Consultant Guide

PartyLite Gifts, Inc., reserves the right to alter, modify or change any prices, discounts or profit schedules, or any other matters set forth in the PartyLite Consultant Guide. At least ten (10) days prior written notice will be given to Leaders and Consultants regarding said changes. An up-to-date guide is available on the MyBusiness home page (my.partylite.com).

Mailing/Shipping Address:
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Disclaimer: Item and prices used as examples in this Guide are effective only as of November 2018.

A Special Note: PartyLite is proud to include both men and women as Consultants and Leaders. Throughout this guide, however, we have used the feminine form to simplify the reading.

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Activity

Active Status

To be considered Active:

Consultants or Team Builders must submit $500 or more in personal compensatable sales that are received and accepted at the Home Office each calendar month.

Unit Leaders and above must submit $1,400 or more in personal compensatable sales that are received and accepted at the Home Office each calendar month beginning with the month they promote-out to the rank of Unit Leader or above.

Note: To be considered Active, a new Consultant must have $500 or more in compensatable sales each calendar month. Activity is based on a calendar month only and is not subject to the special terms of the Brite Start Program for new Consultants.

Requirements for Reinstatement

If a Consultant is Inactive (60 days inactivity) less than one year

• Notify your Leader of your intent to become Active.

• Review your Consultant profile to insure your banking, address and contact information is still current. (Note: If you have been inactive more than six months, your banking information may have been removed and if enrolled, eBusiness package cancelled.)
  o Verify/update your banking information for the Electronic Check Processing Program (before submitting an order online).
  o Re-enroll for direct deposit of your profit checks.
  o Re-enroll in the e-Business Package (Candle Connection and the Consultant Web site).

• Submit one or more compensatable sales order to reactivate.

If a New Consultant agreement is received from a Consultant who has been inactive less than one year, the agreement will not be processed if the sponsor is different than the original sponsor. If a Starter Party is received by a Consultant who has been inactive less than one year, PartyLite will call the Consultant’s Leader within 48 business hours and PartyLite will then determine whether the Party should be processed as a Starter Party or as a regular Party. The date that the Leader notifies the Home Office of the Leader’s decision, is the date that the Home Office will use as the “received and accepted” date for the Party. Note: A New Consultant Agreement and/or Starter Party cannot be completed online for a Consultant inactive under one year (must be sent into the Home Office for processing). Please note “re-activate” at the top of Agreement and Starter Party.

Consultants who have been Inactive for one or more years:

• Submit a new Consultant Agreement. This process can be completed online, once initiated by your Sponsor, or by submitting the Agreement into the Home Office for processing.

• For a Consultant to be re-sponsored by another Consultant, the Consultant must have been inactive for 12 months or more, cannot have a closed account, and cannot have any outstanding debt with PartyLite. The 12-month time period begins from the Consultant’s Inactive date.

• The Consultant will be reassigned the former ID number and would become part of the sponsoring Consultant/Leader’s lineage.

• The re-sponsored Consultant is eligible for all new Consultant programs.

• Anyone previously sponsored by the restarting Consultant will no longer be attached to that Consultant. Their Sponsor will be updated to the previous sponsor’s sponsor.
If a Starter Party is processed as a regular Party

- Profit and Profit Plus is paid.
- No payment toward the Starter Kit is made with the sales from a regular party.

If a Starter Party is processed to earn the Starter Kit

- The Consultant is reactivated under the former Consultant ID number and becomes part of the sponsoring Consultant/Leader’s lineage (as listed on the new Consultant agreement).
- No Personal Profit is paid.
- The new kit is paid for with a minimum $3501 Party. The new Consultant will be responsible for half of the remaining kit balance when the Starter Party is less than $350, plus applicable sales tax. For example, if the Starter Party compensatable sales were $300, the new Consultant would owe a balance of $25.
- The sales from the Party are awarded to the Consultant who submits the Party, unless the sponsoring Consultant has selected the option to enter the Starter Party but give the Sales Credit to the new Consultant.

Contest and Recognition Awards

For some contests and for annual recognition, Consultants and Leaders must be Active every calendar month during the contest or award period. Refer to specific promotions and recognition publications for Active requirements.

1 Subject to change.
2 This is calculated 60 days from the last compensatable sales order1 plus twelve months.
3 A compensatable sales order is a Party or any order on which profit is earned on.

PartyLite Online Advertising and Internet Policy for PartyLite Independent Consultants

Company Trade Names, Trademarks and Logos
PartyLite®, PartyLite Gifts, Inc.

The company’s trade name, (PartyLite or PartyLite Gifts) and major trademarks (PartyLite and the PartyLite logo) are the exclusive property of PartyLite and are registered with the United States Patent And Trademark Office. All unlicensed use is a violation of federal law. Since all trade names, trademarks and logos belong to the company, and you are an independent Consultant in business for yourself, these policies protect the company’s right in its marks and also help to protect your status as an independent contractor.

Exceptions:
Approved materials, images, copy and messaging for advertising furnished by the company using trade names, trademarks and logos are available and may be used only as intended for promotional purposes. This can be used to promote your business in print, on social media and on online business directories.

This includes:
- Company-supplied sales literature, supplies and brochures, letterhead, envelopes, business cards and address labels utilizing the company approved trade name, trademarks and logos.
- These can be purchased through an authorized licensee of the company and can be accessed by Consultants and Leaders on my.partylite.com/Business Associates. All materials must be used with approved language indicating the Leader or Consultant is an independent PartyLite Consultant.
Supplies may be purchased through other resources by Leaders and Consultants using only approved trademark usage and language indicating the Leader or Consultant is an independent PartyLite Consultant.

- Product images and product descriptions from your personal website

**Use of Company Name for Business purposes**

PartyLite Leaders and Consultants may not use the trademark or trade name PartyLite, PartyLite Gifts, Inc., or any variation of those names on personal checking accounts, checks, or credit card accounts or on any online or print advertising promoting your independent business.

You cannot use the name PartyLite, PartyLite Gifts, Inc. or any form of it as a personal name, a nickname, as your team name, as a tag line, on your personal website address, as your e-mail address, on any social media account, or on any external website name or account. Additionally, you cannot secure any e-mail address or domain name with any form or misspelling of the name PartyLite in it.

Your business accounts can easily be kept separate by the designation “business account” or similar wording.

**You may NOT use PartyLite trade names, trademarks, logos, copyrighted designs, images or symbols without the expressed written permission to do so from PartyLite.**

As an active or inactive PartyLite independent Leader or Consultant, you are not permitted to take any action that will injure or tend to dilute any PartyLite mark, and you will NOT engage in any unfair or unethical trade practice, including the use of confidential information for any competitive purposes.

**Use of company name exceptions for identifying yourself as an independent Consultant/Leader**

**You MAY use the PartyLite name in the following manner:**

<First Name><Last Name>
PartyLite Independent Consultant/(Leader Rank)

**Example:**

Mary Jones
PartyLite Independent Consultant/Unit Leader

**Answering machine greeting:**

Only the phrase, PartyLite independent Consultant/(Leader rank) can be used in your phone greeting on your answering machine if you use any trade name belonging to the Company.

**Example:**

“Hello! You’ve reached Mary Jones, your PartyLite independent Consultant! I can’t take your call right now …etc…

**Your Personal Website: e-Business Package**

PartyLite offers a professional PartyLite personal Consultant website for all Consultants wishing to optimize and grow their business online. It provides updated, consistent and professional messaging for all Consultants. Your personal website is the most valuable business-building tool you can have. Included in the e-Business package is a subscription to Candle Connection, an e-mail service through which e-mails with relevant messaging are sent on your behalf to Hosts, Guests, online shoppers and e-mail subscribers.

Upon enrolling for the PartyLite e-Business package on my.partylite.com, you will have access to both your personal Consultant website and Candle Connection.

**Benefits:**
• 24/7 access to online shopping
• Your Hosts can use your website to generate Guest lists and e-invitations, keep track of who is attending Parties and who is ordering online
• Long-distance Guests, or invited Guests who cannot attend a Party, can order online with the sales contributing to Host sales and have their orders shipped directly to them
• Send potential Consultants to your website to research the opportunity of becoming a PartyLite Consultant
• Link friends and followers in social media directly to your website to shop online, view the PartyLite assortment or an online catalog
• Encourage your Hosts, Guests and Online Shoppers to join PartyLite Preferred!
• Personalize your website with YOUR PartyLite story by updating your News and Events Page with special articles, images and links to the products you love in the collection!
• Post special events and drive your contacts to them to be up-to-date with everything going on in your business
• Register your website on free business directories and drive more prospects to you for hosting, shopping online or to learn about becoming a Consultant. (Refer to guidelines for Business Directory Registration below)

Enroll in the e-Business package for a personal website and to activate your subscription for Candle Connection on my.partylite.com under e-Business Enrollment.

Consultants who enroll in the PartyLite e-Business package are required to create a unique URL (website name). All Consultant URLs begin with www.partylite.biz/. The space that follows the slash, (/) is where Consultants customize the website name.

There is limited flexibility with regard to selecting a website name. However, the following must be observed:
• The name PartyLite, PartyLite Gifts, Inc. or any misspellings of it or any other PartyLite trademark cannot be used.
• Terms that could potentially mislead readers into believing that the URL accesses an official PartyLite website are prohibited. Please see examples below.

Examples of ACCEPTABLE website names:
Consultants may use their full name, first name and last initial or business name. To help your Customers find you, it is helpful to use a full name or at least a first name and last initial.
www.partylite.biz/janesmith
www.partylite.biz/janes
www.partylite.biz/jsmithcandles
www.partylite.biz/janescandlebiz
www.partylite.biz/candlequeen
www.partylite.biz/candlesbyjane

Examples of UNACCEPTABLE website names:
www.partylite.biz/partylitecandles
www.partylite.biz/partyliteonline
www.partylite.biz/partylight
www.partylite.biz/shoponline
www.partylite.biz/catalog
www.partylite.biz/ordertoday
www.partylite.biz/onlineshopping

PartyLite will determine whether any URL is in violation of these rules and the judgment of PartyLite will be final.

*Consultants who do not enroll in the e-Business package cannot offer online shopping to their customers.
*Consultants must have an e-Business package to offer PartyLite Preferred to their Customers. Refer to the Terms and Conditions of PartyLite Preferred for details.

Advertising Your Business:
Promoting your PartyLite business in print or online through business directories and all forms of social media is not just a reflection of you but also of PartyLite and every fellow PartyLite Consultant. **This policy is not meant to restrict the promotion of your business but rather provide rules and guidelines that respect and protect every Consultant’s business.**

**Advertising is a business investment with tremendous potential but no guarantees.**
The best advertising to grow your business continues to be through networking and “word of mouth”. Additionally, your commitment to providing outstanding customer service and follow-up is invaluable to growing your business!

Word-of-mouth marketing is done person-to-person, on blogs, through brand advocates (your Hosts, Guests and online Customers!) and through social communications like Facebook, Twitter and Linked In. Because of that, there is an increasing value in networking and advertising your business online and through social media forums, such as Facebook, Google+, Twitter and Pinterest. (Rules and Guidelines for managing your social media are distinguished and provided in the Social Media Communications Policy)

**Consultants are NOT allowed to use the trademark or trade name PartyLite, PartyLite Gifts, Inc. or any variation of those names on any online or print advertising promoting your independent business except as preapproved by PartyLite for all Consultants**

Consultants MAY NOT engage with advertisers that use business practices and functionality that intentionally or unintentionally interrupts the online browsing or shopping experience a visitor has on ANY PartyLite website.

**It is every Consultant’s responsibility to investigate and understand the business practices of those they advertise and promote their business with. Failing to do so could result in a Consultant’s eBusiness package being permanently canceled, and their PartyLite business account closed.**

Linking Policy

Linking to your PartyLite.biz website from another website, such as Facebook, Instagram, Twitter, Etsy, your personal website or local message boards, for example, can be a great way to share information about your PartyLite business and generate additional sales and Parties. If you choose to link to your PartyLite.biz website, you must follow the policies below:

A. You are prohibited from linking to your PartyLite.biz site or PartyLite.com from any website that:
   1. Implies, either directly or indirectly, that PartyLite is endorsing its content or otherwise misrepresents its relationship with PartyLite;
   2. Contains content or material that could be construed as illegal, offensive, controversial or distasteful (any websites must only contain content that is appropriate for all age groups);
   3. Contains defamatory or derogatory information concerning PartyLite, its products or opportunity or information intended to cause reputational injury to PartyLite;
   4. Presents false or misleading information about PartyLite, its products or the opportunity.

B. In the event that your PartyLite.biz website is no longer displayed on the Internet (cancelled or terminated subscription), you must remove the link to your PartyLite.biz website from all pages where a link was inserted.

C. If you are linking to your PartyLite.biz website, you may use one of the following approved link texts:
   1. Shop PartyLite Your Way with me, your PartyLite Independent Consultant: <insert your PartyLite URL>
2. Shop PartyLite Your Way, your PartyLite Independent Consultant <insert your PartyLite URL>

3. Get the latest in home décor from me, your PartyLite Independent Consultant <insert your PartyLite URL>


D. Should you wish to create your own status updates and comments that have links to your PartyLite.biz site you may do so by adhering to the Social Media Communications Policy. If you wish to include your PartyLite.biz link in the status update or comment, you must choose one of the approved link texts from section C above.

Promoting your PartyLite.biz Website through Search Engines

Search engines such as Google, Yahoo, or Bing are regularly used by consumers to search for websites. There are two (2) types of results that typically appear in search engine results – organic and paid listings. Organic listings are generally in the center of the results page and are based on the search engine’s proprietary algorithm that will display results based on relevancy. To provide all PartyLite Consultants with equal opportunities to grow their online business, certain PartyLite websites provided through the Company’s eBusiness package, including PartyLite’s .biz sites, are not searchable and will not appear in the results for organic searches.

Paid search results generally appear at the top, bottom or on the side of a search results page. These paid search results are identified as “Sponsored Links” or “Sponsored Sites” and are displayed based on a combination of price paid for display and relevancy. PartyLite actively bids on paid search terms to enhance overall search effectiveness and drive potential customers to PartyLite websites.

In order to maintain fairness and equity among all field members, PartyLite Independent Consultants are not permitted to use PartyLite, PartyLite Gifts or major trademarks of PartyLite (including, for example, GloLite by PartyLite, Clearly Creative, “World’s Brightest Candle”, Just Desserts, or Nature’s Love by PartyLite) or the PartyLite logo in any form of paid search listings. This includes search terms and advertising text.

Independent Consultants may not bid on the following (or any variations, combinations thereof): PartyLite, PartyLite.com, PartyLite candles, PartyLite.com candles, PartyLite Gifts, PartyLite Gifts, Inc., PartyLite catalog, PartyLite.com catalog, PL, Party Light (or any combination of the following) PartyLite online, PartyLite coupons, PartyLite.com coupon, PartyLite.com online coupon, PartyLite.com Outlet, PartyLite Outlet, PartyLite Deal, PartyLite Deals, PartyLite Free Shipping, PartyLite.biz, My PartyLite Portal, PartyLite.ca

Consultants who choose to disregard the policy are at risk of having their eBusiness package canceled, their Preferred Customers reassigned to their upline Leader, and the possibility of their PartyLite account being closed. The judgment of PartyLite in these cases will be final.

Use of the word “official” on a Consultant website, in print or online advertising:
Consultants are prohibited from using the word "official" when promoting their businesses on their website, online or on any other media.

Only official PartyLite corporate advertising may use the word “official”. Consultants who misuse the word "official" on his/her website are potentially misleading visitors by misrepresenting their website as the official PartyLite corporate website. Disregarding this rule could result in a Consultant’s eBusiness package being canceled and their business account closed.

In its place, PartyLite approves of the use of the word "authorized" and "independent".

Examples of unacceptable terms:
Official PartyLite Store
Official PartyLite Online store
Official Online Shop Site
Examples of acceptable terms:
Authorized PartyLite™ Store
Authorized PartyLite™ Online Store
Authorized Online Shop Site
Authorized PartyLite™ Shop Site
Authorized Shop Site
Authorized PartyLite™ Catalog Site

PartyLite will determine whether any Consultant is in violation of these rules. The judgment of PartyLite will be final.

Facebook pay-per-click advertising:
Targeted Facebook advertising is invested in from time to time corporately by PartyLite following the same principles for distributing leads use in pay per click search engine marketing.

Consultants are not allowed to use PartyLite, PartyLite Gifts and major trademarks of PartyLite or the PartyLite logo in any form of pay per click online advertising

Affiliate Marketing Policy
As part of generating more leads and new customers for your business, PartyLite has launched an affiliate marketing program. You may see PartyLite offers and promotions on sites like ShopAtHome.com and Ebates.com. From time to time, there will be exclusive coupon codes and/or offers to help drive more customers to PartyLite websites. Independent Consultants, customer orders attached to a Party, and PartyLite employees are not eligible to purchase PartyLite products using any of these promotional codes. Independent Consultants may not advertise on any affiliate websites that already have PartyLite listed as an advertiser.

Consultants who choose to disregard the policy are at risk of having their eBusiness package canceled, their Preferred Customers reassigned to their upline Leader, and possibility their PartyLite business account closed. The judgment of PartyLite in these cases will be final.

Use of Approved Copy and Images:
PartyLite Leaders and Consultants may promote copy and images from the current catalog, copy and images from your personal websites provided they link only to your PartyLite personal website. In all instances where approved imagery and copy are used, the words PartyLite independent Consultant must be prominently displayed.

Registering your business with online and print Business Directories. This practice does not require PartyLite preapproval provided the guidelines below are followed.
Registering your business with online business directories is the digital-age equivalent of advertising in the yellow pages. Some online business directories are free; others require that you pay a fee.

The online profile you create in any business directory must clearly identify you as a PartyLite independent Consultant. Any attempt to mislead readers into believing they will be linked to the PartyLite corporate website is prohibited. Additionally, linking readers from these directories to any site other than your personal website is not allowed.

Example of an approved Business Directory Listing:
PartyLite Independent Consultant
Your Street address #1
Your Street address #2
City, State Zip
Your name
Your phone #
Your e-mail address
www.partylite.biz/yourwebsitesname
Hours of availability:
Additional contact information: (phone #, fax #)

About My Business: (Sample content)
I’m a PartyLite independent Consultant and I would love to introduce you to PartyLite! PartyLite produces platinum quality candles, home fragrance, and beautiful décor. PartyLite offers a flexible direct selling opportunity for independent Consultants.
And it’s not just about home parties anymore! You can join and promote your PartyLite business in the way that works best for YOU!

Interested in a fun way to get together with friends and easily earn free products to fragrance and decorate your home?
Host a Party! It’s easy. It’s so much fun, and I will do all the work for you! All you’ll need to do is invite a few friends and I take care of the rest! You can even invite long-distance friends to shop online and YOU will get the online sales credit toward the generous Host Rewards! I’ll even give you some great and easy ideas for getting the word out!
> Contact me for details or to schedule your party!

Curious about PartyLite, but not interested in Hosting a Party right now?
Shop online!
Better yet, shop online and become a member of PartyLite Preferred! PartyLite Preferred is a generous program that offers members exclusive special offers and rewards every time you shop online or at a Party. Earn even MORE rewards when you Host a Party! Joining is easy and FREE! Simply visit my personal website, create an online account, and join! That’s it!

Shop Now at
www.partylite.biz/yourwebsitesname

Interested in PartyLite as a business?
Contact me today! It’s never been a better time to start a business with PartyLite! Earn a little extra cash or replace your current job by sharing high-quality PartyLite products!
> Contact me for information today!

Unauthorized Internet Sales
You are prohibited from listing PartyLite products for sale on any online retail, auction, or flea market sites, including but not limited to eBay, Amazon, Craigslist, Groupon, and Living Social. The listing of PartyLite products for sale on any unauthorized website constitutes a violation of the terms and conditions of your Independent Consultant Agreement. If PartyLite determines that you are selling PartyLite® products on such unauthorized sites, or having someone else sell products online in any way on your behalf, this will result in immediate termination of your consultant agreement with PartyLite Gifts, Inc.

- You must identify yourself as an independent PartyLite Consultant and in no way mislead readers into believing they will be linking to the PartyLite official website for information.
- If you provide a URL, you must use the entire URL that identifies your website and link only to your personal website.

Leaders and Consultants will need to determine for themselves whether the costs of advertising will provide a good return on their investment.

PartyLite® trademarks and logos may ONLY be used with ads that are approved in writing by PartyLite.

As a PartyLite® Independent Consultant, you are responsible for the verbal or written representations you make to Customers and potential new Consultants concerning PartyLite Gifts, Inc. and its products.
Incorrect or insupportable verbal or written claims about the Company's potential or exaggerated Profit or product claims, etc. may involve you in a legal controversy with your Customer or a government regulatory agency, and are violations of the Direct Selling Association Code of Ethics. You may not compare PartyLite products or the Company to any other company or its product.

To ensure you are providing your Customers with correct information, we suggest you review your presentation to determine the accuracy of your information. If the information you provide is not in the Consultant Guide, consider whether the information is reliable and correct and whether you have the facts to support it. All advertising should clarify that you are not an agent or employee of PartyLite.

*Note: PartyLite selectively monitors all avenues of advertising to ensure appropriate messaging and has the right to request removal of any presentation or visuals that are deemed inappropriate to our core values and brand.*

Consultants who choose to disregard these policies are at risk of having their eBusiness package canceled, their Preferred Customers reassigned to their upline Leader, and possibility their PartyLite business account closed. The judgment of PartyLite in these cases will be final.

**Social Media Communications Policy**

PartyLite acknowledges the growing popularity of web blogs, personal websites, social networking websites and other public Internet communications as means for sharing your experiences, thoughts, ideas and opinions with family, friends and the larger public. Websites based on user participation and user generated content, including but not limited to Facebook, Twitter, LinkedIn and YouTube, are collectively referred to in this policy as “social media,” “social media site(s)” or “social communications.”

PartyLite knows that you are proud of your PartyLite business and that you may want to use social media to keep your family, friends and Customers informed about your business, upcoming events and new and favorite products. PartyLite has adopted this social media policy to assist you in using these tools to promote your PartyLite business.

Of course, please keep in mind that, to the extent you choose to use social media to promote your PartyLite business, your use of these communication tools should supplement *not replace* your PartyLite Consultant website or personal one-on-one interaction, which is always the most effective way to build Customer relationships.

Please note that, by allowing Leaders and Consultants to participate in Internet-based, social communications and advertising, PartyLite is not endorsing any of these forums.

To protect PartyLite as a Company and you as an independent PartyLite Consultant, please adhere to the following rules:

- Consultants are not permitted to refer to themselves in such a way that would lead anyone to believe that they have control over a geographic area or that they are the Company.

- A Consultant must comply with the following conditions when using the registered name PartyLite or our logo on all social media and personal Web sites:
  - A Consultant must clearly identify as a “PartyLite independent Consultant” in all references to his or her affiliation with PartyLite.
  - A Consultant is prohibited from posting copyrighted material from PartyLite with specific exceptions: You may use the approved catalog cover image, images posted by PartyLite on its social communications sites and other images found in the Image Gallery on a personal Consultant website.

- A Consultant may not use any PartyLite trademark name or logo in a website URL address, social media page or site name or personal website. This includes PartyLite,® or any other trademark name belonging to PartyLite.
• The only approved website address containing the registered name PartyLite is an official PartyLite Consultant website that Consultants may subscribe to through the PartyLite eBusiness package. (See naming examples, following, for more details.)

• A Consultant may include a biography on their site, which is a way to promote their PartyLite business and what they have to offer.

• A Consultant may include the approved image of a current catalog cover with a link to their PartyLite personal website where Customers can book a Party, shop online, enroll in the PartyLite Preferred program, or learn more about joining PartyLite or attending upcoming special events.

• A Consultant may provide a link to their personal PartyLite website. In all instances, “PartyLite Independent Consultant” must clearly appear with the website link.

How to link to specific pages on your website
- Visit the page of your site that you wish to link to (example: Shop PartyLite)
- Copy the full-page address shown in your Web browser
- Paste the address wherever you wish to use this link to send traffic to your site.

Note: Check out bit.ly where you can convert a long Web address to a short one, especially if you have a Twitter account.

• You may link to the PartyLite Company website from any social media site, but to build your business you will want to link from your social media sites to your Consultant website. (Never post a link to your Consultant website on the PartyLite Facebook Page or any other Company social media site.)

• A Consultant may advertise charitable events, such as the American Cancer Society Relay For Life, on free online communities, including Facebook, MySpace and Yahoo groups or blogs. However, the Consultant must include “PartyLite Independent Consultant” in the ad.

• If you use product claims, use only the exact claims found in approved Company literature.

Naming Examples
To brand yourself and make it easy for current and future Customers to find you, consider using your own name for your social media pages. Remember, you may not use PartyLite or any other trademarked name in your URL or page name.

Facebook
Suggested: Facebook.com/BrittanySmith
Not Allowed: Facebook.com/PartyLiteBrittany

Twitter
Suggested: Twitter.com/BrittanySmith
Not Allowed: Twitter.com/PLGBrittany

Social Media Manners
Should you choose to participate in social media and publicize your relationship with PartyLite, please keep in mind that your online activities reflect on the PartyLite brand and other PartyLite independent Consultants. Accordingly, we have included the following common-sense tips for good manners and online etiquette:

• Do not write or post anything that might reflect negatively on PartyLite;
• Be honest and use your best judgment in all situations;
• Always be professional, especially when accepting criticism;
• Check with your Leader or S/RVP before commenting on any posts or articles that portray PartyLite in a negative light; and
• Always be aware of, and protect, confidential PartyLite information and confidential information belonging to PartyLite Consultants, Hosts and Customers.

Prohibitions from Using Social Media Websites
You are prohibited from using social media in any manner that violates any PartyLite policies, including policies relating to online disclosures of confidential information and any other policy concerning confidential information.
You are reminded that you are personally responsible for the material you post on social media, whether it is a blog or website. In addition, if you choose to maintain a social media site, you should be aware that you may be held responsible for content posted on that site by third parties, including comments posted by third parties. You are encouraged to monitor and/or restrict such third-party content on all websites and social media sites you maintain.

All social media and other Internet communications are subject to the other Company policies, including but not limited to Company policy prohibiting the disclosure of confidential information.

**Commenting on Social Media Sites**

- You may, if you want, provide “status updates” or otherwise comment on social media sites concerning your PartyLite business, but, in so doing you must not misrepresent your relationship with PartyLite.
- State only truthful comments about your experiences working as an independent Consultant with PartyLite or using PartyLite products, and never state false or misleading information about PartyLite.
- Refrain from including content or material that may be construed as offensive, distasteful, controversial or otherwise reflect poorly on PartyLite or your personal PartyLite business.
- Do not make actual or implied earnings claims: Do not post anything that refers to how much money you earn or represent to others how much he/she may earn if he/she were to also become a PartyLite Consultant.
- If you choose to make product claims, use only the exact claims language found in approved Company literature or official websites.

Keep in mind that PartyLite does not endorse the contents of independent Consultants’ social media sites.

**Official PartyLite Gifts Facebook Page**

- The PartyLite Gifts Facebook Page (Facebook.com/PartyLite) is our Company’s “public face” where the Communications staff models for you how to build online relationships with current and future Customers and attract people to click through to your Consultant website where they can book, shop or join.
- PartyLite directs all leads from the Company page to the PartyLite.com Consultant Locator.
- Consultants may copy or reuse exact posts and images from the official PartyLite Facebook Page or Twitter feed on their own Facebook page or other social networking sites. When copying/retweeting a post, you may replace any link to PartyLite.com with a link to your Consultant website.
- To make our Facebook Page effective and inviting, PartyLite has established rules for Consultants regarding what to post and not to post on the PartyLite Page. The following guidelines also reside on the PartyLite Facebook Discussion tab:

  When posting or adding comments, please avoid soliciting business in any way – by indicating what city you live in, encouraging other Fans to contact you or by posting links to a Consultant website or any other website or social media site other than PartyLite.com. Please see additional notes below, and thanks so much for your help in keeping our Facebook page “safe” for our current and future Customers, Hosts, Consultants and Fans.

To keep our site engaging for all, please adhere to the following:

1. Please avoid posting any personal or business contact information on this very public site, including address, phone number or e-mail. If someone does, we will remove the post.

2. Help keep comments, links, photos and videos centered on being a PartyLite Fan. We prefer that no negative posts be made about other brands. Posts deemed by us to be inappropriate for any reason will be removed.

3. We reserve the right to remove any inappropriate or insensitive post, link, photo or video.

4. By submitting posts, photos, videos and captions, you are granting PartyLite permission to publish them anywhere
at any time with any editing PartyLite wishes. Your submission means you have obtained consent of all people in your photos or video.

Videos
Consultants may post videos on YouTube and other video sites to promote their PartyLite business in a positive way. Please make sure you have permission from others to record their words or images. PartyLite will, however, monitor online videos and has the right to request removal of any presentation or visuals that do not positively represent PartyLite’s core messaging or brand.

Consultants
Consultants will need to determine for themselves whether the costs of advertising will provide a good return on their investment.

PartyLite® trademarks and logos may ONLY be used with approved ads prepared by PartyLite.

As a PartyLite® Independent Consultant, you are responsible for the verbal or written representations you make to Customers and potential new Consultants concerning PartyLite Gifts, Inc. and its products. Incorrect or insupportable verbal or written claims about the Company's potential or exaggerated Profit or product claims, etc. may involve you in a legal controversy with your Customer or a government regulatory agency, and are violations of the Direct Selling Association Code of Ethics. You may not compare PartyLite products or the Company to any other company or its product.

To ensure you are providing your Customers with correct information, we suggest you review your presentation to determine the accuracy of your information. If the information you provide is not in the Policies and Procedures Guide, consider whether the information is reliable and correct and whether you have the facts to support it. All advertising should clarify that you are not an agent or employee of PartyLite.

Note: PartyLite selectively monitors all avenues of online advertising to ensure appropriate messaging and has the right to request removal of any presentation or visuals that are deemed inappropriate to our core values and brand

American Cancer Society and PartyLite

In 1997, Consultants and Leaders were asked to choose a charity that PartyLite would support as a team. One charity received more nominations than any other. That year during National Conference everyone in attendance was asked to stand if their lives, or the life of a family member or friend, had been touched by cancer in some way. Almost every person in the room stood up.

Through this powerful and emotional exercise, one fact emerged – too many lives had been affected by this terrible disease. From that moment on, the PartyLite team joined the fight against cancer and chose the American Cancer Society as their charity of focus. Since then, the PartyLite team has raised millions of dollars for this worthwhile cause.

How are donations made by PartyLite used by the ACS?
We requested that our donations be used in two ways:

- To directly support cancer research, and/or
- To directly support the local communities in which our PartyLite team has a presence. This includes support programs and local hospice organizations.

How Can You Support the PartyLite Team?
The money is raised through a variety of fundraising efforts supported by the Home Office and Consultants, Leaders and Customers across the United States. Every dollar makes a difference – whether you choose to help organize and support a fundraiser in your Unit or Region, make a personal donation in the name of a loved one, or invite your Hosts and Customers to participate in various PartyLite-sponsored fundraisers. Fundraisers have included bake sales, product raffles, car washes, potluck suppers, road races, silent auctions, open houses, personal donations, and our Change the World ™ Program.
PartyLite has joined the American Cancer Society National Team Programs for Relay For Life and Making Strides Against Breast Cancer. Relay For Life events take place across the country from early Spring through the Summer. Making Strides walks take place in October, Breast Cancer Awareness Month. All money raised during these events support our charitable giving to ACS.

**One important way you can help fight cancer is to stay informed and be proactive with your own health and cancer education and prevention.**

### APO/FPO

Currently, we ship to military bases in several countries.

**A few facts:**

- Any Consultant who plans to do business on a military base should take the responsibility to understand and follow any regulations imposed by the U.S. military and/or their Base Commander. Any sales conducted outside of the U.S. military bases will be subject to local laws and taxes and should not be made.

- All orders are shipped directly to APO/FPO addresses using USPS Priority Mail. There will be a shipping and handling surcharge of 10% of the retail value for orders. (This is the same charge applied to orders shipped outside the continental U.S.)

- APO/FPO order entry is available for all Orders

- Customer Support can be accessed through e-mail by selecting E-mail Customer Support on my.partylite.com.

- No sales tax will be shown on orders shipping to an APO/FPO location.

### Back Ordered Items

It is the Consultant’s responsibility to check the Hotline and e-mails before each Party to stay informed about any items which may be on back order or stop sell. To avoid disappointing your Host or the Host’s Guests, inform them of item(s) that are currently on back order and that PartyLite will make every effort to supply their product within thirty (30) days or less.

When a back order exists, the affected credit/debit card will not be charged until the order is completely shipped.

### Back Orders at 30 days

**Purchased Product**

*Includes: Guest, Consultant order and Host Half-Price Items and Host Specials.*

When an item remains on back order for 30 days, an e-mail or phone call will be made to the Guest, Customer, or Consultant. For purchases made by a Guest at a Party, the communication will be sent to the Consultant asking the Consultant to pass the information along to the Guest or Host who has selected the item. For individual online Customer orders not tied to a party, the Guest will receive the e-mail. The communication will provide three options:

- Continue to wait for the product, or
- Request a refund, or
- Select another item. The communication will provide information on how to inform PartyLite of product choice.
Should a refund be requested in a back-order situation, it will not impact your compensatable sales or profits for the Party. If the whole purchase was paid by credit/debit card, the card will be refunded, provided the card is still valid. Otherwise, a check will be issued.

Awarded Product
Which includes: Host Credit selections, product awarded through promotions or contests.

When an item remains on back order for 30 days, a notification email or letter will be sent to the Host or Consultant with the option to:

- Host Credit Item – Continue to wait for the product or select another item, via e-mail response or call to Customer Support
- Contest/Promotional Item - If the awarded item is not a currently available catalog item (i.e. special item selected for a contest), a communication will be sent to advise of status and/or resolution information.

In the event that the Guest, Host or Consultant intends to wait for the product, no action needs to be taken.

Back Orders at 60 days

Purchased Product
If the item can still not be shipped at 60 days from the receipt of the order, the following steps will take place:

- A refund of the purchase price, plus sales tax and applicable shipping and handling, will be handled as follows:
  - Orders paid in full by Guest/Host on their credit/debit cards will be refunded directly to the card used provided the card is still valid. Otherwise a check will be issued.
  - Orders paid by Consultants (including Guest orders paid in cash/check to the Consultant) will be refunded to the Consultant.
- A notification e-mail will be sent out informing of the refund. If the purchase was made by a Guest or Host at a Party, the e-mail will be sent to the Consultant asking the Consultant to pass the letter along to the Guest or Host who selected the item. For individual online Guest orders not tied to a party, the Guest will receive the e-mail.
- The Consultant has seven days to provide the refund to the customer. In the case of multiple Guests selecting an item that has been unavailable for 60 days, a separate check will be issued for each Guest.

Purchases made by a Consultant on a Consultant purchase may be refunded directly into the Consultant account.

Awarded Product
- Host Credit item - If the item still cannot be shipped within 60 days from the receipt of the order, a PartyLite Product Certificate for the retail value of the item will be sent to the Host, which can be redeemed for another product of the Host’s choice.
- If the awarded item is not a currently available catalog item (i.e. special item selected for a contest), a comparable item selected by the company may be sent.

Note: Should an item on back order be placed on Stop Sell prior to 60 days, the above 60 day procedure will be followed at that time.

HINT:
Upon receipt of the refund check, you may want to simply endorse the check over to the Guest entitled to the refund.

Change the World™ Fundraising Program
PartyLite’s *Change the World™* Program is a voluntary fundraiser for the American Cancer Society. It’s a way for you to reach out and involve your Hosts and Customers in our ongoing fundraising efforts to support a worthwhile charity.

- Hosts and Customers can choose to round up their order total to the nearest whole dollar and donate the “change” to the American Cancer Society.
- PartyLite will collect the donations from all of the orders and forward them to the American Cancer Society on a monthly basis.
- There is no extra work for the Consultant or Leader. Hosts and Customers who participate in the program should save their copy of the order form as their receipt for the donation.
- If an adjustment to the Party is necessary, no money will be adjusted from the *Change the World* donation. However, if the order is canceled the donation would be canceled as well.

*Note: The amount of the donation is determined after the sales, tax, shipping and handling and subtotals have been calculated on the Party or Guest order forms.*

1*Also available on Consultant orders online.*

## Consultant Account

PartyLite creates a Consultant account for each individual Consultant. You agree to participate in this program when you sign and submit your New Consultant Agreement to the Company. The following is an explanation of how the account works and the procedures for ordering products, sales aids, samples and promotional pieces.

### Terms and Conditions

An individual Consultant account is automatically set up for you at the time your signed and submitted New Consultant Agreement is received and accepted by the company. You will be assigned a Consultant ID number at this time to identify your Consultant account and you will be notified of this number by e-mail.

*Note: A Consultant ID number is assigned to one individual only and may not be shared with another individual.*

You agree to submit the entire proceeds from your retail sales orders plus sales tax and other charges collected from your customers. If you sell a product for a lower retail price than the suggested retail price, your profit will be lowered. The company agrees to receive the proceeds from your retail sales and to record this amount in your Consultant account. This establishes your deposit balance.

The company will deduct the cost of the products to fulfill Customers orders, any Host gifts, sales aids or promotional items, for which you did not remit payment, including applicable sales tax and shipping. You agree that the company may deduct the total of these charges from the amount you have deposited.

The remaining balance (your profits before your expenses and bonuses) will be sent to you each week, along with an additional amount for any other profit or bonuses for which you have qualified. The source of each amount will be identified on your statement.

Each time a check or direct deposit of profits is issued to you, you will also receive a complete statement of your Consultant account online ([my.partylite.com](http://my.partylite.com)). The statement details the compensatable sales, the itemized charges against your account and the amount of Profit returned to you. These account statements become a valuable business record for tax purposes.

Online statements are archived and available to you for up to a year. We suggest you print and retain your statements for your records. When paper statements are requested, any online statements will be removed and no new statements will be available online.

You and the Company agree that your Consultant account is established to assist you in ordering products for customers, as well as for certain promotional aids.

### Reasons for Closing a Consultant Account
At PartyLite’s discretion, the Company may close a Consultant Account for any violation of the Consultant or Leader Agreement and/or any other Company policies, procedures or best business practices. Examples include, but are not limited to:

- Accruing an outstanding balance that has not been paid within 60 days (timing of closure at the discretion of the Collections Department).
- Receiving orders and payment but not promptly submitting the orders to PartyLite for fulfillment.
- Submitting a Party under another Consultant’s name who did not actually hold the Party.
- Establishing a new Consultant (or updating the account of an existing Consultant) using a banking account that does not belong to that Consultant.
- Submitting a Consultant agreement using an individual’s identity or information without their permission.
- Making a transaction of any kind using the account of another individual without their permission.
- Combining multiple guest orders in order to reduce the shipping and handling amount charged to the Guest.
- The unauthorized advertising or selling of products (over the internet or otherwise).
- If a person other than the individual named on the Consultant Agreement represents PartyLite as an Independent Consultant.
- Engaging in any unethical business practice (may result in but not limited to: removal of sales credit, profit, program/promotion or contest eligibility and/or closing of Consultant Account).
- Verification/confirmation is not made to the Home office when requested by the Consultant of their newly established Consultant Account.

**Consultant Discount**

To purchase Product at the 30% Consultant discount, Consultants and Leaders must submit $250 in compensatable sales during the prior calendar month. Excluded from this requirement are new Consultants in their first full month of Brite Start. Please note, the Consultant discount may vary by Product category.

Business Tools, such as Catalogs, Literature and Host Specials do not have any minimum Sales requirement.

**Consultant Orders**

The Consultant Order is where you can order your business supplies and additional product needed for your Business.

**Tips for Successful Ordering**

- Consultant purchases are subject to shipping & handling charges as indicated on the form. Any additional charges will be deducted from your Consultant account.
- Consultant purchases can only be shipped to the ordering Consultant’s address.
- Paper Consultant Purchases:
  - If a Consultant order is received ordering a Stop Sell or discontinued product, the item will be removed and the monies refunded to you in your profit check. If the payment is made by a credit/debit card, the charge amount will be reduced.
  - Include Consultant ID number and proper payment to avoid processing delays.
Kit Additions – Consultants and Leaders who submitted $250 or more, in compensatable sales in the prior month may purchase additional product samples for demonstrating purposes at up to a 30% savings off the suggested retail price.

Monthly Host and Guest Offers– As an addition to your Starter Kit, Host and Guest can be ordered at the special price or at the 30% Consultant discount, unless otherwise noted. Limit one of each special per active Consultant. At times, certain specials will be limited in availability for Hosts only.

Literature – Catalogs and other business tools can be ordered as needed.

Contact Information

Our Customer Support team is available at 1-888-999-5706, Monday-Friday, 8:30 a.m. – 5:00 p.m. EST excluding Home Office-observed holidays.

They’re also available via e-mail; please refer to the Contact Us link on My Business. Please allow 48 business hours for a response. The click to chat option is also available during regular business hours. Please be aware, this option may be turned off during high call volume days. You will have the option to submit an e-mail.

For training and other business information, your Leader is the best source of information.

Paper orders may be sent to the Home Office either by mail or express courier to: PartyLite, 600 Cordwainer Drive Norwell, MA 02061

Paper orders will be received and accepted Monday-Friday excluding observed Home Office holidays.

Contests

Every month, you will want to check YourBiz to learn about the exciting promotions and contests that are available to support your success.

Below are general contest qualifications. See YourBiz for further details on contests and promotions.

- To qualify for a contest, Leaders and Consultants will need to meet the specific requirements for the timeframe given. Incentive trip qualifications may vary. Please refer to YourBiz for specifics to the incentive trip and contests.

- All Qualifying Starter Party sales received will count for the Consultant whose name appears as the Consultant on the Party when submitted to the Home Office. The Consultant’s name and/or date of Party cannot be changed for any reason.

- Special rules for qualifications may apply for any contest. See the specific contest rules for clarification.

- To count in any contest as a newly-sponsored Consultant, a previous PartyLite Consultant must have been totally “inactive” for twelve months or more. This is calculated as 60 days since the Consultant last submitted a compensatable sales order plus twelve months.

- Deadlines for all sales or new Consultant Agreements are defined for each contest.

- Good credit standing and/or good business standing are required for any Leader or Consultant to qualify for any contest. Any Leader/Consultant with PartyLite who is currently restricted to money orders/certified checks must continue to remit accordingly. As long as there is an outstanding obligation due PartyLite, the Leader/Consultant may be disqualified from a Contest. To be considered for a contest award, all obligations due PartyLite must be paid in full by the last day of the contest. Issues with credit standing and/or business standing may also result in removal of partial or whole order sales and/or sponsoring activity from counting toward a contest or promotion.
• When one or more items are canceled on a Party due to an invalid/declined credit card, balance owed, Stop Sell or refund, any subsequent adjustment of the Consultant’s compensatable sales will affect contest points and awards during the month the sales are adjusted for the contest.

• Orders returned by the Home Office for any reason will not count toward personal or Unit sales until resubmitted and accepted by the Home Office.

• All current Company policies will remain in effect during contest dates. Any special requests, discrepancies, concerns, or problems must be submitted in writing to the Marketing Department and must be received at the Home Office within 30 business days of the last day of the contest or the claim form deadline.

• PartyLite reserves the right to disqualify any Leader or Consultant from any contest or promotion at its discretion when not in good business standing (i.e. engaging in misconduct or any violations of PartyLite policy or procedure).

• PartyLite may suspend or terminate a Leader or Consultant’s ability to do business if found to be participating in a business practice violation or misconduct.

• Prior to the start of a contest or promotion, if you do not want to participate, please send written confirmation to the Home Office, Attention: Sales Administration.

• Exceptions or extensions of deadlines will not be made for mail delays, weather conditions, or for any other reason. When an extenuating, life-changing situation occurs, such as a serious accident/illness, military deployment or FEMA declared major disaster that may cause a business interruption; the Consultant’s Leader should be contacted. For further details see Business Interruption Waivers.

• Paper Parties - For the purpose of any contest, if a Party does not have a Party/Show Date indicated, it will automatically be assigned the first day of the month and will not be changed for any reason. If the first day of the month does not fall within the dates of the contest, the Party will not count for that contest.

Corporate Shoppable Website (PartyLite.com)

The Shoppable Corporate Website at PartyLite.com is open and available to Customers who are interested in purchasing PartyLite products. By operating PartyLite.com and investing in targeted online advertising, PartyLite is able to reach not only Customers who are searching for PartyLite products, but also potential customers who are searching online generally for candles, fragrance accessories and related home décor items.

When Customers shop on PartyLite.com:

Customers who already have a PartyLite account and are connected with a Consultant will be encouraged to log into their account before purchasing on PartyLite.com. If they are a Preferred Member they will automatically be connected to their Consultant once they log in. The Consultant associated with the Preferred Member will receive the standard 25% profit on the compensatable sales.

Customers who are not registered as Preferred Members, but who already have a Consultant will be directed to log into the PartyLite.com website and they will be able to search for that Consultant.

Orders placed by Customers who identify their Consultant will be paid the standard 25% commission. If existing PartyLite Customers do not identify a Consultant to attach their order to, one will be assigned and a 12.5% profit will be paid on those orders to the assigned Consultant.

All orders placed on the Consultant’s own personal website will receive the standard 25% profit on the compensatable sales.

New PartyLite Customers who do not have a Consultant will be able to order items on the Corporate Site and then elect to be connected to a Consultant. The contact information and profit will be given to a Consultant based on the current Lead Allocation rules. The Consultant will receive on the initial sale, 12.50% of the compensatable sales. The remaining amount that would typically be awarded as profit will be reinvested
into the Online Advertising campaign to establish more new PartyLite Customers. New Customers to PartyLite.com may also elect to not be connected to a Consultant. Should these Customers return to PartyLite.com and order again, they may be reassigned to another Consultant.

## Debt Policy

Profitability, good service and credit standing are musts for success in your business. As an independent Consultant, it is important to properly manage your banking and PartyLite Consultant accounts.

To help keep you in the know, PartyLite has made it possible for you to access your Consultant Account information online any time by logging on to my.partylite.com. Once logged in, go to: **My Business > Earnings > Consultant Account Report**

Below is information on how PartyLite will manage situations of payment returns, negative outstanding balances and other payment issues.

### Certified Check – Money Order Only Status

If you are placed on Money Order Only Status, your ordering and payment options will be limited. A Consultant may be placed on Money Order Only Status if:

- A check or electronic payment is returned unpaid from the bank
- Multiple orders submitted within a short time period or large order(s) submitted over $1,000 (precautionary, money order status will be removed once payment(s) clear)
- Sharing of bank accounts (precautionary, money order status may be removed when the one of the following takes place within 72 business hours):
  - The bank account on file is updated to the bank account belonging to the Consultant
  - The bank letter is received which acknowledges the Consultant as a signer on the account)

*Note: Being on Money Order Only Status or having outstanding debt may impact your enrollment status in the eBusiness package (which includes your Consultant website and Candle Connection). When a Consultant’s electronic checking account cannot be debited for the monthly fees due to Money Order Only Status, your Consultant Account will be charged for this service. At the point that eBusiness fees have been charged to your Consultant Account more than one consecutive month, you may lose your Consultant eBusiness package and be removed from the program. When unenrolled from the eBusiness package, your subscribed Customers will be opted out of your Candle Connection and be subscribed to your Leader’s Candle Connection. Preferred Customers will be reassigned to the upline Leader, and your personal Consultant website will be closed.*

### Return Occurrence

- A check or electronic payment which is returned unpaid from the bank (regardless of whether the return results in a debt owed to PartyLite).
- Each check or electronic payment returned is considered one occurrence.

When multiple first electronic return occurrences take place in a short period of time (or for one first electronic return payment of $1,000 or more), the Consultant will be placed on money order status for a minimum of seven business days or until proof of successful payment is received via bank statement.

*Note: A longer assignment of money order status (up to ‘permanent’ money order status) may be issued to a Consultant with six or more return occurrences within a rolling 12-month period.*

### Procedures for returned check(s)/electronic check(s)

<table>
<thead>
<tr>
<th>Reason for return</th>
<th>$20 return check fee charged to Consultant Account</th>
<th>Total amount of check returned charged to Consultant Account</th>
<th>Additional action</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Consultant Guide 20 Revised September 2019
First Electronic return (Insufficient funds)  
Paper Check return (All reasons)  
<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Electronic payment re-tried automatically. Communication/notification attempted, alternate payment needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>2</td>
</tr>
</tbody>
</table>

Second Electronic return (Insufficient funds)  
First Electronic return (Stop payment, non-transaction account, account closed, invalid or frozen)  
<table>
<thead>
<tr>
<th>Yes</th>
<th>Yes</th>
<th>Communication/notification attempted, alternate payment needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

1subject to change  
2Charges to the Consultant Account may cause a negative balance.

When a negative balance occurs due to a return, the Consultant will be placed on money order status for a minimum of 10 business days1 (or until the balance is paid in full with confirmation of acceptance from the bank).

During the period a Consultant is restricted to Money Order Only Status, the Consultant may be prohibited from online ordering. At the discretion of the Collections Department, Party orders may be submitted online with credit card payments only. All other orders must be submitted on paper to the Home Office for processing and remitted with certified check, money order or credit cards as proper payment. If any order is received at the Home Office during this period without proper payment, it will not be considered received and accepted until proper payment has been received. If no payment resolution occurs the order will be returned to the Consultant via USPS.

Consultants who have a debt with PartyLite

The following applies:

- Debt will prompt calls, letters and/or e-mails from our Collections department.
- Payments will be required, and all profits will be applied to the Consultant’s balance until the debt is paid in full.
- If registered for National Conference, remaining Conference Cash funds, after applying to the Conference Registration fee, will be applied to any outstanding amount due to PartyLite.
- Monthly invoices are sent to Consultants when a balance due to PartyLite exceeds $10. This balance must be remitted to PartyLite within fifteen (15) days from the date of invoice, unless during those fifteen days the balance is paid in full with Profits.
- If the debt occurrence is the result of sharing banking information without authorization, this could result in suspension of the Consultant’s ability to conduct business and/or account closure.

Acceptable Methods of Payment to Clear Outstanding Obligation(s)

- MasterCard®, Visa®, Discover®
- Bank/Treasurer’s Check/Money Order
- Electronic/Paper Check (subject to approval in advance from the Collections department)

Consultant Debt May Affect Awards, Promotions, Profits, Profit Plus and Consultant Status
If a Leader or Consultant has a debt situation, PartyLite will apply Profits and Profit Plus against the debt until debt is paid in full. Debt unpaid may lead to closure of the Consultant account and placement of the debt to a collection agency.

In addition, if a Leader or Consultant has a debt situation, the Leader or Consultant may be disqualified from earning/receiving awards and/or promotions.

**Reinstating a previously Closed Consultant Account**

At the Company’s discretion, a Consultant may be reinstated if she/he:

- Makes a payment in full to the Company’s collection agency and satisfies her/his debt to the Company.
- Remits to PartyLite any and all collection agency and attorneys’ fees incurred in the collection of the debt.

**Contacting You**

If you owe a debt to PartyLite, you agree that PartyLite, and any third party debt collector engaged by PartyLite, may contact you directly using any of the contact information you have provided to PartyLite, including your e-mail and phone number(s). You agree that you may be contacted via automated, live or pre-recorded telephone calls, email or text messages, and you consent to this contact, even if you may incur charges for the call, email or text message.

**Direct Selling Association**

As a member of the Direct Selling Association (DSA) since 1978, PartyLite encourages strong ethical behavior both from the Company and all of its independent Consultants and Leaders. Cooperation and compliance with the DSA’s Code of Ethics by PartyLite and other companies in the industry help to ensure our integrity and our ability to attract new Hosts, Consultants and Guests.

Your support in complying with the Direct Selling Association’s Code of Ethics is appreciated. To view the DSA Code of Ethics go to [www.dsa.org/ethics](http://www.dsa.org/ethics). Below are highlights of how you, as a Consultant, and PartyLite can adhere to the Code of Ethics.

**The Code and Consumers**

As a consumer you should expect your Consultant to:

- Tell you who they are, why they’re approaching you and what products they are selling.
- Explain how to return a product or cancel an order.
- Respect your privacy by calling at a time that is convenient for you.
- Promptly end a demonstration or presentation at your request.
- Provide accurate and truthful information regarding the price, quality, quantity, performance, and availability of their product or service.
- Offer a written receipt in a language you can understand.
- Provide his or her name and contact information, as well as the contact information of the company he or she represents.
- Offer a complete description of any warranty or guarantee.

**The Code and Direct Sellers**

As a Consultant or Leader with PartyLite, you should expect PartyLite to:

- Provide you with legal and accurate information on the company’s pay structure, products and sales methods.
- Refrain from any unlawful or unethical recruiting practice and exorbitant entrance or training fees.
• Base all actual and potential sales and earnings claims on documented facts.
• Abstain from encouraging you to purchase more inventory than you can sell in a reasonable amount of time.
• Repurchase, at not less than 90% of the original cost, any unused inventory and sales aids you have purchased within the past 12 months if you decide to leave the business.
• Explain the repurchase option in writing.

Since you are a direct seller associated with a DSA member company, you can be sure that both your interests and those of your customers are protected. Be sure to let your customers know that your company is a member of the Direct Selling Association and share with them the rights and protections afforded them.

For more information about Direct Selling, visit [www.dsa.org](http://www.dsa.org) or write to:

Direct Selling Association
1667 K Street, NW Suite 1100, Washington, DC 20006-1660

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**Dovetail/Split Profit**

Dovetailing a Party to another Consultant means that another Consultant will hold/submit a Party originally booked by you. This is done when you cannot hold the Party yourself or are helping another Consultant by sharing a booking with them. The Consultant you’ve dovetailed the Party to will receive 100% of the sales and 60% of the Profit from the Party, you will receive 40% of the Profit.

In Party Entry, enter the Consultant ID who the Party is being split with on the Party Information page. Or, you can dovetail the booking from your Party Assist by selecting Dovetail in the Quick Action menu.

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**Gift Certificates/ PartyLite Product Certificates**

PartyLite currently offers two types of certificates; the PartyLite Gift Certificate and the PartyLite Product Certificate.

• The purchase of Gift Certificates by a Consultant in order to boost trip points or to qualify for any trip or award is a violation of rules and any Consultant who does so will find the Consultant’s contract terminated upon PartyLite discovering the use of such PartyLite Gift Certificates. Under no circumstances may such Gift Certificates be redeemed or refunded for cash.

• PartyLite Gift and Product Certificates are available to order at $15 or more in suggested retail value.

• Gift and Product Certificates can only be used as payment on an individual online order not attached to a Party or mailed in to redeem. Certificates cannot be used as full or partial payment on a Guest or Host Order Form at a Party.

• If mailed in, Certificates must be completely intact, showing the certificate number and date of issue.

• You will receive profit and sales credit on purchases over the certificate amount.  

  Note: Profit and sales credit will not be issued when the 30% Consultant discount is taken on the overage.

• PartyLite Gift and Product Certificates issued prior to Nov. 19, 2010 will be charged tax and shipping & handling on the overage only (amount being purchased is greater than the amount of the certificate).

• For Gift and Product Certificates issued on or after Nov, 19, 2010 tax and shipping & handling will be charged based on the total purchases at the time the certificate was redeemed. Tax or shipping & handling will not be charged by PartyLite when the certificate is purchased or ordered. Do not collect tax or shipping & handling at the time the certificate is purchased.

• The Certificate will be included in a return mail envelope sent separate from the Customer’s order.

• Gift and Product Certificates may not be offered as a Half-Price Item on a Party.
• PartyLite will replace lost (unredeemed) certificates upon request. When requesting a replacement certificate, be sure to furnish the original order number, Consultant name, ID number and date of issue.

• Product Certificates issued on or after June 15, 2015 are redeemable on full-priced product, only. PPCs issued beginning on June 15, 2015 cannot be redeemed on any promotional items, product included on the Online Outlet, or any other specially priced product.

• Sales aids, catalogs, and literature cannot be ordered when redeeming a certificate.

• PartyLite expressly prohibits the issuance of a Gift Certificate in lieu of product without a Customer’s consent.

• Gift Certificates may not be purchased at a discount.

How obtain a PartyLite Gift/Product Certificate

Gift Certificates (GC)

• Guests may purchase Gift Certificates on the Guest Order Form as they would buy regular product by using the item number “GC” and indicating the dollar value wanted (must be $15 or more). Consultants earn profit as if a product were being purchased. Shipping & Handling and Sales and Tax are not paid at the time of purchase. Both, if applicable, will be paid at redemption.

• Consultants may not purchase at a discount Gift Certificates for personal use.

PartyLite Product Certificates (PPC)

• Hosts can select PartyLite Product Certificates for full or partial Host Credit, in the “Host Selections” section on the Host Order Form by using the item number “PPC” and indicate the credit value wanted (must be $15 or more).

• Consultants may be awarded PartyLite Product Certificates through various contests and promotional programs offered throughout the year.

• Product Certificates issued beginning June 15, 2015 are redeemable towards full-priced product, only.

How to redeem a Gift/Product Certificate

• PPCs are redeemable for suggested retail merchandise only.

• Both are redeemable by the bearer by submitting the completed certificate to the Home Office directly, or by redeeming online on your Consultant Website or the Corporate website.

• Gift and/or product certificates may be redeemed together when shipped to the same address.

• Gift and Product Certificates can be redeemed on your Consultant website or on the Corporate website. PPCs issued on June 15, 2015, or later, are not eligible to be redeemed on sale priced items, for example the Online Outlet. On my.partylite.com, Consultants redeeming Gift and Product Certificates must use the full retail price. Certificates are issued at the full retail price, and when redeeming a certificate, the product selected is at the full retail price. If the amount being selected exceeds the amount of the certificate, Consultants may use their 30% Consultant discount on the amount due if the certificate is being shipped to their address on record, applies to Certificates redeemed on my.partylite.com and on paper.

Note: If you use the Discount you will not receive any applicable compensation and sales credit for that order.

PartyLite Gift Certificates and Product Certificates look identical but are labeled in the upper right hand corner with type of certificate, certificate number, date of issue, PIN number and the retail value.

Idea Submission Policy

PartyLite encourages Leaders and Consultants to share ideas and suggestions with the Company, which may benefit other Consultants in the profitable pursuit of their businesses. However, ideas submitted to the
Company by Leaders and Consultants are done so at no charge to the Company. Therefore, the Consultant agrees that any ideas submitted to the Company are done so without expectation of remuneration unless so stated in writing at the time of the submission. In the case of expected remuneration, the Company reserves the right to return the idea to the originating Leader or Consultant without reviewing it.

All ideas submitted to the Company should be directed to the attention of the Customer Support Manager at the Home Office.

**Independent Contractor Status**

Your Consultant Agreement provides the basis of your relationship with PartyLite. You are an independent business person. And you:

- Are not an agent or employee and cannot bind the company to any obligation and will not be treated as an employee for any Federal or State income withholding taxes, Social Security, Worker's Compensation, Unemployment Compensation, or other employee types for tax purposes.

- Are responsible to track and report your PartyLite earnings for any federal, state or local requirements you may have. A 1099 MISC tax form is required by the IRS for independent contractors who achieve certain earnings in the calendar year. You will receive a 1099 MISC Form from PartyLite based upon your calendar year activity.

- Are responsible for any local/city business license requirements that affect home based/direct sales occupations. When you become an independent Consultant with PartyLite you should check with your city/town to see if there are any licensing requirements, fees, local ordinances or regulations that affect being self-employed. Local ordinances and regulations on this vary from city to city within a state as well as being different in every state.

- Are an independent business person free to conduct business according to the Consultant's own methods while incorporating the company recommended guidelines and procedures that are contained in the New Consultant Agreement, throughout this Consultant Guide and any other source referenced in this guide.

- Agree you will at all times positively promote and not disparage PartyLite, its products, programs, representatives or personnel.

- Agree not to promote or sell other products or services or recruit for other companies or other business activities at PartyLite Parties, meetings or other events.

- Agree and understand that all Customer information must be secured and destroyed as soon as possible as you are liable for the security of that information.

- Agree that should you represent another company or participate in other business activities outside PartyLite that any information, printed materials or other items obtained through your association with PartyLite be kept separate and not used to solicit, promote, market or sell at or for any non-PartyLite activity. Any use of PartyLite information to promote non-PartyLite business activities constitutes "unfair business practice" which is legally actionable.

- Agree to keep PartyLite information confidential.

- All transport you may use for transport of product or yourself is at your own risk and expense and not as an agent of PartyLite.

**Insurance**

As an independent contractor, you are responsible for obtaining your own insurance. PRO Insurance Managers is one of the nation's leading independent insurance brokers and was chosen as the Direct Selling Association's exclusively endorsed program resource. Programs available include: Health Insurance, Direct Seller Liability, Dental & Vision, Medicare Advantage, Term Life Insurance, and Identity Theft.
For immediate rates and to learn more:
Visit www.pro4.us/partylite.asp or call 1-800-821-7383

More information is also available through the Direct Selling Association:
DSA, 1667 K Street, NW, Suite 1100, Washington, DC 20006-1660.
Telephone: 202-452-8866; Fax: 202-452-9010; www.dsa.org

Other insurance resources include: Spouse, professional association, extension of current employer’s insurance, AARP, AAA, government programs, many school systems offer coverage for children.

**IMPORTANT:**
To support your status as an independent contractor, PartyLite cannot become involved with processing your insurance applications and/or claims. Please contact your insurance carrier directly

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### Insurance Claims

If it is claimed that PartyLite products damaged Customer’s personal property, please mail the following information to the PartyLite Home Office, Attention: Insurance Claim.

- If available, the Consultant and Order information from which the item was originally purchased
- A detailed written description of when and how the damage occurred and the extent of all damage
- Photos of all damage and pictures of the PartyLite product
- An estimate of the cost to repair the damage or to replace the damaged items. If repair is necessary, the estimate must be on the estimating company’s letterhead/invoice.
- Name, address, telephone number and e-mail address of claimant

When this notification is received at PartyLite, it will be forwarded to our insurance company for consideration. Please do not make any promises regarding how PartyLite will settle the claim, as our insurance company will contact the individual directly.

You may want to have training at your Unit or Regional meeting on the topic of safe candle usage during Parties.

Also, because you and your Unit demonstrate products in other people’s homes, you may want to purchase additional insurance to provide coverage in case you spill wax on a Host carpet, table, et cetera. Consult your insurance agent about purchasing the appropriate coverage.

PartyLite is pleased to now offer you access to leading national insurance programs through PRO insurance Managers. To learn more, visit their [Web site](#).

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### Lead Allocation Program

The Lead Allocation Program is a benefit of Leadership. When leads are received online through the “Contact Us” or “Find Your Consultant” or during online Consultant enrollment through the Consultant Locator [Lead Allocation Locator] at [www.PartyLite.com](http://www.PartyLite.com), leads are distributed to S/RVPs and Leaders only. Leaders can find more details to this program in the Leader Guide.

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### Leadership
Whether your goal is $1,000 a month or $1,000 a week, with the PartyLite Leadership program you choose how much you want to earn and how quickly you want to advance. How would a $1,000 monthly increase in income make a difference in your life? Look at the income difference you can have as a new Leader!

<table>
<thead>
<tr>
<th>Personal Hold</th>
<th>Unit Leader</th>
<th>Consultant</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Parties x $350 = $4,200</td>
<td>$1,050</td>
<td>$1,050</td>
</tr>
<tr>
<td>25% Profit x $4,200 = $1,050</td>
<td>6% Bonus $252</td>
<td>7% Bonus $294</td>
</tr>
<tr>
<td></td>
<td>7% Profit Plus $294</td>
<td>No Profit Plus $0</td>
</tr>
<tr>
<td>Your Team of 6 - 10 Consultants Hold</td>
<td>7% Profit Plus $735</td>
<td>No Profit Plus $0</td>
</tr>
<tr>
<td>30 Parties x $350 = $10,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL EARNINGS</td>
<td>$2,331</td>
<td>$1,344</td>
</tr>
</tbody>
</table>

$987-a-month increase as a Unit Leader!

The example above is for explanatory purposes only. It does not represent average earnings and is not a promise or representation of what a Consultant or Leader will experience.

The difference between you – a consistent Consultant – and a PartyLite Leader is that a Leader earns 7% Profit Plus for accepting some additional responsibilities to help others. Only you can decide on the income you want and the time you can put into your business.

For further explanation refer to the PartyLite Profit Program Booklet.

Leadership Profit Program

The PartyLite Leadership Profit Program is designed to provide Leaders with increased income opportunities when they sponsor, train and support other Consultants.

The more you grow your team, the more you earn. Unit Leaders and above receive Profit Plus on their personal sales and Profit Plus on the sales of all the Consultants in their Unit. When Leaders promote-out new Leaders, they also receive additional Profit Plus on those Leaders and their Consultants.

The PartyLite Profit Program booklet gives you examples of how to achieve each level of the Leadership Profit Program and complete details on Leader qualifications, maintenance, and proper profit structure.

Contact your Leader today and ask how you can get started on your journey to Leadership!

Legal Guidelines

Company Trade Names, Trademarks and Logos

PartyLite®, PartyLite Gifts, Inc.

The company’s trade name, (PartyLite or PartyLite Gifts) and major trademarks (PartyLite and the PartyLite logo) are the exclusive property of PartyLite and are registered with the United States Patent and Trademark Office. All unlicensed use is a violation of federal law.

Since all trade names, trademarks and logos belong to the company, and you are an independent Consultant in business for yourself, these policies protect the company’s right in its marks and also help to protect your status as an independent contractor.
Exceptions:

Materials and approved copy for advertising furnished by the company using trade names, trademarks and logos are available and may be used only as intended for promotional purposes.

This includes:

- Company-supplied sales literature, supplies and brochures utilizing the company trade name, trademarks and logos. These supplies may be purchased by Leaders and Consultants for the promotion of their businesses.
- Independent Consultant letterhead, envelopes, business cards and address labels with approved trademark usage. These are available by an authorized agent of the company, available on my.partylite.com/Business Associates and must be used with approved language indicating the Leader or Consultant is an independent PartyLite Consultant.
- Approved copy for online advertising.
- The proper use of PartyLite approved images as indicated for online advertising.

Use of Company Name for Business purposes

PartyLite Leaders and Consultants may not use the trademark or trade name PartyLite, PartyLite Gifts, Inc. or any variation of those names on personal checking accounts, checks, or credit card accounts.

Your business accounts can easily be kept separate by the designation “business account” or similar wording.

You cannot use the name PartyLite, PartyLite Gifts, Inc. or any form of it as a personal name, a nickname, as your team name, as a tag line, on your personal website address, as your e-mail address or on any external website name. Additionally, you cannot secure any e-mail address or domain name with any form or misspelling of the name PartyLite in it.

Your business accounts can easily be kept separate by the designation “business account” or similar wording.

As a PartyLite independent Leader or Consultant, you are not permitted to take any action that will injure or tend to dilute any PartyLite mark, and you will NOT engage in any unfair or unethical trade practice, including the use of confidential information for any competitive purposes.

Media/Public Relations Policy & Procedures

Media Policy

Occasionally, a member of the media will contact a Consultant or Leader to ask for an interview or request information about PartyLite. If someone from a newspaper, magazine, radio station, or television station calls you, please follow the approved PartyLite procedure:

- Do not agree to an interview or even a comment for the record. Ask the person if you may have a PartyLite Public Relations representative contact him/her.
- Try to get any information that may be helpful to PartyLite in determining how we'll handle the call. You’ll want to get the name and location of the paper, magazine, or station, a contact name and phone number, and some basic information about what they want (someone to appear on a TV program, a newspaper article about a product, etc.).
- Call your Leader with the above information. Leaders should then call their Senior/Regional Vice President with the details.
• The Senior /Regional Vice President will then call the Home Office with the information. The Home Office has a system in place for follow-through on media calls.

Please follow this procedure in all cases. Unfortunately, some members of the media may misinterpret information given to them about the Company or the Opportunity with PartyLite. We want everyone – the Company, other Consultants and Leaders, and YOU – to be presented in the best light by the press, so please let the Home Office handle it.

New Consultant – Getting Started

New Consultant Agreement
When you signed and submitted your New Consultant Agreement, you have declared that you:

• Are a minimum of 18 years of age
• Are a United States citizen or have a valid U.S. Tax Identification Number/social security number and U.S. address
• Are not acting on behalf of a corporation or other limited liability form of business.
• Understand that all profit assigned to a Consultant’s account must be reported under the Consultant’s social security number as submitted on the agreement
• Are an independent contractor with PartyLite and the agreement is between you and the company and no others

New Consultant Start Date
The start date is the date upon which the Home Office receives and accepts all the information and agrees to the New Consultant Agreement and, if applicable, processes the Starter Party.

• The start date may be delayed if the Home Office needs to obtain any missing or incorrect information.
• To get the information, a courtesy call or email will be made first to the Consultant’s Leader, notifying the Leader of the problem.
• If no resolution is received from that Leader, the next upline Leader will then be notified of the situation.

When sponsoring a new Consultant, please be sure that the agreement is completed correctly. A delayed start date may affect whether or not a Consultant meets a deadline for a contest or promotion and could also affect Leadership development qualifications.

New Consultant Agreements are legally binding contracts between PartyLite and a new Consultant. Once a Consultant signs the agreement and submits it to the Home Office, the Company is unable to change, amend or alter any of the pertinent information on the agreement.

**IMPORTANT:**

*For Paper Consultant Agreements:*
A New Consultant Agreement will not be considered a valid submission unless it is signed on the front and back by the new Consultant. No one else is authorized to sign the Agreement for the new Consultant.

*For Online Consultant Agreements:*
A New Consultant Agreement will not be considered a valid submission unless all required verification boxes are completed by the new Consultant. No one else is to enter the Agreement online for the new Consultant.
Online Ordering Services

Whether you are at home or on the road you can access PartyLite’s online site, my.partylite.com for ordering and information from almost any computer with an Internet connection.

Getting Started Online

Wherever you are, you can enter orders and get all of your PartyLite information quickly and easily. The following instructions will help to ensure a smooth start on my.partylite.com.

• Type "my.partylite.com" in the address bar and then click "Go."
• On the next screen, click on the word ‘English’ located directly under the United States flag.
• On the login screen, enter your 7-digit Consultant ID and your 4-digit PIN number, which you received in your welcome e-mail. Click ‘Continue.’
• If you are logging in to my.partylite.com for the first time, you will receive a welcome message after you log in.

For more information on Preferred and Minimum System requirements, please refer to the PC Help links on the Consultant Login page.

If you experience any problems online, please refer to the PC Help link.

If you are still unable to resolve your problem, you may contact Customer Support at 1-888-999-5706, Monday-Friday, 8:30 a.m.- 5:00 p.m. Eastern time, except on Home Office-observed holidays.

Note: PartyLite’s Customer Support team cannot assist users accessing the site with any computer other than the Consultant’s home computer.

my.partylite.com

my.partylite.com is your online PartyLite site dedicated to your business including entering orders, monthly information, reports, direct deposit statements, your Consultant profile, and much more!

eBusiness Package

The eBusiness package is optional and allows you to add online tools to support your PartyLite business with PartyLite Customers. You choose how you want to do business. Included in the eBusiness package is your own Personal Consultant Web Site hosted by PartyLite and Candle Connection, e-mails sent to your Customers. Both services are designed to work together to drive online sales and bookings. For more information on these services see the Personal Consultant Web Site and Candle Connection sections below.

Enrollment/Unenrollment

To enroll – All Consultants and Leaders in good standing can enroll in the eBusiness Package. To enroll, go to My Business> eBusiness> eBusiness Package Enrollment

Note: You must be enrolled in Electronic Check processing with a valid banking account to participate/enroll. If your bank account cannot be debited for any reason (including Money Order Only Status), your Consultant Account will be charged for the eBusiness fee and you may be un-enrolled from the program. Be certain to “opt in” to the Consultant Locator [Lead Allocation Locator] so that your Customers can locate you by name. Go to partylite.com>My Information>My Profile>Consultant Locator and check the appropriate box. It can take up to 24 hours to be recognized in the Locator once opted in.

To unenroll – contact Customer Support at 1-888-999-5706 and request to cancel your participation in the program. The fee is non-refundable and billed at the beginning of each month for the current month. Please cancel at least three business days before the end of the month to avoid being charged for the following month.
Once removed from the program, the Candle Connection list and your Consultant website will be deleted, and all Candle Connection recipients will be opted out of your and subscribed to your upline Leader’s Candle Connection. If you re-enroll, Customers who wish to receive Candle Connection will need to be opted back in manually and your Consultant website recreated. Preferred Customers will be added to your upline Leader’s list, and if you become unsubscribed, any Preferred Customers who wish to have you as their primary Consultant will need to update this manually after your re-enrollment is complete.

Note: Customer information is confidential and should not be disclosed outside of PartyLite. PartyLite will retain Customer and contact information when you are no longer enrolled.

**Cost**

There is a $20 fee, charged during the first week of each month for that month’s services. The fee is automatically debited from the same bank account you have set up for Electronic Check Processing on the my.partylite.com site.

Any changes to the bank account set up with PartyLite for online ordering can be made on my.partylite.com > My Account. Please verify your bank account information is correct.

Note: Money Order Only Status or outstanding debt may impact your enrollment status in the eBusiness program. Please see the Debt Policy section for additional information.

**Personal Consultant Web Sites**

A personal Consultant Web site is your professional place on the web to share all of the PartyLite opportunities with your Customers. You can personalize your News & Events while also taking advantage of PartyLite providing updates with the latest products and specials. It includes features to save you money and time such as an online catalog, online shopping, Consultant Opportunity Videos and Host Connection, a dedicated area on your site to help each Host have a successful Party.

The Host Connection provides convenient online tools for each of your Party Hosts to:
- Create Guest Lists to send e-Invitations and/or print mailing labels.
- Create a Wish List to see their Party sales goals.
- Accept online orders to increase their Host rewards.

It is a convenient option to do those same things you would do offline with your Host.

**Building Business with Online Shopping**

PartyLite customers can shop online using your Personal Consultant Web Site. This can lead to increased Party averages, sales, Customer network and your income. By using online shopping with your Parties your Host will receive additional credit and you will receive additional profit. Even individuals not attached to a Party can order items using online shopping and you receive more income!

**Candle Connection**

*Candle Connection* is an e-mail newsletter that PartyLite distributes for you to all your Customers who have registered for *Candle Connection* sent on your behalf. It includes information on monthly Host/Guest Rewards, online promotions, new collection announcements and other programs that will be valuable to PartyLite Customers. *Candle Connection* works to drive Customers to your Consultant Web site to book a Party or shop online.

Candle Connection e-mails are sent to customers 3-4 times per month to keep them informed of the latest and greatest offers that will help you generate sales and bookings on your calendar next month. Customers are able to sign up for your Candle Connection e-mails on your Personal Consultant Website You will also receive Candle Connection Reports via e-mail from email@news.partylite.com. Please add this e-mail to your e-mail filter to prevent these e-mails from being sent to your spam or bulk mail folder. They will be sent 24 hrs, 3 days and 7 days after each issue of *Candle Connection*. Look for Customers who clicked and which links interested them. You won’t want to include this information on your call but it helps you to know.
Note: PartyLite does not sell e-mail addresses, just the best candles on the market!” PartyLite will retain Customer contact and e-mail information for PartyLite business only.

Online Order Entry

To order online you must enroll in the Electronic Check Processing. This service allows you to order through our site with cash/check payments deducted directly from your chosen bank account (once you submit your order).

Online Enrollment

From my.partylite.com > My Account > Banking Info you may add your Electronic Check and/or Direct Deposit Information.

Please be sure to enter and/or verify your transit number (bank routing number) and account number (checking or savings) and be sure to verify with your banking institution that online transactions can be done. Please allow up to 24 hours for any account updates to take effect.

Note: New Consultants may have already completed this along with the New Consultant Agreement.

When using Electronic Check Processing, funds will be deducted immediately from your bank account electronically as soon as you submit the order to the Home Office. Be sure you have available funds in your bank account for each order prior to submitting to the Home Office.

Note: A Consultant must be in good credit standing to use the online order entry system. During the period a Consultant is restricted to certified check/money order only, online ordering may not be available or may be limited.

Entering Information

Entering Party orders online is efficient and easy using PartyLite’s Party Assistant. The Party Assistant will help you manage your Party from start to finish, including Bookings, invitations, planning, follow-up tips and order entry. Party Assistant is available from my.partylite.com > My Orders > Enter My Orders > Parties & Bookings

<table>
<thead>
<tr>
<th>Order types available for online entry:</th>
<th>Order types NOT available for online entry:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Party Orders (Except some Full and Partially Tax Exempt Party Orders)</td>
<td>Some Exchanges</td>
</tr>
<tr>
<td>Consultant Orders</td>
<td>Refund Orders</td>
</tr>
<tr>
<td>Replacement Orders (Damaged, Defective, Missing, Wrong Items only – some exchange orders)</td>
<td>Some Full and Partially Tax Exempt Party Orders</td>
</tr>
<tr>
<td>Pre-orders</td>
<td></td>
</tr>
<tr>
<td>Gift/Product Certificate redemption</td>
<td></td>
</tr>
</tbody>
</table>

Order Information and Tracking

- When entering your orders online, before you click “submit” you should verify all the totals to make sure they match with your records. Be sure you have entered all the credit/debit card information and have verified the monies are available in your bank account. Once an order is submitted, no changes can be made.
- Once you have submitted your order, you will see a summary that provides the confirmation of the date and time your order was received and accepted by the Home Office.
- Under the Order History section, you can view or print the Order Summary.
- You can track your orders by using the “Order Status” menu option and obtaining the tracking information for each order.
Payment Information

PartyLite accepts personal checks, money orders/certified checks, credit/debit cards and electronic banking transactions as methods of payment.

Orders Mailed into the Home Office

Personal Checks
PartyLite accepts personal checks from all Consultants in good credit standing for their orders.

- At your Parties, should a Host or Guest(s) wish to pay for an order with a check, the check should be made payable to you, the Consultant. You should then deposit the check(s) in your account and, if mailing in a Paper Party write one check from your account for the check portion of the Party.

**Note:** Consultants placed on Money Order Only Status are restricted from using personal check(s) as payment. Payment must be made with a money order, credit/debit card(s) or certified check. See the Consultant Debt Policy section of this Guide for more information.

Money Orders/Certified Checks
PartyLite accepts money orders/certified checks from all Consultants.

Credit/Debit Cards
Hosts and Guests may use a Visa®, MasterCard® or Discover® credit/debit card to pay for their purchases. You may be contacted by the Home Office for help in resolving any credit card issues that may occur after the order has been shipped, i.e. declined on deposit, expired authorization, and other collection related issues.

Individual Orders (Entered by Customer)
- Credit/debit card information will be transmitted to the bank for authorization when the order is submitted.

Outside Orders (Attached to a Party)
- Credit/debit cards will not be transmitted for authorization until the Consultant has imported the order into the Party and selected ‘Done’ or ‘Next Guest’ on the Guest summary page (including the credit/debit card information).

Guest/Host Orders on my.partylite.com
- Credit/debit card information will be transmitted to the bank for authorization as soon as ‘Done’ or ‘Next Guest’ is selected from the Guest/Host Summary page.

Other Orders on my.partylite.com
- Credit/debit card information will be transmitted to the bank for authorization as soon as all credit card information has been completed.

In the event of a declined (unaccepted) credit/debit card, a message will state this, and the order will not be accepted.

Please submit all orders as soon as possible after entering credit/debit card information to avoid processing delays or payment issues.

Consultants may use a credit/debit card for their personal purchase, however, a Consultant should not use his/her credit/debit card to pay the balance on any Party order. Consultants are prohibited from using a consumer’s credit card for payment of product for other than the card holder without their authorization.

Please remember PartyLite does not accept non-Consultant checks, with the exception of checks received paying for the balance on Gift/Product Certificates.
PAYMENT TIPS:

Indicate your Consultant ID number on all Paper Orders, checks, money orders or any correspondence sent to the Home Office.

Make sure all checks/money orders for Paper Consultant purchases are made payable to PartyLite, are signed and include the order number on the check/money order.

Credit/Debit Card Usage & Procedures

As a benefit to Consultants, PartyLite accepts credit/debit cards as a form of payment from your Host and Guests. We cover all the associated processing costs.

Acceptable Credit Cards

Visa®, MasterCard®, Discover®

What you should know:

- As a Consultant, you should not use your own personal credit/debit card for final payment on Parties.
- Hosts may only charge the balance due for the selections, promotions, Host Specials, or Half-Price Items.
- Credit/debit card orders should not be taken over the phone. These orders cannot be processed without the cardholder’s signature on a Guest Order form.
- The Home Office may contact you for assistance if any credit card/debit card order results in a chargeback. Note: charges that result from a chargeback without a signed Guest Order Form will be the responsibility of the Consultant.
- The cardholder’s and Guest's name on the Guest Order Form must be the same.
- When a back order exists, the affected Guest's credit/debit card will not be charged until the item is shipped.
- Profits will be adjusted when a credit card order is canceled. The cancellation may affect your profit, your Leader’s Profit Plus and maintenance requirements for the month the cancellation occurred, as well as any contest/promotion in effect during the month of cancellation.
- Illegible, invalid, declined or unsigned credit card orders will be held and Customer Support will attempt to contact the Consultant. (See Invalid or Declined Credit Cards -Paper Orders in the Resolving Order Issues section for details.)
- Remember when handling credit/debit card information, you are required to follow PartyLite’s Privacy and Confidential Information policy set forth herein.

Procedure

- Circle the MasterCard®, Visa®, or Discover® box.
- Clearly print the cardholder’s name, card number, expiration date, and billing address zip code in the space provided at the bottom of the order form.
- Verify that all information from the credit card is correct on the order form.
- Ask the cardholder to verify the total and sign the order form in the signature space provided.
- Verify the signature on the back of the card with the signature on the order form.
- Always keep the above information in a safe place and destroy this type of information when you no longer need it. It is advisable to shred the documents to prevent people from retrieving information and obtaining credit card information.

Note: For privacy reasons, the cardholder should be contacted directly by the Consultant in case of an issue arising from processing their credit/debit card order. Therefore, in the case of a Guest, the Guest should be contacted directly, not the Host.
Electronic Banking

Processing

Funds will be deducted from your bank account electronically upon submitting your order to the Home Office. Please make sure you have available funds in your bank account for your orders prior to submitting them to the Home Office as these transactions are sent to the bank immediately.

Sharing of banking information between Consultants and Leaders is prohibited unless they are both signers on the bank account. A bank letter acknowledging this has to be provided to Credit and Collections.

If shared banking information is identified and PartyLite has not been provided a bank letter this could result in suspension of your ability to do business. The violators will be placed on money order status and notified of the violation. If not resolved within 72 business hours, this could result in removal of sales credit; profit; contest, program or promotion eligibility and/or account closure.

Helpful Hints

- Confirm with your bank that electronic checking is available with your account.
- Discuss the hold time on funds deposited. PartyLite only withdraws available funds.
- Verify that there are an unlimited amount of daily/monthly withdrawals allowed.
- Review your overdraft protection policy to cover overdrafts on electronic checking.
- If you have made any changes to your bank account with PartyLite, please review your Consultant Profile to ensure these changes are reflected (located in My Profile under My Information) before submitting any orders.
- If you are inactive six months or longer, your banking information will be removed from our system. Please add or update your banking information in your profile., Go to my.partylite.com > My Account > Banking Info.

TIP

During Party Entry, you can split payments by entering the amount for the credit/debit card first and the remainder will go to the check/cash option to be deducted from your Electronic Checking/Bank Account.

Personal Business Interruption Waiver

To be used by Leaders and their Consultants to request a personal activity waiver for themselves when they encounter life-changing situations, such as serious accident/illness, military deployment or a FEMA declared major disaster that may cause a “business interruption”. Applications may be submitted online via Electronic Personal Business Interruption Waiver Application available for Leaders the Document Library and Contact US sections on my.partylite.com. Applications should be received by the last business day of the month the waiver applies to and are approved at the Company’s discretion. A medical waiver will only be considered when accompanied with a physician’s note referring to the dates unable to perform work. The physician note may be faxed to 1-888-301-4631, attn: Sales Administration, or scanned and emailed to adminconsultantservices@partylite.com. Application is located on my.partylite.com > Marketing Resources > Document Library or Contact Us. Applications can be obtained from your Leader. Applications will not be considered until the month end.

Preferred Program

PartyLite Preferred is an online program designed to help Consultants strengthen their businesses by developing long-term relationships with Hosts and Customers. To participate as a Preferred Member, they...
must meet the qualifications, provide a valid email address and must opt in to receive email from their Consultants and PartyLite. Members will receive information and offers via email, but they may, from time to time, receive offers and announcements via U.S. Mail. Program participants will have the option to opt out of U.S. Mail communication through their online account.

PartyLite will provide Members with rewards in the form of product credit and other benefits. Given this relationship, any program participant who elects to opt out of Candle Connection will forfeit the right to receive program benefits.

Consultants must be enrolled in the PartyLite eBusiness package and have an active website in order for their Hosts, Customers, online shoppers and Party Guests to participate. See PartyLite Preferred Program Details for complete details on the benefits of this program for your Hosts and Guests.

Consultants and their Household members are not permitted to be Preferred Members. A Consultant who violates this rule will be subject to immediate contract termination. The Preferred Account will also be closed.

Privacy and Confidential Information Policy

As a PartyLite Consultant, you will receive Personal Information from and about Guests, Hosts, and other individuals. Keeping their Personal Information secure not only helps to ensure your compliance with the law, but it also helps you to maintain current and potential Hosts' and Guests' trust, which is an important factor in your success.

Because PartyLite is committed to helping you comply with all laws and succeed in growing a successful PartyLite business, we offer these guidelines on the appropriate handling of Personal Information.

WHAT IS PERSONAL INFORMATION?

Personal Information is information that identifies, or permits you to contact, an individual. It includes a Guest’s, potential Guest’s or other individual’s name, address, email address, phone number, credit card information, and other information associated with these details, such as purchases.

GUIDELINES FOR COLLECTING, USING & DISCLOSING PERSONAL INFORMATION

√ Give the Guest notice. Guests want to know why you are collecting their Personal Information and what you plan to do with it, so tell them what you are collecting, why and with whom you are going to share it. Tell them this before or at the time that you collect their Personal Information, and then be sure that you use and share Personal Information only in the ways you promised.

√ Collect only what you need. Collect only the Personal Information that you really need. For example, don’t collect a credit or debit card number unless your Guest actually makes a purchase.

√ Give the Guest control and respect their wishes. Give Guests a choice about how you communicate with them. For instance, find out if a Guest wants to receive promotions and other marketing messages from you and, if so, whether he or she would prefer to receive them by email, phone, or another method of communication. If, a Guest tells you that he or she doesn’t want to receive emails, then find another way to communicate with him or her.
√ **Stay up-to-date.** Keep the Guests’ Contact Information up-to-date. Remind them to let you know of any changes. Keeping your contacts current helps you to stay in touch with them.

√ **Share only if necessary.** Don’t share a Guests’ Personal Information unless you have a real business reason to do so—and then share only what you have to (and no other information), and make sure that the other person agrees to use the Personal Information only in the ways you have agreed.

√ **Be careful.** A Guest’s information is a valuable asset. Don’t communicate it to the general public. Protect it from unauthorized access or disclosure.

√ **Be extra careful with debit and credit card numbers and other sensitive Personal Information.** If sensitive Personal Information falls into the wrong hands, Guests could become the victim of fraud or identity theft. Consider these steps to help reduce that risk:
  - Pay attention to your surroundings and use good judgment whenever you need to discuss or transmit sensitive Personal Information;
  - Do not share (or ask a Guest to share) sensitive Personal Information, including payment information, in an unsecure way, such as by email;
  - Keep sensitive Personal Information in a secure place, such as a locked drawer. Do not leave it lying around where someone could see or take it;
  - Use similar safeguards if you keep sensitive Personal Information on your computer. For example, use passwords that are not easy to guess, install virus protections, and password protect documents that contain sensitive Personal Information;
  - **Be cautious when using a public computer. Make sure to log out when finished.**
  - Avoid storing Personal Information on your laptop or another portable device that could be lost or stolen, unless the device is encrypted; and
  - Unless you have a legitimate business need, do not keep sensitive Personal Information. Keeping it for longer than you need it creates unnecessary risk.

√ **Dispose of Personal Information responsibly.** When you no longer need a Guest’s Personal Information, stop using it. Dispose of it in a way that makes it unreadable, such as by shredding paper documents.

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**RESOURCES**


Note: All information on PartyLite’s Websites or on Websites hosted by PartyLite is confidential and proprietary to PartyLite. This information, such as Consultant, Host, Guest and Leader information, must not be disclosed to any third party or used by you for any reason except for PartyLite business.

**Product Availability**

PartyLite strives to ensure that only the highest quality products are available to your Customers at all times. Occasionally, a product may be temporarily unavailable or discontinued. To provide the best customer service possible, you want to advise Customers in advance if there is an item currently unavailable (Stop Sell), on back order, or discontinued.

Before you go to your Parties, always check the Product Hotline.
Profit Policy

Our recommended retail sales prices are calculated so that all PartyLite Consultants and Leaders receive 25% profit on most of their personal compensatable sales (see Profit Chart below for details). This profit is paid to Consultants and Leaders weekly. Profit is not paid directly on Starter Parties, as these Sales pay for the Starter Kit.

<table>
<thead>
<tr>
<th>Profit Chart</th>
<th>25% Profit</th>
<th>12.5% Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parties</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Orders from Personal Consultant Website (.biz)</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Preferred Customers, provided they have logged in to their account.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Customers who know and are already associated with a Consultant provided they have searched for their Consultant during check out.</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>New Online Customers not associated with a Consultant</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

**Calculating your monthly personal compensatable sales activity**

- Add all compensatable sales on all compensatable sales orders received and accepted at the Home Office during the calendar month.
- Subtract the compensatable sales of any order returned to you by the Home Office unprocessed
- Subtract any debits to your compensatable sales (such as canceled Parties, canceled MasterCard®/Visa®/Discover® credit card orders, Stop Sell item(s) removed and refunds).

The stub of your weekly profit check indicates the “Month-to-Date Compensatable Sales.” Your monthly compensatable sales total is the net result of all sales and sales debits. Total compensatable sales may affect your Bonus activity level, Leadership Award levels, Leader maintenance, Central Unit sales requirements, contest eligibility and/or recognition.

**Profit Received**

A direct deposit of profit is provided weekly to Consultants who have had sales activity during the previous week which results in a positive Consultant Account balance when the weekly business is closed. Refer to the profit check schedule posted to My Business > Document Library

- In most cases, direct deposit statements are issued on Wednesday for the activity received and accepted at the Home Office during the previous Monday through Sunday. There may be occasions where a one to two-day delay is necessary.
- The weekly direct deposit of profit includes profit, Profit Plus Awards (for those eligible), and any adjustments.
- The end-of-month direct deposit will also include your Bonus award, if monthly personal compensatable sales of $2,000¹ or more are achieved
- Month-end or direct deposit statements are generally issued within three to four business days following the month-end date.
Direct Deposit

- PartyLite is paperless in regards to profit payments. You must enroll in Direct Deposit.
- Available to all active Consultants.
- To enroll or make changes in the direct deposit program, this can be done through My Account.
  - You may log onto my.partylite.com > My Account > Banking Info and complete the Direct Deposit information section. Note: This is also completed by a New Consultant when an Agreement is submitted online.
- The availability of funds for a direct deposit in your bank account is typically no later than Thursday for weekly profit and no later than four business days following the month-end date. However, depending on your bank’s procedures, the actual posting of the deposit to your account could be delayed until the following business day.
- You will have your profit statements available to you online. Note: Your profit statements contain valuable information and should be retained to help you track your sales activity and earnings. Your profit statements are a great tool for helping you to prepare your tax return at the end of each year.

Subject to change

Profit Statement – How to read

Your Profit Statement is comprised of five sections.

<table>
<thead>
<tr>
<th>Top Line above Statement Section</th>
<th>Statement Section – Column Headings</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Period Ended – the last day of the week or month for which activity was received and payment is being issued.</td>
<td>• Invoice – the order number associated with the payment or adjustment transaction.</td>
</tr>
<tr>
<td>• Consultant ID – your Consultant ID number.</td>
<td>• Date Rec’d – the date the order was received and accepted by the Home Office, or the date the adjustment transaction occurred.</td>
</tr>
<tr>
<td>• Check/Statement Date – the date the check/statement is printed and mailed from the Home Office.</td>
<td>• Host/Comments – the description of the transaction being processed. Refer to Host/Comment Table for further clarification.</td>
</tr>
<tr>
<td>• Check/Statement Number – the preprinted check number assigned or a computer-generated statement number.</td>
<td>• Profit Sales – the compensatable sales upon which the transaction is based.</td>
</tr>
<tr>
<td></td>
<td>• % – the percentage used in calculating profit or Profit Plus Awards on the compensatable sales.</td>
</tr>
<tr>
<td></td>
<td>• Profit Earned/Adjustment Amount – the actual dollar amount of the transaction.</td>
</tr>
<tr>
<td></td>
<td>• Balance – running subtotal of check/statement amount.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Check/Statement Message Section</th>
<th>Cumulative Data Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>This section is used from time to time throughout the year to notify you about a variety of topics. The most common messages are:</td>
<td>This section provides you with the following cumulative month-to-date and year-to-date information:</td>
</tr>
<tr>
<td>• “Your Stash-Your-Cash balance is” – the cumulative amount to date you have elected to go into your Stash-Your-Cash Account.</td>
<td>• 25% Profit – Personal profit earned on your compensatable sales.</td>
</tr>
</tbody>
</table>
• “We have received your Conference Registration Form” – the Home Office has received your Registration Form for Conference.

Other messages may include notification of Stop Sell items, contest deadlines, or general reminders.

• Bonus – Bonus earned at the end of each month and year-to-date.
• Profit Plus – the cumulative amount for all levels of Profit Plus earned.
• Prizes and Awards – the amount earned through various contests or promotions during the month and year.

Orders – the cumulative amount of compensatable sales for the month and the year.

### Profit Plus Section

This section provides you with a breakdown of your week-to-date Profit Plus Awards earned by level.

### Profit Statement Activity

The Host/Comment Table was developed to provide you with a more detailed description of the account transactions that may appear on your Profit Statement.

Adjustment transactions may occur during the processing of your orders. These adjustments are detailed on your profit statement. Use the Host/Comment Table along with your copy of the order to determine why the adjustment was made. The following table includes some of the most common transaction activities that can occur on your profit statement.

<table>
<thead>
<tr>
<th>Host/Comment</th>
<th>Description of Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Host Name¹</td>
<td>When Profit is being paid, the Host name on the Party will be indicated.</td>
</tr>
<tr>
<td>Consultant Name¹</td>
<td>When the transaction relates to a Profit Plus Award earned, the Consultant name will be indicated.</td>
</tr>
<tr>
<td>Monthly Bonus</td>
<td>Identifies that the transaction relates to the payment of the Monthly Bonus award.</td>
</tr>
<tr>
<td>SIB-Leader Name¹</td>
<td>The payment of a Special Incentive Bonus award (SIB) earned by S/RVPs for new Unit promote-outs and rank changes. This is awarded monthly.</td>
</tr>
<tr>
<td>Kit Deduction/Balance</td>
<td>Deduction for remaining balance on Starter Kits for new Consultants or for Leaders who have outstanding kits 60 days or older.</td>
</tr>
<tr>
<td>Add'l S&amp;H Charges – Consultant Orders</td>
<td>Additional shipping &amp; handling charge for personal orders weighing over 15 lbs. Refer to the order form for schedule of charges.</td>
</tr>
<tr>
<td>Sales Tax Adjustment</td>
<td>The adjustment for a correction for the sales tax calculated on the order.</td>
</tr>
<tr>
<td>Comp Sales – Item Price Adjustment</td>
<td>An adjustment to an order due to using an incorrect retail price for the item(s).</td>
</tr>
<tr>
<td>Comp Sales – Item Quantity Adjustment</td>
<td>An adjustment to an order due to the extended retail price times quantity calculation error.</td>
</tr>
<tr>
<td>Comp Sales – Addition Error</td>
<td>Sum of all Guest purchases did not agree with the Order Summary information.</td>
</tr>
<tr>
<td>Order Summary Addition Error</td>
<td>Order Summary Total is not in agreement creating an over or under payment on the order.</td>
</tr>
</tbody>
</table>
Payment on Order – Over/Under

The remittance on the order was (1) over – included more than was needed (ex. – included credit card purchase in check total) or (2) under did not cover order total due.

Declined Credit Card Adjustment

Due to a declined credit card on the order, option was taken to charge the Consultant account for the declined credit card amount.

Host Purchases Adjustment

An adjustment due to using an incorrect item price or quantity within the Host Purchase Section of the Party.

Host Benefit Adjustment

An adjustment to the Host Benefits Section on the Party due to qualifications or missed deadline during an increased Benefit/Host Incentive period.

Host Special/Half-Price Adjustment

An adjustment made within the Host Special and/or Half-Price Section of the Party due to missed deadline, qualification or item price/quantity.

Consultant Discount or Credit Adjustment

There was an error in the Consultant discount or credit used in calculating the total due on the order.

Stop Sell on Items Ordered

Items ordered were on Stop Sell. Examples: Company Store Items, while supplies last offers or retired items.

Shipping & Handling not paid

The shipping & handling charge was not included in the remittance for the order.

Replacement Orders

The Replacement Order portion of the (ROF) form should be used to request the replacement of damaged, defective, wrong, or missing items and for requesting exchanges and refunds.

There are easy-to-follow, detailed instructions for filling out the Replacement Order Form printed on the back of each form. Some replacement orders can be done online at my.partylite.com.

Tips

- Replacement orders must be received within 60 days from the date the Host received the order.
- An original order number must be provided on every Paper Replacement Order Form.
- Replacements for different orders cannot be placed on the same Replacement Order Form.
- Please do not photocopy Replacement Order Forms that are pre-numbered and intended for a one-time use only.
- PartyLite will pay for the shipment of one Replacement Order Form per order.
- Any additional Replacement Order Forms processed for the same order, may have a $5.00 shipping & handling fee. Fees not included with your order will be deducted from your Consultant account.
- Replacements are shipped directly to the address indicated on the replacement order request.

Replacement Parts

- Replacement parts can be requested if a piece of product was missing, defective, or damaged and it is listed in your current catalog or Replacement Parts List.

Stop Sell Items
Replacements for item(s) on Stop Sell or discontinued product may be processed as an exchange for another item or a PartyLite Product Certificate (if the retail value meets the $10.00 minimum).

Exchanges
- When processing an exchange for a different item (for any reason), a $2.00 exchange fee is charged per Replacement Order Form.
- If the exchanged item carries a higher suggested retail price than the original item, the additional money due, exchange fee, plus applicable sales tax should be submitted with the Replacement Order Form.
- Exchanges are not permitted for Host Specials or item(s) awarded to a Consultant through a promotional program.
- If the Guest or Host prefers to exchange merchandise (for any reason), the item originally ordered must be returned, accompanied by a copy of the Replacement Order Form. Please ask your Leader for assistance with returns/exchanges.
- If the exchanged item carries a lower suggested retail price than the original item, a request for a refund must be indicated. If the item was selected with Host Credit, a product certificate may be issued if the amount is $10 or more.

Refunds
- When requesting a refund, be sure to include the name and address of the person to whom the refund should be sent. An original order number is necessary for refund requests.
- Item(s) selected with Host Credit or earned through a promotional program or contest are not refundable.
- If the Guest or Host prefers a refund for the merchandise, the items originally ordered must be returned to the Home Office through your Leader, including a copy of the ROF.
- If the order was originally paid by credit card, the Home Office will need the credit card information in order to refund the card.
- Refunds will be deducted from your compensatable sales and profits adjusted the business month the refund is processed.

Faxing Instructions
Replacement Order Forms may be faxed to the Home Office for processing of missing, damaged and defective items only. Fax Number is 1-888-301-4631.
- The original Replacement Order Form should be retained by you and not submitted to the Home Office. Review that the form being sent in for processing to ensure that all information is complete and legible.

Other Information
- A Consultant may purchase the item(s) that is being replaced by remitting 50% of the suggested retail price, plus sales tax, along with the Replacement Order Form.

Note: Do not send any order forms, except a copy of the return order form, inside of the box of any returned items.

Resolving Order Issues
This section will help if you are having trouble processing your order.

Standard PartyLite Practices
When there are payment issues with a paper Party, the following standard practice occurs:
- The entire Party will be held from shipment.
• Consultants are contacted by Customer Support and given a toll-free number to respond to issues on the order within 48 hours (2 business days1).

• When the Consultant cannot be contacted by phone, or a message could not be left, an additional attempt is made to contact the Leader.

• You will be requested to forward any remittance due to:
  
  PartyLite  
  Attention: Lucy/Business Operations  
  600 Cordwainer Drive  
  Norwell, MA 02061

• If resolution of the issue is not reached, that portion of the order will be canceled so that the rest of the order may ship.

1This time frame may be shortened during certain periods, for example the holiday season.

**Improper Payment Submitted With an Order**

**Party Order** – Customer Support will make every attempt to contact the Consultant directly or by leaving a message. All or a portion of your Party may be canceled if resolution is not reached within 48 hours* after contact.

**Non-Party Order** – The order may be returned to the Consultant.

**Improper payment includes:**

- No payment with order
- Unsigned check
- Check/money order not made payable to PartyLite
- Non-Consultant check
- Insufficient payment amount

**Invalid or Declined Credit Cards- Paper Orders**

This section will take you through the process when a credit/debit card is either invalid or declined. Entire orders are held from shipment until another form of payment is received.

**Party Orders** – **There are three steps to resolve a credit/debit card issue on a Party.**

- The cardholder can authorize PartyLite to use another credit card. If the new credit card number is not issued to the same cardholder, a new Guest Order Form must be sent to the Home Office with the new cardholder’s information, including a signature and the dollar amount. The new information should be sent to Attention: Lucy/Business Operations.

- The Consultant may authorize PartyLite to deduct the amount from the Consultant's Profits. Customer Support can provide more information on deduction limits.

- Consultants can send a check or money order to replace the credit/debit card payment. The check or money order must include the order number, Consultant ID number, and be received by the Business Operations Department within 48 hours* of the date you were contacted by Customer Support, or the affected credit/debit card order may be canceled. See below for additional information on cancelling order.

**Cancelling an Order With Payment Issue(s)**

If another method of payment is not available, or no response is received within 48 hours from the first call made to the Consultant or Leader, the portion of the order in question will be canceled. This will allow the balance of the Party to be shipped.
By cancelling a Guest Order, the Host credit given will be affected. Any adjustment necessary will be deducted from your profits at 50% of the retail value of the credit offered to the Host.

A canceled Order will affect a Consultant’s compensatable sales, profit, and Profit Plus in the month the order is canceled. This may also affect Profit Plus and maintenance for the Consultant’s Leader(s) during the month the order is canceled.

**Cancellation of an Order Procedure, by Consultant Request**

**Before an Order has been shipped**
- Contact Customer Support with your intention to cancel the order.
- If possible, the order will be canceled that business day.
- If the order is a compensatable order, the cancellation of the order will affect the Consultant’s compensatable sales, profit, and Profit Plus in the month the order is canceled. This may also affect Profit Plus and maintenance for the Consultant’s Leader(s) during the month the order is canceled.
- If payment is by personal check or money order, the payment will be refunded to your Consultant account and placed on hold for up to fourteen (14) business days. This is done to allow time for your check or money order to clear the banking system.
- If payment is by credit card, the credit cards will not be charged.

**After an Order has shipped**
- Contact Customer Support with your intention to cancel the order.
- If the order is shipped, you will be instructed to refuse the shipment at the time of delivery. In the case where you have accepted delivery of the order, you will be instructed to return the shipment to the PartyLite distribution center (see address below) at your expense and provide Customer Support with the tracking number.
- Once the order has been returned to the PartyLite distribution center, the order will be canceled.
- If the order is a compensatable order, the cancellation of the order will affect the Consultant’s compensatable sales, profit, and Profit Plus in the month the order is canceled. This may also affect Profit Plus and Maintenance for the Consultant Leader(s) during the month the order is canceled.
- If payment is by credit card, a refund to the credit card will be done.
- If payment is by personal check or money order, the payment will be refunded to your Consultant account and placed on hold for up to fourteen (14) business days. This is done to allow time for your check or money order to clear the banking system.

**Distribution Center Address:**
PartyLite Gifts, Inc.
c/o Leesburg
250 Eastern Ave.
Leesburg, OH. 45135

*subject to change*

**Sales & Use Tax Calculation & Reporting**

As a Consultant, you are responsible for collecting the correct Sales & Use Tax based upon the ‘ship to’ address of each order. As a service to our Consultants, PartyLite collects and remits collected Sales & Use Tax on your behalf to the appropriate states and taxing jurisdictions. For your added understanding of the tax
law in your state, a Sales & Use Tax Guideline Chart is included in this section. This chart represents areas of your orders that may or may not be taxable. This provides general guidelines only for the states listed. Local sales taxes in each state may vary. The Consultant should verify local sales tax rates.

When an order is submitted to the Home Office, it is processed through an automated address verification system. If there are any discrepancies on the order, a sales tax adjustment will be applied to your Consultant account. Consultants should use zip +4 when entering the ship to addresses for the most accurate sales tax calculation.

Subject to change

The information provided in this section is intended to be a general guideline. We strongly encourage you to seek the advice of your local Department of Revenue for tax rate information.

How to Calculate Sales & Use Tax on Your Orders:

Consultant Purchases

• Kit and personal items are taxable at the Consultant price.
• Special price and literature items are taxable at the selling price.

Gift Certificates

• Sales & Use Tax is not collected on the certificate at the time of purchase. Sales taxes are calculated on the selling price of the items purchased when the Gift Certificate is redeemed.

Product Certificates

• Sales & Use Tax will be collected on the total purchases when the Product Certificate is redeemed.

Replacement Orders

• Defective, damaged and missing items replaced are non-taxable.
• Exchanged items are taxable when the cost of the new item is greater than the original item purchased. Sales & Use Tax should be collected on the excess amount.

Note: The same Sales & Use Tax rules apply for ‘shipping & handling’ charges on the above orders as they would on a Party order. Please refer to the Sales & Use Tax Guideline Chart in this section.

Party Orders

Taxable at Suggested Retail Price

Guest Purchases

• Gift Certificate Purchases are not subject to Sales Tax. The recipient of the Gift Certificate will remit this upon redemption.

Taxable at Selling Price

Host Special, Host Half-Price Item(s), Host Offer Item(s), Guest Offers

Host Selections

There are two methods for calculating Sales & Use Tax on Host selections. The method to use is based on the state where the order is being ’shipped to’. Refer to the Sales and Use Tax Chart in this section to see which method is applicable to your state.

• If the Host has selected a Product Certificate only, Sales Tax is not owed. This will be due upon redemption.
Suggested Retail Sales (Retail)

Some states require that Sales & Use Tax be collected on the full-suggested retail value of all products, including any Host Credit items.

These states take the position that the Host purchases the products partly with cash and partly with the Host’s services by offering the Host’s home, inviting Guests, receiving delivery of products, etc. The state sets the value of those services as equal to the amount of the discount. The rate used should be the tax rate of the ‘ship to’ address of the Host order.

Discounted Price (Discount)

Taxes are collected on the remaining balance of Host selections after the Host Credits have been applied. The rate used would be the tax rate of the ‘ship to’ address of the order.

Sales & Use Tax Guideline Chart:

<table>
<thead>
<tr>
<th>Abbr.</th>
<th>State</th>
<th>Host Selections</th>
<th>Shipping &amp; Handling</th>
</tr>
</thead>
<tbody>
<tr>
<td>AL</td>
<td>Alabama</td>
<td>Retail</td>
<td>Yes</td>
</tr>
<tr>
<td>AK</td>
<td>Alaska</td>
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<td></td>
</tr>
<tr>
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</tr>
<tr>
<td>AR</td>
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<td>Yes</td>
</tr>
<tr>
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<td>Yes</td>
</tr>
<tr>
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</tr>
<tr>
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<td>Connecticut</td>
<td>Retail</td>
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</tr>
<tr>
<td>DE</td>
<td>Delaware</td>
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</tr>
<tr>
<td>DC</td>
<td>DC</td>
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<td>Yes</td>
</tr>
<tr>
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</tr>
<tr>
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</tr>
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</tr>
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</tr>
<tr>
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</tr>
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</tr>
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</tr>
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<td>Retail</td>
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</tr>
<tr>
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</tr>
<tr>
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</tr>
<tr>
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</tr>
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<td>Retail</td>
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</tr>
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</tr>
<tr>
<td>NJ</td>
<td>New Jersey</td>
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</tr>
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</tr>
<tr>
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</tr>
<tr>
<td>NC</td>
<td>North Carolina</td>
<td>Retail</td>
<td>Yes</td>
</tr>
<tr>
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<td>North Dakota</td>
<td>Discount</td>
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</tr>
<tr>
<td>OH</td>
<td>Ohio</td>
<td>Retail</td>
<td>Yes</td>
</tr>
<tr>
<td>OK</td>
<td>Oklahoma</td>
<td>Retail</td>
<td></td>
</tr>
<tr>
<td>OR</td>
<td>Oregon</td>
<td>No State Tax</td>
<td></td>
</tr>
<tr>
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</tr>
<tr>
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<td>Puerto Rico</td>
<td>Discount</td>
<td>Yes</td>
</tr>
<tr>
<td>RI</td>
<td>Rhode Island</td>
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</tr>
<tr>
<td>SC</td>
<td>South Carolina</td>
<td>Discount</td>
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</tr>
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</tr>
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<td>Tennessee</td>
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</tr>
<tr>
<td>TX</td>
<td>Texas</td>
<td>Discount</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Sales & Use Tax Guideline Chart Instructions

Host Selections

Retail – Collect Sales & Use Tax on the full suggested retail value of all products offered as gifts. That includes the full suggested retail value of Host selections. For example, if you sell an item for $36.95 to a Host and he or she has Host credits of $25.00, you would charge Sales & Use Tax on $36.95.

Discount – Collect Sales & Use Tax on the remaining balance of Host selections after the Host credits have been applied to the Host selections. For example, if you sell an item for $36.95 to the Host and he or she has Host credits of $25.00, you would charge tax on $11.95.

Shipping & Handling

- Yes – Collect taxes on the shipping & handling charge.
- Blank – Shipping & handling charge is nontaxable.

Sales & Use Tax does not apply to sales in the U.S. Virgin Islands and APO/FPO locations.

Note: The Sales & Use Tax chart is applicable to State sales tax. Local sales taxes may be different and may apply.

Non-Taxable Sales

Occasionally you may have sales that are not subject to Sales & Use Tax. This may occur on the entire order, or it may occur on one Guest order within the Party order. To assist in the processing of these orders, please highlight the tax amount line and check the appropriate tax box.

- Entire order – If exempt from Sales & Use Tax, make sure to put a copy of the Sales Tax Exemption Certificate with the order. Without an Exemption Certificate, we cannot process your Party without sales tax.

- Individual Orders\(^1\) – For the partially exempt order, indicate “Tax Exempt” in the space provided for the sales tax amount. The customer must provide a Sales Tax Exemption Certificate in order for PartyLite to process this order without applicable sales tax.

\(^1\)Orders that are non-taxable or partially exempt must be submitted to the Home Office for processing. They cannot be entered on my.partylite.com.

Native American Tax Exempt Parties

In the United States a Party must be held on and shipped to a Native American Indian Reservation to be considered exempt from sales tax.

Online Order Submission

Native American Party orders can be submitted online, with the tax initially charged to the Consultant. If the Party order is exempt from sales tax the Consultant should complete and submit the online Native American Sales Tax Reimbursement Form. This form, and instructions on its use, is available on my.partylite.com > Contact Us > Tax Reimbursement - Native American

* subject to change

<table>
<thead>
<tr>
<th>State</th>
<th>Area</th>
<th>Type</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>UT</td>
<td>Utah</td>
<td>Discount</td>
<td>Yes</td>
</tr>
<tr>
<td>VT</td>
<td>Vermont</td>
<td>Retail</td>
<td>Yes</td>
</tr>
<tr>
<td>VA</td>
<td>Virginia</td>
<td>Retail</td>
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</tr>
<tr>
<td>WA</td>
<td>Washington</td>
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</tr>
<tr>
<td>WV</td>
<td>West Virginia</td>
<td>Retail</td>
<td>Yes</td>
</tr>
<tr>
<td>WI</td>
<td>Wisconsin</td>
<td>Discount</td>
<td>Yes</td>
</tr>
<tr>
<td>WY</td>
<td>Wyoming</td>
<td>Discount</td>
<td></td>
</tr>
</tbody>
</table>
Paper Order Submission

Native American Party orders can be submitted via paper. Please write the Tribal ID number on any Guest and Host order form(s), or include a photocopy of the Tribal ID with each form.

Tax Certificates

Tax certificates are necessary in the event of an audit and will eliminate your order from being taxed on these purchases.

If no certificate is enclosed, your Consultant account will be charged for the amount of the sales tax with a sales tax adjustment. Orders must include the appropriate documentation at the time the order is received for the Home Office to process at the tax-exempt status.

Selling and Displaying of Products in Retail Outlets

PartyLite’s methods of selling our product include home parties, book parties, person to person, online via personal PartyLite website, and personally at temporary events such as fairs, bazaars and consumer trade shows. Consultants can sell product, take orders and sponsor at these events. We have found that the time-honored home party method is the best way to sell and display our products and provide the personal service which is associated with our trademarks. Therefore, we do not permit sales of PartyLite products in permanent stores or kiosks.

Guest Shipping & Handling

Guests have their orders shipped directly to them, whether it is an individual online order or a Guest order from a party.

Paper Party Orders

The following forms complete the Party Order:

- Guest Order Form(s)
- Host Order Form

Order Form Guidelines

Parties submitted to the Home Office must indicate the name and ID number of the Consultant who actually held the Party. We cannot accept, for any reason, a Party that is received from one Consultant when a different Consultant actually held the Party. Failure to abide with this policy will result in closing your Consultant account.

To ensure fair and accurate compensation reporting to the IRS, all Consultant information provided to the Home Office must be accurate. PartyLite cannot process Party orders under any other ID other than that of the demonstrating Consultant. Parties/sales submitted under a Consultant’s ID must have been done by that Consultant.

The only exception would be if a Starter Party were entered by a sponsoring Consultant who wishes to give sales credit to the new Consultant, with her or his consent.

If dovetailing a Party, the names and ID numbers of both Consultants must be submitted so that correct profit and sales credit can be applied to the demonstrating Consultant’s account.

Any failure to abide by this policy will result in account closure.
Submitting Paper Orders

- Print clearly using upper case letters that are legible.
- Do not staple the forms together.
- Include your Consultant ID and order number on each Host and Guest Order Form and any attached payments.
- Paper orders sent into the Home Office will be received and accepted Monday – Friday only, excluding observed Home Office holidays.
- Check your orders for stop sell item(s), item number accuracy, and math calculations.¹

Mailing Paper Orders

- **Host Order Form:** Give the Host copy to the Host before you leave. Send the Office copy to the Home Office, and file the copy labeled Consultant’s copy for future reference.

- **The Guest Order Form** is available in a 3-part and 4-part form. Use the 3-part form for online orders and the 4-part form for paper orders. 4-part forms gives you one extra copy for your records.
  - One copy for each Guest.
  - One of each Guest form goes to the Host (to assist in packing orders upon delivery).
  - One of each Guest form is for your file.

- The original of each Guest form should be mailed into the Home Office.
  - Prepare an appropriate envelope with the PartyLite address (the Post Office will return the envelope if you do not use adequate postage).
  - Please do not staple or tape the sides of the envelope.

¹PartyLite does not accept responsibility for any lost Host Credit/Specials, profits, Unit promote-out, Leader maintenance, Bonus, sales credit or Bonus points, loss of rank, contests and promotions, etc., caused by the disallowance or miscalculation of any Party.

Host Order Form

One of the most exciting things for your Host is how much product he or she receives through PartyLite’s generous Host Program. You’ll want to help your Host to take full advantage of all the special incentives PartyLite has to offer.

Guest Order Form

In order to provide your Guests with great customer service, it is important that the Guest Order Form be filled out properly.

Tips for Successful Ordering

After your Guest fills out the order form, check for this information:

- Verify the product number, description, availability and price of each item ordered.
- Use a calculator to proof all the math calculations. Remember the dollar amount of each Party affects your profit and Host Credits.
- Verify that no items are on Stop Sell. (Stop sell items will be removed from your order, which will affect your profit.)
- Be sure to give your customer a copy of the Guest Order Form, and inform each customer of their right to cancel any order within 72 hours.
Party Summary Form (downloadable only)

In order to expedite processing your Party, it’s important to fill out all the portions of this form correctly and submit to Home Office without delay. A downloadable version of this form can be found on my.partylite.com > Marketing Resources > Forms.

Starter Kits

Obtaining a Starter Kit

A Starter Kit contains everything you need to successfully start a PartyLite business. The contents of the Starter Kit may vary from time to time at the discretion of PartyLite. Consultants new to PartyLite and those returning to PartyLite after being inactive for 12 or more months, will need to obtain a Starter Kit.

Methods for Obtaining Your Kit

Method A Full Kit with a Starter Party:

The new Consultant holds a Starter Party and does not receive profit or Host Credit on the sales, but uses the total compensatable sales toward the suggested retail value of the Starter Kit. All Starter Party sales acquired will count toward the monthly sales of the Consultant listed on the Party order (paper) or as indicated to receive sales credit through the online agreement process.

Starter Parties with $350¹

When a new Consultant has a Starter Party with $350¹ or more in personal compensatable sales (not including tax and shipping & handling), the Consultant qualifies for the Starter Kit with no cash outlay.

Starter Parties over $350¹

When the Starter Party exceeds $350¹ in personal compensatable sales, the new Consultant can qualify for extra retail product based on sales over and above the $350* compensatable sales amount.

Example:

Starter Party Compensatable Sales $450.00
Suggested Retail Price of Starter Kit $350.00
Excess Retail Amount Over Starter Party Sales $100.00

The Consultant may choose additional product with a total retail value of $100 at no cost to the Consultant.

Note: To receive a Starter Kit with no cash investment, a $350¹ or more Starter Party and the New Consultant Agreement must be received together at the Home Office. Should we receive only an agreement, the new Consultant’s account will be charged $175¹ (Consultant cost). If an agreement is submitted online without a Starter Party, the new Consultant will be required to pay the $175¹ purchase price (50% cost of $350 Starter Kit) on a credit card or with a deduction from the Consultant’s electronic checking account¹.

When you choose additional products for your Kit, it is suggested that you demonstrate the higher price items in our line. This will help you accomplish the following:

- Increased Party sales
- Create Guests desire to book
- Increase your profits

Starter Parties under $350¹

In the event the Starter Party does not cover the $350¹ suggested retail price of the Starter Kit, the balance plus sales tax can be paid when the Starter Party is remitted (enclose separate check), or the new Consultant can opt for weekly profit deductions on a per Party basis (minimum deduction $10 per Party) not to exceed the Consultant’s first full month of business following the Consultant’s Start Date. For agreements submitted and accepted by PartyLite online, the new Consultant may opt for the weekly profit deductions mentioned above to
pay for the Starter Kit. The Consultant can also choose to pay for this balance with a credit card or electronic checking account.

**Example:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suggested Retail Price of Starter Kit</td>
<td>$350.00</td>
</tr>
<tr>
<td>Starter Party Compensatable Sales</td>
<td>$292.50</td>
</tr>
<tr>
<td>Balance Owed for Kit</td>
<td>$57.50</td>
</tr>
<tr>
<td>Less 50% (Consultant Cost)</td>
<td>-28.75</td>
</tr>
<tr>
<td>Balance Due</td>
<td>$28.75</td>
</tr>
</tbody>
</table>

**Method B Full Kit without a Starter Party:**

The Starter Kit may be purchased for approximately 50% of the retail value of the Starter Kit when accompanied by a completed New Consultant Agreement Form. A smaller version Kit may also be available at a special price, please see current Kit offerings for details. If mailing in an Agreement Form, please use a Guest Form when payment is by credit/debit card and attach it to the Agreement Form. If purchasing online, the new Consultant must pay the Starter Kit cost plus applicable sales tax on a credit/debit card or electronic checking account.

Subject to change

**Method C $99, or lower priced, Kit:**

*Purchasing the $99 Starter Kit (when accompanied by a completed New Consultant Agreement, no starter party). Earn compensation on your first Party. Cash investment. Earn kit bonus when $500* in sales is submitted in first full month of business.*

*Subject to change.

**Company Buy Back Agreement**

Within one year of the closing of the Consultant’s account, PartyLite agrees to buy back any currently marketable inventory, including the Starter Kit, in its original packaging and condition, purchased within the 12 months prior to the termination of the Consultant’s agreement. This will be at 90% of the Consultant’s purchase price less a $5 handling charge and less an adjustment for any Bonuses, profit, Profit Plus or gifts for which the returned inventory enabled the Consultant to qualify.

**Stop Payments**

Please remember that once a stop-payment on a check has been requested, there is a minimum one week waiting period from the time we contact our bank before PartyLite can issue a new check.

It is often advisable to wait a few extra days before requesting the company to issue a stop-payment on your check. This is particularly true if you live in a remote area.

*Depending on your local bank’s procedures, they may not credit your account until the next business day.*
Stop Sell Items

Consultants cannot accept orders for an item that is placed on Stop Sell. You will want to suggest other products which may appeal to your Customer to purchase in place of the item on Stop Sell.

PartyLite expressly prohibits the issuance of a Gift Certificate in lieu of product without a Customer’s consent. Closure of your Consultant account may result if PartyLite is advised that the Gift Certificate was issued in lieu of product without the Customer’s consent.

Orders Received with Stop Sell Items

Orders containing an item on Stop Sell will have the item(s) removed from the order.

Guest Purchases – A call will be placed to the Consultant. PartyLite will hold the order for 48 hours to allow time for the Consultant to advise the Guest so another item can be selected. If no return call is received within 48 hours for a different item selection, the Stop Sell item will be removed, which will impact your compensatable sales and profits on the order. Host Credit will be adjusted and your Consultant Account will be charged for 50% of the retail of the credit that was offered to the Host.

Host Credit – The Host will receive a PartyLite Product Certificate in lieu of the Stop Sell item if the value is $10 or more.

Host Promotion Offer – If the item removed disqualifies the Party, the Host offer will be removed from the Party.

Note: If the substituted item is a different price than the original Stop Sell item ordered and the Party is being updated after the week/month originally entered, the sales/profit for the week/month the Order was received will be based on the price of the original item ordered. Sales/profit for the difference in price from the substituted item will reflect in the week/month from when the order is updated and resolved. Any difference in pricing may impact sales and profits during the processing week/month.

Tracking Your Order

Check your order status for online orders at my.partylite.com under My Orders > Order Inquiry >Order Status Inquiry

Year-End Tax Reporting

All Consultants and Leaders with PartyLite are Independent Contractors, not employees. Therefore, it is your responsibility to track and report your PartyLite earnings for any federal, state or local tax filing requirements you may have. The company will not issue a W-2 Tax Form at the end of the year, but will send you a 1099 Miscellaneous Form if one is necessary. A 1099 is a tax form required by the IRS for Independent Contractors who achieve certain earnings limits in a calendar year.

Eligibility for a 1099 form

- If you have purchased $5,000 or more from PartyLite at “wholesale,” which is approximately 75% of your personal compensatable sales (approximately $6,600), or if you have earned $600 or more in and/or Prizes and Awards, you will receive a 1099 MISC Form from PartyLite. If you do not meet these limits in a calendar year, you will not receive a 1099 MISC Form.
  - If you do not meet requirements for a 1099, you can refer to your year ending profit statement or Consultant Account report.

- Forms will be mailed out by the end of January.

Reading a 1099 MISC Form
You will receive a 1099 MISC Form based upon your calendar year activity. A 1099 MISC Form is issued when:

- A Consultant has purchased $5,000 or more at wholesale in product for resale shown in (Box 9) of the 1099 MISC Form and/or
- The total of Other Income (Box 3) and/or the total of Non-Employee Compensation (Box 7) is greater than $600 in the calendar year.

There are three boxes that may contain information on your 1099 MISC Form, they are:

- Other Income (Box 3)
- Non-employee Compensation (Box 7)
- Payer made direct sales of $5,000 or more (Box 9)

The following pages show a more detailed description of what is reported in each of these boxes.

**Box 3 – Other Income**

Items reported in Box 3 result primarily from awards achieved from drawings. An example would be:

- Booking Blitz
- These awards can vary from cash to jewelry to product.

**Box 7 – Non-Employee Compensation**

Items reported in Box 7 result from award amounts paid to eligible Consultants and Leaders in various contests and promotional programs.

The following items are reported in Box 7 on the Consultant’s 1099 Form if she/he received them during the calendar year:

- Profit Plus Awards
- Bonus – 6% for Leaders, 7% for Consultants when monthly personal compensatable sales are $2,000\(^1\) or more
- Contests and programs (Some Examples are: Brite Start Awards or product contests)
- Incentive Trips: Cost of the trip including guest, less the buy-in amount (if applicable)
- Special Incentive Bonus Awards to SRVPs and RVPs
- Cash awards to new SRVPs and RVPs
- RVP tennis bracelet/ring

\(^1\) Subject to change.

**Box 9**

An “X” in Box 9, “Payer made direct sales of $5,000 or more of consumer products to a buyer. Some Examples are:

- Total personal compensatable sales of $10,000, less the Consultant’s 25% profit, equals $7,500. Since this is more than $5,000, an “X” will be placed in Box 9.
- Total personal compensatable sales of $6,000, less the Consultant’s 25% profit, equals $4,500. In this case, there will not be an “X” in Box 9, since the amount is less than $5,000.

The 1099 MISC Form with year-to-date summary information is mailed to you in late January. To make the preparation of your taxes easier and more accurate for you and/or your tax preparer, PartyLite also voluntarily provides additional year-to-date summary information. This information includes:

**Consultant Activity Information**
• Personal Compensatable Sales
• Sales at "Wholesale"
• Personal Earnings
• Profit Plus Awards
• Personal Bonus
• Special Incentive Bonus (RVPs and SRVPs only)
• Personal Sponsors
• Personal Qualified
• Year-to-date Shows

Prizes and Awards Information
This section details what Prizes and Awards you earned during the calendar year.

When applicable, PartyLite will indicate which box on the 1099 MISC Form specific information corresponds to. This summary information is also sent to those Consultants who may not meet the criteria of receiving a 1099 MISC Form, but have Personal Earnings equal to or greater than $600. Reporting of personal earnings of $600 or more, is the responsibility of the Consultant.

Since PartyLite cannot provide you with tax advice, we suggest you refer to the IRS, Direct Selling Association or professional tax preparer:

• www.irs.gov
• www.dsa.org

Many of the expenses you incur in your business can be deducted as a business expense, so it is important that you keep accurate records of the expenses you incur in your PartyLite business.

Deductible Expenses
The following is a list of expenses that may be deductible for you:

• Travel and Transportation – mileage to and from all business activities (Parties, Unit Meetings, Regional Meetings).
• Postage
• Office Supplies – pens, paper clips, staples, etc. Keep those receipts!
• Telephone and Internet expenses (including Candle Connection and Consultant Website fees) used in your business.
• Samples and Supplies purchased for demonstration purposes. Keep a copy of each of your Consultant Purchase Order Forms.
• National Conference Registration Fees and related travel expenses.

By no means is the above list complete nor can PartyLite give you tax advice, so check with a professional tax preparer.

*Please remember to keep all your receipts and information in a safe place so that you can use it for your Income Tax Returns.*