead Customers or potential Consultants in any way. Websites and web promotion activities and tactics that mislead or are deceptive, regardless of intent, will not be allowed. Scentsy, Inc., will determine whether specific activities are misleading or deceptive at its sole discretion.
- The sole purpose of your External Website must be to refer visitors to your Scentsy PWS and social networking sites that you use to promote Scentsy’s products and opportunity, and cannot include a checkout feature.
- All orders must be placed through your PWS or Consultant Workstation.
- Your External Website may only promote Scentsy. Subdomains are not permitted.
- You may not monetize your external Scentsy website via outbound links, affiliate programs, Google AdSense or other similar methods.
- An External Website must contain a button redirecting to scentsy.com.
- Your External Website must maintain current images and accurate information.
- Your External Website cannot have a misleading URL or other branding designed to confuse a potential Customer, implying that your site is not one of an Independent Consultant.
- In addition to the above, your Team website may not have links to your PWS or External Website. Your Team website must be password protected and available only to those in your Downline.
- A blog developed for the primary purpose of marketing or promoting Scentsy products or the Scentsy opportunity will be considered your one allowed External Website.

C. Online classifieds

You can advertise Scentsy products or the business opportunity through online classifieds in accordance with the Compliance Guide and the following general restrictions:

1. Posting on any site that requires a direct checkout functionality is prohibited; and
2. All advertisements listed through online classifieds must direct Customers to your PWS.

D. Mobile applications

You may not create or distribute a mobile application to promote Scentsy's products or opportunity. You may optimize your External Website for mobile devices.

E. Social media

You may use any social networking sites to promote your business in accordance with the Compliance Guide and the following general restrictions:

1. All pages, regardless of privacy settings, are considered open to the public.
2. Posting on any site that requires a direct checkout functionality is prohibited.
3. You may not post your URL or solicit recruits or sales on any corporate Scentsy social media page or any social media presence benefiting from Scentsy's charitable cause or licensed products.

F. Digital media

You may upload, submit, livestream or publish any Scentsy-related video, audio or photo content that you develop and create, in accordance with the Compliance Guide and the following general restriction:

1. You may not upload, submit, livestream or publish as your own any content received from Scentsy or substantive content captured at official Scentsy events or in buildings owned or operated by Scentsy without prior written permission from Scentsy through mediarelations@scentsy.com.

In person

In-person marketing is allowed in accordance with the Compliance Guide and the following general restrictions:

1. Home parties, basket parties and open houses, subject to local laws: You may collect orders, have product available for cash-and-carry and offer

personal specials at parties and open houses. Home parties and open houses may be held in a retail location, but if so, they must be held outside of normal business hours and may not be advertised or open to the general public.

2. You are not allowed to sell cash-and-carry, store excess inventory or deliver orders at a retail location, whether owned by you or someone else.
3. You cannot present your residence or the location where you operate your Scentsy business in such a way that would give the impression to someone passing by that it is a permanent retail location open for cash-and-carry sales.
4. For details on what constitutes a retail location, please see the Compliance Guide.

A. Fairs and shows

You may promote Scentsy's opportunity and collect orders with a Promotional Display. You may **not** conduct cash-and-carry sales unless the fair or show is taking place at a Temporary Event. If you have any questions regarding whether a fair or show would be considered a Temporary Event, email compliance@scentsy.com prior to selling cash-and-carry at that event.

If you conduct cash-and-carry sales at a Temporary Event:

- You may only represent Scentsy and/or sell Scentsy products;
- Your booth must be attended at all times by a Current Scentsy Consultant in good standing;
- Scentsy does not limit the number of booths allowed;
- You may not enter into contracts for overlapping events/shows; and
- Scentsy will not be made party to a contract between you and an event coordinator, nor will Scentsy be liable for any disputes that arise between you and an event coordinator or between you and another Consultant at the event.

B. Promotional Displays

You may promote Scentsy's opportunity and collect orders with a Promotional Display. A Promotional Display may be used to generate interest, collect orders and promote the opportunity in locations where cash-and-carry sales are not allowed, such as a retail location.

For more details regarding Promotional Displays, please see the Compliance Guide.

C. Fundraisers

If you run a fundraiser of any kind, you must:

- Obtain approval from the individual or entity for which you are raising funds or donations;
- Obtain prior written approval from Scentsy if the subject of your fundraiser is a national tragedy (an event covered by national media);
- Follow through on all promises and agreements made with the entity for which you are raising funds;
- Be able to provide documentation to Scentsy, upon request, showing the fundraising terms agreed upon by you and the fundraising entity;
- Only collect funds through product purchases. You are not authorized to collect cash donations using the Scentsy name without Scentsy's prior written approval; and
- Limit the content of your fundraiser ad to only include: (1) The entity for which you are raising funds, (2) information about the purpose of the fundraiser, (3) details regarding how to participate in the fundraiser and (4) the percentage of Commissions to be donated.

Chapter 4: Code of Conduct

Scentsy Consultants conduct themselves and their businesses with kindness, honesty, loyalty and good ethics. They contribute more than they take.

Bonus buying

Orders must be placed on behalf of Customers and not for the sole purpose of achieving a Title, Rank, incentive, award or Bonus. Orders you place on another Consultant's Account are subject to review for Bonus Buying. You may not purchase anyone's Starter Kit but your own. All Accounts are subject to review for Bonus Buying at Scentsy's sole discretion.

Inventory loading

For monthly purchases totaling more than \$1,000, you must be able to certify to Scentsy that you have pending Customer orders in excess of \$1,000 or provide Scentsy with other business reasons why such a purchase is necessary. You must be able to demonstrate that at least 70% of your total monthly Personal Retail Volume (PRV) is derived from product sold to Customers outside your Immediate Household or that at least five (5) different Customers outside your Immediate Household have placed orders each month. You are prohibited from carrying excessive inventory and from encouraging your Downline to purchase and carry large amounts of inventory.

Offering incentives to join

You may not offer or imply that you are offering to pay for someone's Starter Kit or other monetary benefits as an incentive to join your Scentsy Team. Working with a Host to enroll and then entering the order from the party they hosted onto their newly enrolled Account is acceptable.

Fraudulent behavior

Deal fairly and honestly with others as a Scentsy Consultant. Any form of fraud will result in immediate disciplinary action by Scentsy.

Disclosures and permissions

You are granted a limited license to use the Independent Scentsy Consultant logos, copyrights and provided images in communications, including on approved websites and items you make for yourself or your Team. No other use of any Scentsy logo, name, mark or creative work is permitted. You are not allowed to claim ownership of (or attempt to register as a trademark, copyright or domain name) any words, images, phrases, taglines and/or ideas developed or coined within the Scentsy community.

Use of non-public information

You may not use information about Scentsy, or its future plans, to pursue any benefit or advantage for your Account prior to the public announcement by an authorized Scentsy officer through:

- Media press releases;
- Official emails to Consultants;
- Consultant Workstation announcements;
- Official Scentsy events (such as Scentsy Family Reunion); or
- Training and leadership calls.

Announcements at Consultant-sponsored events or the appearance of information on forums, even forums hosted by Scentsy, does not constitute an official announcement.

Pay to play

Raffles or any type of pay-to-play game is strictly prohibited in connection with Scentsy in any way. You may not charge Customers to participate in a game; more specifically, you cannot require any form of compensation in exchange for the chance to win something. Consultants may only collect funds from Customers through product purchases.

Appropriate content

When you are representing yourself as an Independent Scentsy Consultant, you may not:

- Use rude, offensive, polarizing, bullying or vulgar content in any advertising or Scentsy sponsored online forum; or
- Disparage Scentsy, other Scentsy Consultants, Scentsy's products, the Compensation Plan or Scentsy's board of directors, officers or employees.

Scentsy alone, exercising reasonable discretion, will determine whether any content is inappropriate.

Altering or tampering with labels and packaging

You may not repackage, re-label or alter Scentsy products, nor the packages and labels on Scentsy products you sell. Tampering with labels and/or packaging could be a violation of federal and state laws and may result in civil liability in some circumstances. You may affix a personalized sticker or label with your contact information to each product or product container, as long as you do so without removing or obscuring the existing product labels. If you want to add a personalized sticker or label to a Warmer, for example, it may be affixed only to the bottom of the Warmer.

Public media

Email mediarelations@scentsy.com before you disclose any information to the public media. If Scentsy requests that you not respond to a media inquiry, or requests that you refer the media to Scentsy to respond, you must comply with such requests.

Chapter 5: Conflicts of Interest

A conflict of interest is defined as leveraging Scentsy's intellectual property, confidential Scentsy information, information learned by virtue of your status or activity as a Scentsy Consultant, or the contact information of any Scentsy Consultant, employee or vendor, to benefit any non-Scentsy venture in which you have a financial interest. Conflicts of interest are strictly prohibited. Additionally, you are prohibited from leveraging Scentsy assets, websites, events or the network of Scentsy Consultants to sell anything other than Scentsy. What constitutes a conflict of interest shall be determined by Scentsy alone, exercising reasonable discretion. Examples of conflicts of interest include, but are not limited to:

- A. Co-marketing: Including another company's products, services or opportunity in connection with Scentsy's products, services or opportunity.
- B. Cross-marketing: Soliciting any non-Scentsy products or services to Scentsy Consultants.

- C. Cross-promoting: Attempting to recruit Scentsy Consultants for other direct selling business ventures, either directly or through a third party, even if Scentsy Consultants proactively contact you about it, is strictly prohibited. What constitutes cross-promoting is at Scentsy's sole and absolute discretion.
- D. Selling to other Consultants: You may sell only authentic Scentsy products to other Scentsy Consultants, including Scentsy Success Consultant Store items. The price of non-current catalog items sold to other Consultants cannot exceed corporate retail price, less Commission (as detailed in the Compliance Guide). You are prohibited from leveraging Scentsy assets, websites, events or the network of Scentsy Consultants to sell anything other than Scentsy products to other Scentsy Consultants.
- E. Facilitating a meeting or training: If you facilitate a meeting or training for other Consultants, you must comply with the following conditions:
- Do not require your Downline to attend or purchase associated materials;
 - You may recoup direct costs, but may not profit from these events;
 - You must follow all guidelines for invitations, detailed in the Compliance Guide;
 - Upon request, you must be able to provide all receipts and expenses related to these events; and
 - You may not sell any products or services to other Scentsy Consultants when such products are related in any way to the conducting or maintaining of a Scentsy Account, including training or personal development.
- F. Participating in other direct selling ventures: Scentsy does not encourage it, but you and members of your Immediate Household may be a host or distributor for another direct selling venture (including party plan, network marketing and multilevel marketing) as long as you do not co-market, cross-market or cross-promote to other Scentsy Consultants.

In addition, because of actual or potential conflicts of interest and the significant damage that may occur as a result of cross-promoting, Scentsy may grant the request of your Frontline who seeks to Roll Up to your immediate Upline when the company confirms that you or someone with a Beneficial Interest in your Account: (1) is a distributor for another direct selling venture, and (2) refuses to terminate the relationship with the other direct selling company.

Cross-sponsoring

Enticing a Current Consultant to leave their line of sponsorship and join your Team is strictly prohibited. You may not enroll, or partner with, a former Consultant who was enrolled in a different line of sponsorship, prior to them being eligible for Reinstatement.

Customer information

Your Customer database is to be used solely for promoting Scentsy's products and opportunity and building your Downline. It may not be sold, copied or distributed to any person, Consultant or entity for any reason. Scentsy may, without prior notice to you, use your Customer database in connection with marketing and sales promotions, the Scentsy opportunity or other Scentsy businesses. All Consultant Workstation information and reports are confidential and are classified as proprietary information and trade secrets belonging exclusively to Scentsy.

Targeting other direct sellers

You may not consciously target the sales force of another direct sales company for recruiting purposes. You may not solicit sales representatives from another direct sales company in ways that would cause these representatives to violate the terms of their contracts with their companies. Should you engage in these activities, you risk being sued by these other direct sales companies, and if any lawsuit, arbitration or mediation is brought against you, Scentsy will not pay any of your defense costs or legal fees, nor will Scentsy indemnify you for any judgment, award or settlement.

Chapter 6: Terms and Conditions

Here we'll define your relationship with Scentsy, explain enforcement proceedings and take measures to protect both you and Scentsy under the Agreement.

Section 1: Independent Contractor

You must read, understand and agree to all of the terms, conditions, Standards and procedures in this Agreement, in addition to all corporate guidelines posted on the Consultant Workstation, and ensure that you are operating in accordance with all federal, state, county and municipal laws, ordinances, rules and regulations.

You are not an employee, agent, partner, legal representative or franchisee of Scentsy. You are an independent contractor of Scentsy, Inc. You will not be treated as an employee of Scentsy for federal or state tax purposes. You are solely responsible for paying local, state and federal taxes on income generated through your Scentsy Account.

Section 2: Direct Selling Association (DSA) Code of Ethics

Scentsy is a proud member of the Direct Selling Association (DSA). You must understand and comply with the DSA Code of Ethics in all aspects of business and encourage all members of your Downline to do the same.

Section 3: Enforcement of the Agreement

Right to enforce

Scentsy has the right to enforce compliance with the Agreement. If Scentsy chooses, for whatever reason, not to enforce compliance in one or more instances, that does not mean Scentsy waives its right to enforce compliance with any portion of this Agreement, now or in the future.

Disciplinary action

If you are found in violation of the Agreement — or if Scentsy determines that you have engaged in or are engaging in any illegal, fraudulent, deceptive or unethical business conduct — you may be subject, at Scentsy’s sole and absolute discretion, to disciplinary action, which could include the Cancellation of your Consultant Account.

Scentsy may withhold all or part of your Bonuses and Commissions while investigating any potential or alleged misconduct. If your Scentsy business is cancelled for disciplinary reasons, you are not entitled to any Commissions or Bonuses withheld during the investigation period. Scentsy may institute legal proceedings for monetary and/or equitable relief at its sole and absolute discretion.

Compliance cases, including unreported violations, are private matters between Scentsy and the Consultant(s) involved and are to be held strictly confidential. Discussing or sharing details of specific compliance cases, whether it is your case or someone else’s, in public forums — including group, team and personal pages — without Scentsy’s consent is strictly prohibited.

Beneficial Interest

If anyone with a Beneficial Interest in your Account (which includes, but may not be limited to, members of your Immediate Household) engages in activities and behaviors that violate the Agreement, your Account is subject to disciplinary action.

Compliance with the Agreement

Scentsy determines, at its sole and absolute discretion, whether your activities and behaviors are deceptive, misleading, dishonest or out of compliance with the Agreement.

Section 4: Changes to the Agreement

Scentsy, at its sole and absolute discretion, reserves the right to update or amend any portion of the Agreement. You will be notified of such changes with reasonable advanced notice through your Consultant Workstation. It is your responsibility to stay informed of the latest terms of the Agreement. By electronically accepting this Agreement, continuing in your participation as an Independent Consultant or by accepting any Bonus or Commission, you accept and agree to any changes that are made now or in the future.

Section 5: Dispute Resolution

Grievances and complaints

If you have a grievance or complaint with another Consultant related to your Scentsy Account, you may report the grievance or complaint to Compliance, which will review your claims.

Alternative dispute resolution and class action waiver

Any claim or grievance you have against Scentsy of any kind — including, but not limited to, economic losses, personal injury or property damage — is subject to mediation at Scentsy’s corporate address using a neutral mediator of Scentsy’s choosing. In the event that you and Scentsy are unable to resolve the dispute through mediation, you and Scentsy agree to resolve the dispute in final and binding arbitration in Meridian, Idaho. You agree not to file suit against Scentsy, any of its affiliates, subsidiaries, officers, directors or employees.

You also understand and agree that you will not have the right to participate in a representative capacity or as a member of any class of claimants pertaining to any claim subject to arbitration. There is no right or authority for any claim you have against Scentsy to be arbitrated on a class action basis or on any basis involving claims brought in a purported representative capacity on behalf of the general public or on behalf other persons or entities similarly situated. Claims brought against Scentsy may not be joined or consolidated with claims brought by anyone else.

The arbitration will take place before a single arbitrator (hereafter, “Arbitrator”) agreed upon by you and Scentsy. In the event that you and Scentsy are unable to reach an agreement on an Arbitrator, you and Scentsy will each select an arbitrator, and the two of them will select an Arbitrator residing in Ada County, Idaho, who will arbitrate the dispute. The arbitrators selected by you and Scentsy will have no further involvement in the arbitration. The party initiating arbitration will do so by submitting a written demand for arbitration to the other party. The receiving party must respond within fourteen (14) days by providing the claimant a list of proposed arbitrators. Within seven (7) days thereafter, you and Scentsy must either agree upon an Arbitrator or select an arbitrator for the purpose of appointing the Arbitrator. The dispute will be subject to rules of arbitration as determined by the Arbitrator.

You agree that in the event of any arbitration or litigation, you and Scentsy will each bear your own costs and attorneys’ fees regardless of who, if either you or Scentsy, is deemed the prevailing party. The foregoing notwithstanding, if either you or Scentsy commences an action in a court of law or equity and the responding party successfully moves such court to compel arbitration, the party who moved for the order compelling arbitration shall be entitled to recover its reasonable cost and attorneys’ fees incurred on the motion to compel from the other party. The decision of the Arbitrator will be final

and binding on you and Scentsy, and may be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitrate survives any termination or expiration of the Agreement.

Nothing in this Agreement prevents Scentsy from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to protect Scentsy's interest prior to, during or following the filing of any arbitration or other proceeding.

Any claim must be brought in arbitration within one (1) year from when the claim arises. By accepting this Agreement, you agree that no other statute of limitation applies.

If any provision of this alternative dispute resolution section is unenforceable, only the portion that is unenforceable shall be stricken, and all of the remainder of this alternative dispute resolution section shall be given full force and effect.

Governing law, jurisdiction and venue

Jurisdiction and venue of any dispute, whether or not subject to arbitration, shall reside in Ada County, Idaho. The laws of the State of Idaho govern all disputes in arbitration.

Section 6: General Legal Terms

Survivability

It is specifically intended that all provisions, which by their terms are intended to survive the termination or cancellation of the Agreement, including, but not limited to, Chapter 4, Chapter 5 and Chapter 6 survive the termination of the Agreement.

Damages following Account Cancellation

You understand and agree that if you engage in any conduct prohibited by this Agreement (including, for example and not by way of limitation, selling or knowingly allowing another person to sell Scentsy products on an online retail store, recruiting Scentsy Consultants for other direct selling business ventures or disparaging Scentsy or Scentsy products) following termination or Cancellation of your Independent Consultant Account that Scentsy will suffer damages that may be difficult or impossible to quantify. Therefore, you understand and agree that Scentsy has the right to seek and obtain injunctive relief, without the requirement of posting a bond, upon any violation or threatened violation of any of the terms of this Agreement, and you further agree that Scentsy has the right to recover the greater of Scentsy's actual damages or the retail value of all Scentsy products provided to you and to your Customers over your final 12 months as a Current Consultant.

Indemnification

You understand and agree that if Scentsy is ever a defendant in any lawsuit related to anything you have done (or anything you did not do when you had a legal obligation to act), whether your action (or inaction) or the lawsuit occurs before or after Cancellation or termination of your Independent Consultant Agreement, you will defend Scentsy in any such lawsuit and indemnify Scentsy for any damages, costs, attorneys' fees and losses of any kind incurred in connection with such lawsuit.

You are fully responsible for all verbal and written statements made regarding Scentsy, its products and the Compensation Plan that are not expressly contained in official Scentsy materials. You agree to hold Scentsy, Scentsy Directors, officers, employees and agents harmless from any liability resulting from unauthorized representations or actions by you. This provision shall survive the cancellation of the Agreement.

Limitation of liability

In the event that Scentsy is found liable to you for any reason, Scentsy's maximum liability is the lesser of \$7,500 or the aggregate of your total non-PRV purchases in the 12 months immediately preceding when your claim arose. In no event will Scentsy be liable to you for consequential or punitive damages, business losses, lost profits or any other indirect damages of any kind or description.

Consent to freely use information and ideas

By entering into this Agreement, you authorize Scentsy to use your name, testimonials and/or likeness in Scentsy advertising or promotional materials with no compensation. Additionally, you authorize the use and reproduction of any and all photographs or videos taken by or supplied to Scentsy and further consent to the use and reproduction of any quotes, testimonials, stories or conversations on social networking media for any print or electronic publicity, marketing or promotional purposes without compensation.

Scentsy does not compensate you or others for submissions of business, product or creative ideas or materials. Unless otherwise specified in writing, this policy also applies for submissions made as part of any Scentsy contests, promotions or incentives. All submissions and all contest, promotion or incentive submissions are the property of Scentsy. Scentsy is not obligated to keep any information confidential and may use or disclose any information for any purpose without further permission from you and without any payment to you.

Severability

If any provision of the Agreement is held to be invalid or unenforceable, such provision shall be reformed only to the extent necessary to make it enforceable and the balance of the Agreement will remain in full force and effect.

Your personal information

Scentsy makes reasonable efforts to keep your personal information — including, but not limited to, your contact information and Commission and Bonus payments — protected from loss, misuse, unauthorized access, disclosure, alteration or destruction. Such information is provided to Scentsy personnel only on a need-to-know basis. Some personal information, including your contact information, will always be available to your Upline. Scentsy will provide personal information in response to government inquiries, subpoenas and other legal requests. Disciplinary actions may also be disclosed to your Upline and Downline.

Delays

Scentsy is not responsible for business delays due to circumstances beyond its reasonable control, such as the actions or failures of third parties, labor strikes and difficulties, riots, war, fire, natural disasters, death, curtailment of a party's source of supply or government decrees or orders.

Term

This Agreement will be valid for one year from the date you join Scentsy and will automatically renew for subsequent one-year periods unless you or Scentsy cancel the Agreement according to the terms of Chapter 1, Section 5 of the Agreement.

Integration

This Agreement represents the entire Agreement between you and Scentsy concerning the subject matter contained herein and supersedes any oral agreements or promises. In the event that the terms and conditions of this Agreement conflict with the terms and conditions of any other written agreement between you and Scentsy, the terms and conditions of this Agreement shall control. In the event the terms and conditions of this Agreement do not conflict with the terms and conditions of any other written agreement between you and Scentsy, the terms of both agreements will be fully effective and enforceable. Any modifications to this Agreement must be in writing and agreed upon according to Chapter 6, Section 4 of this Agreement.

Chapter 7: Definitions

Account

Scentsy's record of your personal information, transactions and all other activities associated with your official dealings as an Independent Scentsy Consultant. Your Consultant Account must be Current for you to participate as and enjoy the rights of an Independent Scentsy Consultant.

Account Cancellation

The closure of a Consultant's Account. Cancellation may be either voluntary, involuntary or due to inactivity.

Active

An Account status achieved when you earn at least 250 points in PRV in one month. Activity, or being Active, in at least one month during any consecutive four-month period is a requirement for retaining your Downline. Activity in at least one month during any 12-month period is a requirement for remaining Current.

Agreement

The contract between Scentsy, Inc., and you, the Independent Consultant.

Beneficial Interest

Any present or future interest of whatever kind or nature (including without limitation a financial interest) held by any person in your Account. You, your spouse and members of your Immediate Household have a Beneficial Interest in your Account.

Bonus

The compensation paid according to your PRV, Rank, Frontline's Title and the Generation of your Downline Directors. Bonus can include a percentage of the following Volumes: PWV, Frontline TWV, Director Generation TWV and an additional 5% of PRV when a Consultant achieves 2,500 PRV or more during a given month.

Commission

The compensation for your personal sales of commissionable products. As a Consultant, you'll receive 20% of your Personal Retail Volume (PRV) in Commission. Once you achieve Certified Consultant (1,000 lifetime PRV) and all higher Titles, you'll qualify to receive 25% of your PRV in Commission for the months when you meet the activity requirement for sales (250 or more PRV). If you do not meet the activity requirement, you will receive 20% of your PRV in Commission that month.

Consultant Workstation

An online hub, managed by Scentsy, where you place and track orders, set up your events, track sales, get information on news and events and much more. Log in with your Consultant ID number or username and password at workstation.scentsy.us.

Consumable

A product that is used up or depleted after it has been used for a period of time. For example, a Scentsy Bar is consumable, but a Scentsy Warmer is not.

Current

If you are Active for one or more months within the most recent 12-month period, you are Current and therefore eligible to place orders and receive Commissions.

Customer

An individual who purchases Scentsy products from you, or who has shown interest in the Scentsy product or opportunity by subscribing to your communications or initiating or accepting contact with you. This might include, but is not limited to, guests at a home party, Customers at a Temporary Event who have entered or approached your booth, or someone who liked your Scentsy-dedicated Facebook page.

Downline

Any Consultant(s) that you sponsored and the Consultant(s) they sponsored and so forth, including all Levels and Generations.

Durable

A long-lasting product that is not used up or depleted in its lifetime. For example, a Scentsy Warmer is Durable, but a Scentsy Bar is not.

Exchange

If you (or your Customers) are dissatisfied with a product, you may request substitution for a like product. What constitutes a like product is at Scentsy's sole and absolute discretion. Certain products are not eligible under the satisfaction guarantee.

Extenuating Circumstances

Factors that have negatively affected your ability to conduct normal activities as a Scentsy Consultant as determined at Scentsy's sole and absolute discretion.

External Website

A website developed and maintained by you and officially registered with Scentsy for marketing Scentsy products and the opportunity. You are limited to one (1) External Website.

Frontline

All Consultants on your first Level either sponsored by you or as the result of a Roll Up.

Generation

The arrangement of all Directors and their Teams in your Downline.

Group

Your entire Downline.

Group Wholesale Volume (GWV)

The sum of the Personal Wholesale Volume (PWV) of all members in your Group.

Host

An individual, typically not a Consultant, who participates in the facilitation of some or all aspects of a party, including guest invitations, location, activities, etc. A Host may receive certain rewards or benefits for hosting a party that results in a qualifying order.

Immediate Household

Heads of households, their spouses or significant others and dependent family members residing together.

Inventory on Hand

Your supply of authentic Scentsy products that you previously ordered, physically stored or have in your possession.

Level

Each Consultant sponsored into your Downline, whether by you or another Consultant in your Downline, is organized into a structure that is based on layers of sponsorship. A Consultant's Level to you is determined by the number of Sponsors, including only Current Consultants, between you and that Consultant. For example:

- You are always Level 0 in your Group.
- The Consultants you sponsor are your Level 1, or Frontline. The Consultants your Level 1 sponsors are your Level 2.
- The Consultants your Level 2 sponsors are your Level 3, etc.

Lifetime PRV (LPRV)

The sum total of all Personal Retail Volume (PRV) you have accumulated on your Account from your enrollment date to the present date. LPRV is not lost or reset as a result of an Account Cancellation.

Non-Public Information

Any information related to Scentsy that has not been announced publicly by Scentsy. This includes, but is not limited to, information about new products, processes, equipment, territories or sales areas, business changes, products or product lines, personnel, intellectual property and promotions.

Personal Retail Volume (PRV)

The point value of commissionable products.

Personal Wholesale Volume (PWV)

75% of Personal Retail Volume (PRV).

Principal Member

Any director, officer, executive, sole proprietor, general partner or owner of 10% or more of a business entity who conducts sales through a direct sales channel, or anyone acting at the direction of a principal of another direct selling company. This does not include being an independent consultant or representative with another direct sales company.

Product Credit

An amount, equivalent to a U.S. dollar, which can be added to your Account and redeemed for product purchases. Also, a payment type that may be used on an order if there is a positive Product Credit balance.

Rank

A monthly qualification used to determine your rate of compensation. You will begin each month with the Rank of Essential Consultant. Your ending Rank each month is determined by the Rank qualifications you achieved during that month.

Region

Countries that Scentsy has grouped together for sales and marketing purposes.

Reinstatement

The reactivation of a cancelled Account with a Title of Essential or Certified Consultant, depending on the Lifetime PRV of the Account. Reinstated Accounts may choose any Sponsor. Downline is not restored to a reinstated Account.

Replacement

If an item that you (or your Customers) ordered arrives damaged, is defective or becomes defective, you may request a new product (must be exact for exact) for any products eligible under the applicable product warranty.

Resalable

Products and sales aids that meet the following conditions:

- The product is unopened and unused;
- Packaging and labeling has not been altered or damaged and is in like-new condition such that it is commercially reasonable to sell the merchandise at full price; and
- The product is currently available for purchase through Scentsy, including Scentsy Family Store, unless otherwise excluded. Personalized items are not considered Resalable.

Restoration

The reversal of an Account Cancellation due to Inactivity. Your Downline and Title are restored to their state at the time of Account Cancellation.

Retail Location

An establishment, including its common areas, where the sale of goods or services occurs as a primary objective (determined at Scentsy's discretion) on a perpetual or regular basis (excluding Temporary Events). A mall, including its common areas, is a Retail Location. Fairgrounds or convention centers whose primary objective is events, not concession stand sales, are **not** Retail Locations. A private residence is **not** a Retail Location unless otherwise licensed for the sale of goods by its local municipality. The determination of what is considered a "common area" is at Scentsy's sole and absolute discretion.

Roll Up

When your Account is cancelled, or if you elect to lock your Account into a non-sponsoring Account, your Downline moves up one Level and becomes your Sponsor's Frontline.

Sponsor

Your immediate Upline who is a Current Consultant.

Starter Kit

A selection of training materials, demonstration products and business supplies that you are required to purchase upon enrollment (North Dakota residents are exempt from this purchase requirement).

Suspension

The temporary removal of your rights as an Independent Consultant. Suspension can be voluntary or involuntary.

Tax ID

A unique identifier assigned to you as an individual or to your business entity for tax purposes. A legitimate Tax ID belonging to the accountholder is required for all Accounts. One Tax ID may not be listed on more than one Account.

Team

You and all Consultants in your Downline, excluding Directors and their Downline.

Team Wholesale Volume (TWV)

The sum of the Personal Wholesale Volume (PWV) of all Consultants on your Team.

Temporary Event

State and county fairs and other legitimate events that: (1) have a clear beginning and end date, (2) are not held in a Retail Location, (3) do not span more than 30 days, (4) include multiple vendors and (5) are put on by a third party, not you or Scentsy. This excludes most farmers' markets, flea markets and trade days. The determination of whether an event is "legitimate" is at Scentsy's sole and absolute discretion. The span of an event is not determined by the number of days it is open for business, **nor** by the number of days that you participate in the event, but by the total number of days between the beginning date and the end date. For example, an event that is held every Friday and Saturday between May 1 and June 30 spans 61 days and would **not** be considered a Temporary Event.

If your event does not meet all the Temporary Event criteria, you may compare your event to the following criteria required to be permitted to participate with cash and carry at an event:

- The event must be within 50 miles (80 kilometers) of your home;
- The event may not be in a retail location;
- The event must require all vendor booth displays to be set up and taken down every day of the event.

If you have questions about the small market exception or want to know if your event meets the exceptions, please email compliance@scenttsy.com.

Title

The highest Rank you have ever achieved. Three exceptions include:

- As a Director, if you are unable to meet your minimum monthly Volume requirements for a consecutive three-month period, your Title will change to Director (Q).
- When your Title is Director (Q) and you are unable to meet your minimum monthly Volume requirements for a consecutive three-month period, your Title will change to SuperStar Consultant.
- If your Account is cancelled and subsequently reinstated, your Title will be Essential or Certified Consultant, based upon your Lifetime PRV.

Upline

This includes the Consultant who sponsored you, their Sponsor and so forth.

Volume

The amount of sales generated by your Account reflected as points (PRV, PWV, TWV, etc.).