MANNATECH

compensation PLAN

INTRODUCTION

It's with great excitement and enthusiasm that we enter into a new era as Mannatech. Developed in collaboration with Associate field leaders across the globe, this Compensation Plan has been specifically designed to reward you fairly and generously for the hard work you put into growing your business. Both experienced and new Associates will find this plan opens new opportunities and faster rank advancement than ever before! If you have questions regarding the Compensation Plan, don't hesitate to ask your upline.

MANNATECH MISSION AND VISION

MISSION:
Mannatech transforms lives through Glyconutrition, providing an unprecedented level of natural wellness, freedom and purpose.

VISION:
Mannatech helps people improve their wellness, finances and personal development by sharing superior, scientifically validated products and a rewarding entrepreneurial opportunity.

SOCIAL ENTREPRENEURSHIP

By purchasing Mannatech products, donations are made to the M5M® Foundation, which provides nourishment across the world to children in need.

6 WAYS TO EARN

1. Customer Bonuses
   - Power Seller
   - Business Development
2. First Order Bonus
3. Mentor Bonus
4. Uni-Level Payouts/ Infinity Bonus
5. Leader Check Match
6. Global Pool Bonus

MANNATECH COMPENSATION PROGRAM

Mannatech, Incorporated's ("Mannatech") Compensation Plan is designed to provide financial opportunities for both business builders and starters. This unique Compensation Plan offers a wide range of bonus opportunities that financially reward Associates in direct proportion to their efforts in building both a Mannatech customer base and a sales organization.

This new Compensation Plan reflects Mannatech's commitment to equitable compensation, personal and professional growth and the development and use of business building tools to build and maintain a successful business.

Through multiple income streams, Associates are rewarded for their acquisition of consumers as well as their ability to develop and train other leaders to do the same. Approximately 41.1% of the funds Mannatech receives for all products sold are paid as bonuses through the Mannatech Rewards Program. The plan provides six (6) distinct methods of earning, and to get the most benefit, it is important to understand how to build and train an organization to capitalize on each of them.

BUSINESS TERMINOLOGY

Terminology and abbreviations used throughout this document are defined in the Glossary. If you need additional explanation about any aspect of the Compensation Plan, please contact the Associate enrolling you or contact the Customer Service department.

MANNATECH COMPENSATION PROGRAM FEATURES

- Professional business and product training opportunities.
- Bonuses calculated and paid directly by Mannatech.
- Simple, competitive compensation plan that incentivizes proper behaviors to create a long-term, profitable and sustainable business while encouraging business builders to:
    - Be a product of the product.
    - Expand their Associate team.
    - Create volume and sales.
    - Develop leaders.
    - Service and retain Associates and customers.

RENEWALS

Associates must renew their accounts annually. Associate's anniversary date is the original application enrollment date. Mannatech sends renewal notices prior to the Associate's anniversary date. Associates must renew their accounts within 60 days following the expiration of the anniversary date. Non-Renewed Associates are not eligible to earn commissions or participate in Mannatech's incentive programs.

LEADERSHIP BONUSES

Customer and Organizational Bonuses reward Leaders as they build their business by increasing product sales from customer orders and by developing other Leaders. Whether Leaders move up the Leadership Bonus ladder quickly or over a more extended period—as Leaders reach higher Leadership Ranks—they can earn greater long-term income on their total group sales. To participate in the leadership portions of this plan, you must first be a Qualified Associate. You will earn various percentages for the depth of your organization. Leadership Bonuses are paid for product sales generated in the Leader's downline organization.

NOTE: Building a business takes time and hard work. All commissions and bonuses are earned through the sale of Mannatech products. Mannatech does not guarantee the amount of income or incentive rewards, if any, that an Associate participating in the Mannatech business will generate. As with any business, each Associate's business results may vary and will be based on, among other factors, the Associate's effort and skill, the customer base available to him or her and the time devoted to the business.

LEADERSHIP RANKS

ASSOCIATE

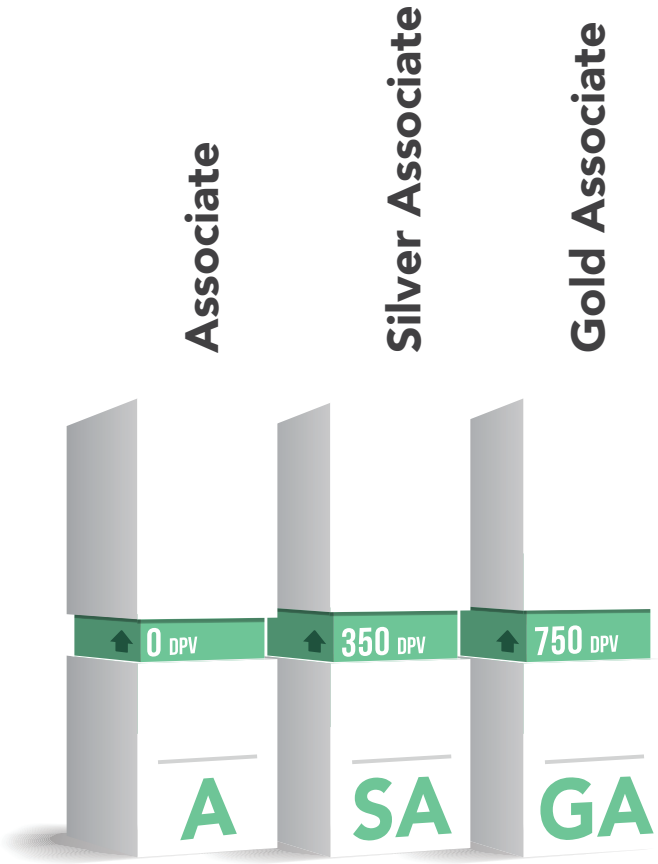
Enrollment fee. No Volume requirements.

SILVER ASSOCIATE

Silver Associates (SA) are Qualified Associates who have 150 PPV and at least two active legs with 350 Downline Point Volume (DPV). The DPV can come from any number of legs, but no more than 60% (210) can come from any one leg in a qualifying month.

GOLD ASSOCIATE

Gold Associates (GA) are Qualified Associates who have 150 PPV and at least two active legs with 750 DPV. The DPV can come from any number of legs, but no more than 60% (450) can come from any one leg in a qualifying month.



	SA	GA
PPV	150	150
DPV	350	750
Max Leg DPV (60%)	210	450
Minimum Number of Active Legs	2	2

DIRECTOR

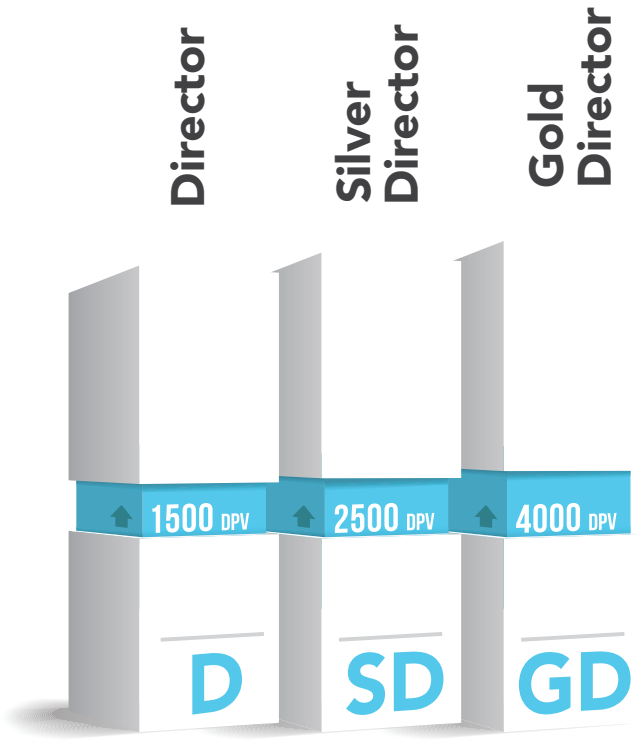
Directors (D) are Qualified Associates who have 150 PPV and at least two active legs with a total of 1,500 DPV. The DPV can come from any number of legs, but no more than 60% (900) can come from any one leg in a qualifying month.

SILVER DIRECTOR

Silver Directors (SD) are Qualified Associates who have 150 PPV and at least two active legs with a total of 2,500 DPV. The DPV can come from any number of legs, but no more than 60% (1,500) can come from any one leg in a qualifying month.

GOLD DIRECTOR

Gold Directors (GD) are Qualified Associates who have 150 PPV and at least two active legs with a total of at least 4,000 DPV. The DPV can come from any number of legs, but no more than 60% (2,400) can come from any one leg in a qualifying month.



	D	SD	GD
PPV	150	150	150
DPV	1,500	2,500	4,000
Max Leg DPV (60%)	900	1,500	2,400
Minimum Number of Active Legs	2	2	2

EXECUTIVE DIRECTOR

Executive Directors (ED) are Qualified Associates who have 150 PPV and at least two active legs with a total of 6,000 DPV. The DPV can come from any number of legs, but no more than 60% (3,600) can come from any one leg in a qualifying month.

SILVER EXECUTIVE DIRECTOR

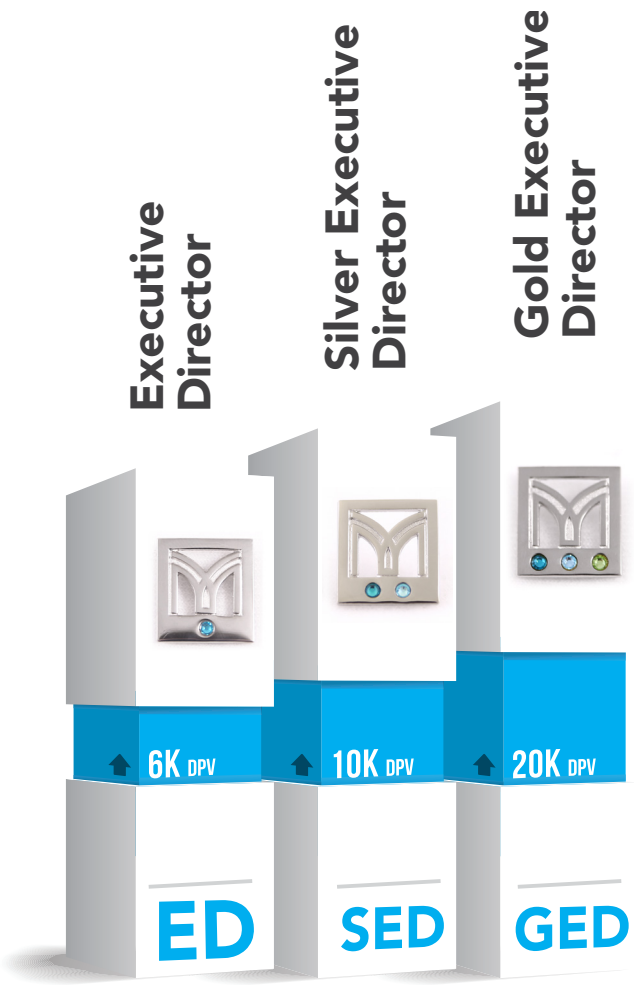
Silver Executive Directors (SED) are Qualified Associates who have 150 PPV and at least two active legs with a total of 10,000 DPV. The DPV can come from any number of legs, but no more than 65% (6,500) can come from any one leg in a qualifying month.

GOLD EXECUTIVE DIRECTOR

Gold Executive Directors (GED) are Qualified Associates who have 150 PPV and at least three active legs with a total of 20,000 DPV. The DPV can come from any number of legs, but no more than 65% (13,000) can come from any one leg in a qualifying month.

POINTS

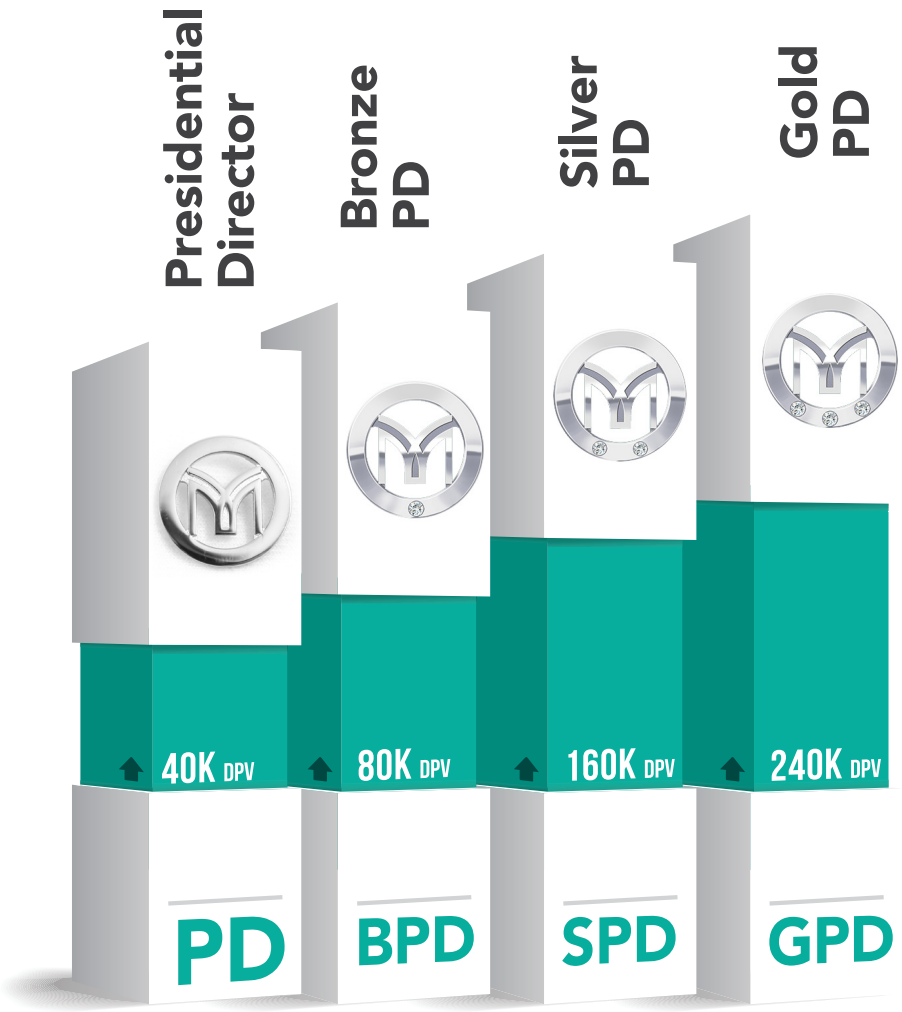
Gold Executive Directors and above generate points for Leaders (BPDs and above) to meet the minimum leg structure requirements.



	ED	SED	GED
PPV	150	150	150
DPV	6,000	10,000	20,000
Max Leg DPV	3,600 (60%)	6,500 (65%)	13,000 (65%)
Minimum Number of Active Legs	2	2	3
Leader Leg Points			0.5

NOTE: Your qualification for bonuses and commissions beyond the Executive Director level is dependent on your participation in the company's Presidential Ambassador Program as further explained on the pages that follow.

Only those Presidential Associates that qualify for and maintain their qualification in the Ambassador Program are eligible to earn (to include but not limited to) the Presidential Bonuses (which are identified throughout the Career and Compensation Plan booklet by "‡"), participation in certain incentives/programs (see the rules and qualification requirements for each incentive/program) and recognition at events. Participation in the Presidential Ambassador Program is subject to the Presidential Associates' adherence to the terms and conditions set forth in Section 4.9.8 of the Presidential Director Ambassador Program ("Ambassador Program") of the Associate Policies and Procedures.



PRESIDENTIAL DIRECTOR

Presidential Directors (PD) are Qualified Associates who have 150 PPV and at least three active legs with a total of 40,000 DPV. The DPV can come from any number of legs, but no more than 65% (26,000) can come from any one leg in a qualifying month.

MINIMUM LEG STRUCTURE

In addition to the point requirement, BPD and above have a minimum leg structure requirement to qualify at the Leadership Rank.

BRONZE PRESIDENTIAL DIRECTOR

Bronze Presidential Directors (BPD) are Qualified Associates who have 150 PPV and at least three active legs with a total of 80,000 DPV. The DPV can come from any number of legs, but no more than 65% (52,000) can come from any one leg in a qualifying month. The minimum leg structure for BPD is one Leader Point.

SILVER PRESIDENTIAL DIRECTOR

Silver Presidential Directors (SPD) are Qualified Associates who have 150 PPV and at least three active legs with a total of 160,000 DPV. The DPV can come from any number of legs, but no more than 65% (104,000) can come from any one leg in a qualifying month. The minimum leg structure for SPD is two GED legs with two Leader Points.

GOLD PRESIDENTIAL DIRECTOR

Gold Presidential Directors (GPD) are Qualified Associates who have 150 PPV and at least three active legs with a total of 240,000 DPV. The DPV can come from any number of legs, but no more than 65% (156,000) can come from any one leg in a qualifying month. The minimum leg structure for GPD is three GED legs with three Leader Points.

	PD	BPD	SPD	GPD
PPV	150	150	150	150
DPV	40,000	80,000	160,000	240,000
Max Leg DPV (65%)	26,000	52,000	104,000	156,000
Minimum Number of Active Legs	3	3	3	3
Leader Leg Points	1	1.5	2	2.5
Minimum Structure Required		1 pt	2 GED or above with 2 pts	3 GED or above with 3 pts

RANK-UP BONUS

PRESIDENTIAL DIRECTOR RANK-UP BONUS:

- Any Associate who reaches Presidential Director rank for the first time ever (Highest Leadership Level) will qualify for a one-time payment of $1,000.00 USD.
- If the Associate maintains their Presidential Director rank (or higher) for an additional two consecutive months, he/ she will receive another one-time payment of $1,000.00 USD.
- Total payout up to **$2,000.00** USD.

BRONZE PRESIDENTIAL DIRECTOR RANK-UP BONUS:

- Any Associate who reaches Bronze Presidential Director rank for the first time ever (Highest Leadership Level) will qualify for a one-time payment of $1,500.00 USD.
- If the Associate maintains their Bronze Presidential Director rank (or higher) for an additional two consecutive months, he/she will receive another one-time payment of $1,500.00 USD.
- Total payout up to **$3,000.00** USD.

PLATINUM PRESIDENTIAL DIRECTOR

Platinum Presidential Directors (PPD) are Qualified Associates who have 150 PPV and at least four active legs with a total of 320,000 DPV. The DPV can come from any number of legs, but no more than 65% (208,000) can come from any one leg in a qualifying month. The minimum leg structure for PPD is four GED legs with four Leader Points.

1-STAR PLATINUM PRESIDENTIAL DIRECTOR (1*PPD)

1*PPDs are Qualified Associates who have 150 PPV and at least four active legs with a total of 640,000 DPV. The DPV can come from any number of legs, but no more than 65% (416,000) can come from any one leg in a qualifying month. The minimum leg structure for 1*PPD is four PD legs with six Leader Points.

2-STAR PLATINUM PRESIDENTIAL DIRECTOR (2*PPD)

2*PPDs are Qualified Associates who have 150 PPV and at least four active legs with a total of 1,250,000 DPV. The DPV can come from any number of legs, but no more than 65% (812,500) can come from any one leg in a qualifying month. The minimum leg structure for 2*PPD is four PD legs with eight Leader Points.

3-STAR PLATINUM PRESIDENTIAL DIRECTOR (3*PPD)

3*PPDs are Qualified Associates who have 150 PPV and at least four active legs with a total of 2,500,000 DPV. The DPV can come from any number of legs, but no more than 65% (1,625,000) can come from any one leg in a qualifying month. The minimum leg structure for 3*PPD is four PD legs with ten Leader Points.

4-STAR PLATINUM PRESIDENTIAL DIRECTOR (4*PPD)

4*PPDs are Qualified Associates who have 150 PPV and at least four active legs with a total of 5,000,000 DPV. The DPV can come from any number of legs, but no more than 65% (3,250,000) can come from any one leg in a qualifying month. The minimum leg structure for 4*PPD is four PD legs with twelve Leader Points.

CROWN PLATINUM AMBASSADOR (CP)

Crown Platinum Ambassadors are Qualified Associates who have 150 PPV and at least five active legs with a total of 10,000,000 DPV. The DPV can come from any number of legs, but no more than 65% (6,500,000) can come from any one leg in a qualifying month. The minimum leg structure for CP is four PD legs with fifteen Leader Points.

	PPD	1*PPD	2*PPD	3*PPD	4*PPD	CP
PPV	150	150	150	150	150	150
DPV	320,000	640,000	1,250,000	2,500,000	5,000,000	10,000,000
Max Leg DPV (65% rule)	208,000	416,000	812,500	1,625,000	3,250,000	6,500,000
Minimum Number of Active Legs	4	4	4	4	4	5
Leader Leg Points	3	3	3	3	3	3
Minimum Structure Required	4 GED or above with 4 pts	4 PD or above with 6 pts	4 PD or above with 8 pts	4 PD or above with 10 pts	4 PD or above with 12 pts	5 PD or above with 15 pts

CUSTOMER AND ORGANIZATIONAL REWARDS

CUSTOMER BONUSES

Mannatech offers Associates the opportunity to earn income generated from product sales through an organization that can be expanded worldwide by enrolling customers. Associates' income potential is based on two things—the depth and the volume of their organization. Stability comes from having regular product orders every month. Subscriptions are an important part of building and maintaining an Associate's Mannatech business.

POWER SELLER BONUS

Personal Point Volume (PPV) is required to earn customer commissions. The Power Seller Bonus is a Personal Point Volume (PPV) commission that pays from 10%-20% on the price paid for a product order.

How the Power Seller Bonus Works:

Power 10: If the sum of your monthly Customer Volume plus your own personal purchases is equal to or greater than 200 Personal Point Volume, and if you have a minimum of two (2) Active Preferred Customers*, you will then be eligible to earn 10% Power Seller Bonus of the subtotal of the eligible orders. (This includes your own purchases).

Power 15: If the sum of your monthly Customer Volume plus your own personal purchases is equal to or greater than 500 Personal Point Volume, and if you have a minimum of two (2) Active Preferred Customers*, you will then be eligible to earn 15% Power Seller Bonus of the subtotal of the eligible orders. (This includes your own purchases).

Power 20: If the sum of your monthly Customer Volume plus your own personal purchases is equal to or greater than 1000 Personal Point Volume, and if you have a minimum of two (2) Active Preferred Customers*, you will then be eligible to earn 20% Power Seller Bonus of the subtotal of the eligible orders. (This includes your own purchases).

Power Seller Bonus**	PPV Requirements	Percentage Payout	Number Active Preferred Customer Requirements*
Power 10	200 or more	10%	2
Power 15	500 or more	15%	2
Power 20	1000 or more	20%	2

* Active Preferred Customers- Any Preferred Customer with 50 PV or more order(s) within any qualification month will be considered as Active Preferred Customer for the Enroller.

** We will not pay the Power Seller Bonus on the New Preferred Customer's first order since it pays out the First Order Bonus to the Enroller.

BUSINESS DEVELOPMENT BONUS

TEAM 2 BONUS

Associates who achieve a minimum of 500 PPV and enroll two Associates who also create a minimum of 500 PPV on their Associate accounts are eligible to qualify for the Business Development TEAM 2 Bonus. The Business Development TEAM 2 Bonus payout of $100 can be earned every month.

TEAM 4 BONUS

Associates who achieve a minimum of 500 PPV and enroll four Associates who also create a minimum of 500 PPV on their Associate accounts are eligible to qualify for the Business Development TEAM 4 Bonus. Any Associate who achieves TEAM 4 status earns an additional $150 bonus in addition to the TEAM 2 earnings, for a total payout of $250. The Business Development TEAM 4 Bonus can be earned every month.

TEAM 6 BONUS

Associates who achieve a minimum of 500 PPV and enroll six or seven Associates who also create a minimum of 500 PPV on their Associate accounts are eligible to qualify for the Business Development TEAM 6 Bonus. Any Associate who achieves TEAM 6 status earns an additional $200 bonus in addition to the TEAM 4 and 2 earnings, for a total payout of $450. The Business Development TEAM 6 Bonus can be earned every month.

TEAM 8 BONUS

Associates who achieve a minimum of 500 PPV and enroll eight or nine Associates who also create a minimum of 500 PPV on their Associate accounts are eligible to qualify for the Business Development TEAM 8 Bonus. Any Associate who achieves TEAM 8 status earns an additional $200 bonus in addition to the TEAM 6, 4 and 2 earnings, for a total payout of $650. The Business Development TEAM 8 Bonus can be earned every month.

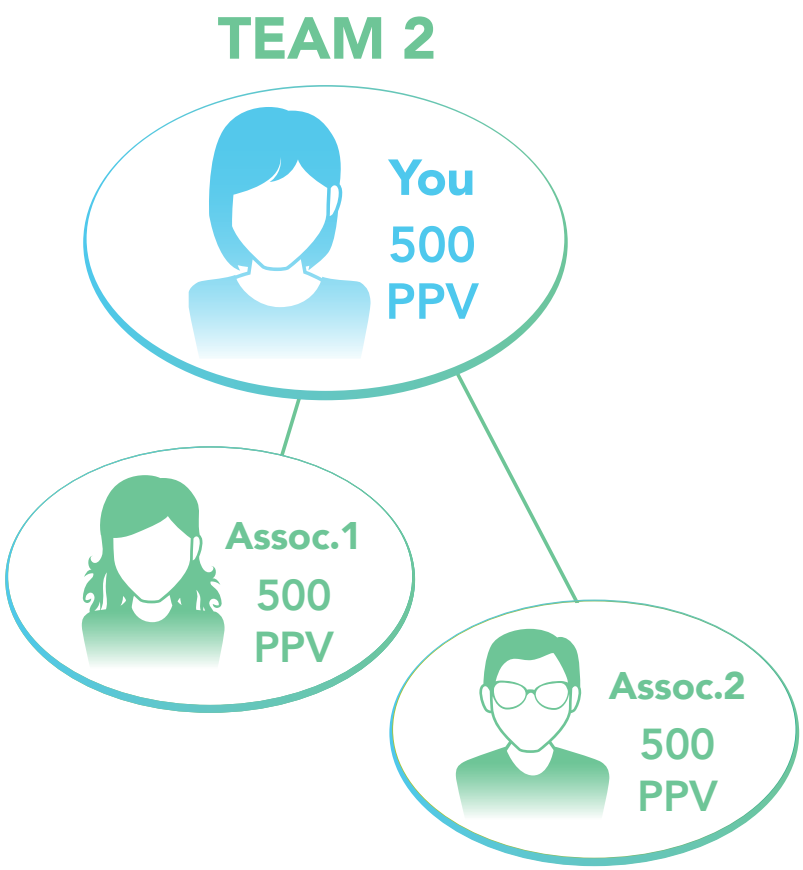
TEAM 10 BONUS

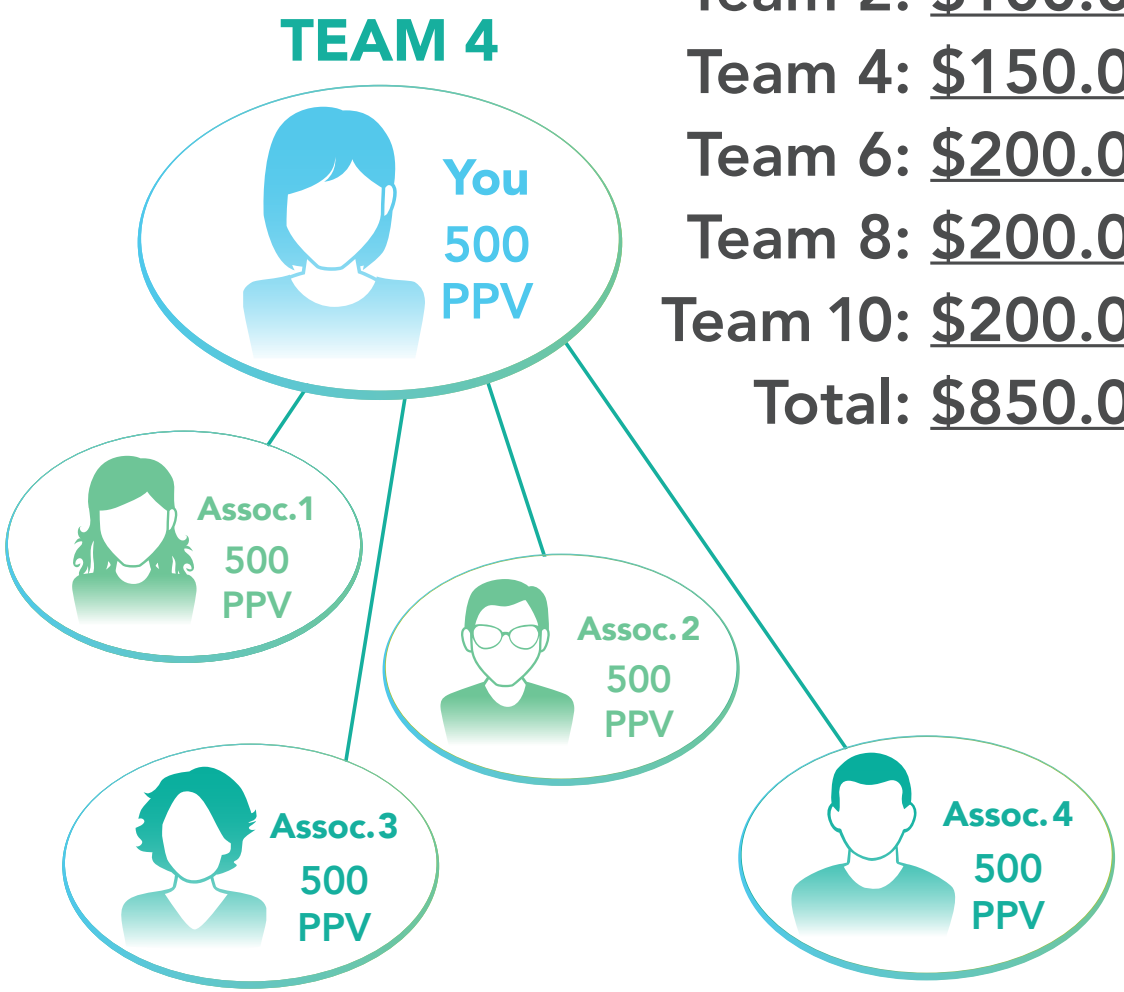
Associates who achieve a minimum of 500 PPV and enroll ten or more Associates who also create a minimum of 500 PPV on their Associate accounts are eligible to qualify for the Business Development TEAM 10 Bonus. Any Associate who achieves TEAM 10 status earns an additional $200 bonus in addition to the TEAM 8, 6, 4 and 2 earnings, for a total payout of $850. The Business Development TEAM 10 Bonus can be earned every month.

BUSINESS DEVELOPMENT BONUS

Bonus Type	Must have a minimum of 500 PPV	Per Month Payment
TEAM 2	Enroll two Associates who also create 500+ PPV on their Associate accounts	$100
TEAM 4	Enroll four Associates who also create 500+ PPV on their Associate accounts	$150
TEAM 6	Enroll six or seven Associates who also create 500 + PPV on their Associate accounts	$200
TEAM 8	Enroll eight or nine Associates who also create 500 + PPV on their Associate accounts	$200
TEAM 10	Enroll ten or more Associates who also create 500 + PPV on their Associate accounts	$200

BUSINESS DEVELOPMENT BONUS EXAMPLES





Team 2: $100.00
Team 4: $150.00
Team 6: $200.00
Team 8: $200.00
Team 10: $200.00
Total: $850.00

*The Team Associates can be in the same leg or in different legs.

FIRST ORDER BONUS

The First Order Bonus (FOB) pays up to 20%† commission on the price paid for the first product Order. A Value Bundle can become a Subscription. No Personal Point Volume is required to earn the First Order Bonus. The FOB pays to the Enroller for the First Product Purchase after the new Associate or new Preferred Customer's enrollment date.

Full CV is applied on all subsequent orders as expected. No FOB is paid for subsequent orders.

†The FOB percentage payout may vary on certain products and/or promotional items.

(When a First Order Bonus is paid, the adjusted CV will be up to 40% on all additional commissions paid out.)

MENTOR BONUS

The Mentor Bonus is designed to reward Associates for taking the steps necessary to build and train active Leaders within their sales organization. Associates become eligible to earn this bonus at Leadership Rank Gold Associate or higher. The Mentor Bonus pays a monthly commission to the Enroller of equal or higher Leadership Rank. If the Enroller has a lower Leadership Rank, their bonus is limited to the corresponding Leadership Rank. There is no limit to the number of Mentor Bonuses an Associate can earn.

	Monthly Bonus
Gold Associate—750 DPV	$30
Director—1,500 DPV	$40
Silver Director—2,500 DPV	$50
Gold Director—4,000 DPV	$75
Executive Director (and above)—6,000 DPV	$100

UNI-LEVEL BONUS

The Uni-Level Bonus is an income stream based on the volume of products your organization sells.

How the Uni-Level Bonus Works

To be eligible to qualify for the Uni-Level Bonus, Qualified Associates must achieve the required Downline Point Volume for the month. Associates can earn a bonus on the amount of product sales from Associates in their downline organization each month through the Uni-Level Payout Bonus. The percentage of the CV of products sold is paid to Associates for levels 1, 2, 3, 4, 5, 6 and 7 of their organization. The percentage paid for each level of depth is dependent on the Leadership level an Associate has achieved.

- Pays on all product sales in a Leader's organization through seven levels of depth.
- 150 PPV Compression is applied.
- Has no width restrictions.

	SA	GA	D	SD	GD	ED	SED	GED	PD and above
Level 1	3%	4%	5%	6%	7%	8%	8%	8%	8%
Level 2		2%	3%	4%	6%	8%	8%	8%	8%
Level 3			2%	4%	6%	8%	8%	8%	8%
Level 4				3%	4%	6%	6%	6%	6%
Level 5						5%	5%	6%	6%
Level 6							4%	4%	5%
Level 7									4%

SIDE VOLUME INFINITY BONUS‡

The Side Volume Infinity Bonus pays a 0.5% bonus on all CV on level 8 and below, except for volume originating from the strongest leg. Other Leaders with the same or higher Leadership Rank do not block Leaders from receiving their payout.

Key Points:

- Paid to PD and above.
- Paid on CV on level 8 and below.
- Not paid on CV originating from the strongest leg.
- Strongest leg determined by having the most DPV among the total number of legs.
- Compression applied.

LEADER CHECK MATCH‡

Leaders who achieve SED and higher will receive a matching check bonus on their downline Executive Directors and higher. The Leaders will earn a corresponding percentage (see chart) of the matching leader's Uni-Level and Infinity Bonuses.

How the Leader Check Match Bonus Works

- The number of generations paid to Leaders depends on their downline's Leadership Rank.
- Leader Check Match is paid through the line of sponsorship in each leg.
- If a downline Leader is not SED or higher, that Leader is not considered a generation in that qualifying month.
- The percentage of Leader Check Match paid correlates with the Leadership Rank of the downline Leader and applicable generation.
- A cap (a maximum limit) is applied per downline leader.

	SED 10K	GED 20K	PD 40K	BPD 80K	SPD 160K	GPD 240K	PPD 320K	1*PPD 640K	2*PPD 1.25M	3*PPD 2.5M	4*PPD 5M	CP 10M
Cap per Downline Leader	$250	$500	$750	$1,000	$1,500	$2,000	$2,500	$3,000	$3,500	$4,000	$5,000	$10,000
Gen 1	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Gen 2		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Gen 3			10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Gen 4				10%	10%	10%	10%	10%	10%	10%	10%	10%
Gen 5					2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Gen 6						2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

LEADER LEG CAP AMOUNTS

The earnings from Uni-level, Side Volume Infinity Bonus and Leader Check Match in any one leg are capped. Leaders cannot earn more than the Leader Leg Cap amount for their Leader rank per leg. There is no cap applied to their Power Seller Bonus, Mentor Bonus, First Order Bonus or Global Pool Bonus earnings.

Levels	D	SD	GD	ED	SED	GED	PD	BPD
Leg Cap	$200	$400	$750	$1,000	$1,500	$2,500	$5,000	$8,000

Levels	SPD	GPD	PPD	1*PPD	2*PPD	3*PPD	4*PPD	CP
Leg Cap	$12,000	$18,000	$25,000	$30,000	$40,000	$50,000	$100,000	NO CAP

GLOBAL POOL BONUS‡

The Global Pool Bonus is derived from 1.5% of Mannatech's global finished product sales. The Global Pool Bonus pays on all qualified and active BPDs and above. This pool pays out monthly. To qualify for the pool, Leaders must maintain Leadership Rank for three months within any 6-Month Period. Activity is determined by consistently growing the downline organization. Shares awarded to each participating Leader are based on the Leader's paid rank for each month. Each BPD or above will be paid the share value multiplied by the number of Leader legs each has achieved.

Please refer to the table for specific share assignments.

Leadership Rank	Shares
Bronze PD	0.5
Silver PD	1
Gold PD	1.5
Platinum PD	2
1* Platinum	2.5
2* Platinum	3
3* Platinum	3.5
4* Platinum	4
Crown Platinum Ambassador	5

How the Global Pool Bonus Works

- Paid monthly.
- Consistency rules do not apply the first two months you qualify as a new rank.
- Leaders will achieve the 12-Month Consistency Period once they qualify for BPD or higher three times within any six (6) month period.
- The 12-Month Consistency Period will start once the Associate reaches BPD or higher rank for the third time.
- The 12-Month Consistency Period will be revolving and could be extended as long as Leaders maintain their qualified rank each month.

Note: Only those Presidential Associates that qualify for and maintain their qualification in the Ambassador Program are eligible to earn the Presidential Bonuses (see Section 4.9.8 of the Associate Policies and Procedures).

INCENTIVES

INCENTIVE COMPENSATION

Incentives go beyond the Compensation Plan. Incentives are designed as extra motivation to help Associates achieve their goals and earn special rewards, trips and recognition.

At Mannatech, we want your business to be satisfying and enjoyable. That's why we offer some of the most memorable incentive programs you'll find anywhere. Veteran Associates have learned that business achievement at Mannatech can mean far more than just financial rewards. Mannatech's exciting incentive programs can result in awarding you cash, prizes or admission to special events. You might even find yourself at an exotic location, accompanied by your Mannatech friends and business Associates!

Visit mannatech.com to learn how you can qualify to earn incentive awards.

ADDITIONAL INFORMATION

SCHEDULE OF PAYMENT

Qualified Bonuses will pay on the 15th of each month after the close of the month.

QUALIFICATION AND COMMISSIONS

The plan requires that Associates achieve various levels throughout the plan, along with set qualifications through product sales to earn commissions.

QUALIFICATION PERIOD

The plan requires that Associates meet their requirements for their rank each month. The company operates on a 12-month yearly calendar.

RETURNS, REFUNDS AND CANCELLATIONS

All returns and cancellations of product orders will not count toward qualifications or commissions. Commission overpayments resulting from returns, refunds and/or recalculations may be deducted from future commissions, or they may be deducted from the pools prior to the commission runs. The company may also withhold future commissions or bonuses in the event a Value Bundle for which you have already been paid a commission or bonus is returned.

Please refer to policy number 5.13 in the Associate Policies and Procedures for complete rules on returns, refunds and cancellations.

FACTORING

Factoring may occur when global consolidated compensation exceeds approved payouts.

All payments under the global Compensation Plan are subject to and may be limited by the following conditions: There will be a cap (or maximum pay-out amount) on all commissions, bonuses and other compensation (cumulatively "Potential Commissions") to qualifying Associates during a commission cycle equal to 41.1% of the global net commissionable sales revenue the company receives during a commission cycle (the "Maximum Payout Amount"). Should the global Potential Commissions exceed the Maximum Payout Amount, the company will reduce commissions ("factor") proportionately in order to equal the Maximum Payout Amount.

GLOSSARY

Active Legs

Any leg where an Associate has maintained at least 100 PPV in a qualification period.

Active Preferred Customers

Any Preferred Customer with 50 PV or more order(s) within any qualification month will be considered as Active Preferred Customer for the Enroller.

Ambassador Program

By signed acknowledgment, Associates reaching the Presidential Leadership level are entitled to receive Presidential bonuses, recognition and other benefits. Participation in the Presidential Ambassador Program is subject to the Presidential Associates' adherence to the terms and conditions set forth in Section 4.9.8 of the Presidential Director Ambassador Program ("Ambassador Program") of the Associate Policies and Procedures.

Associate

Any independent distributor who is eligible to participate in the Career and Compensation Plan and is governed by the Associate Policies and Procedures, Career and Compensation Plan and Associate Terms and Conditions as part of his or her agreement with Mannatech.

Associate Status

There are two types of Associates:

1. Active—any Associate that meets the minimum requirement for their rank within the qualification period.

2. Inactive—an Associate who has not met the minimum leadership rank requirements for six (6) consecutive months.

Career and Compensation Plan

The Mannatech Career and Compensation Plan is designed to maximize each stage of business growth. Through multiple income streams, Associates are rewarded for their efforts on initial business development and sales. The plan provides a variety of distinct methods of earning income.

Commissionable Volume (CV)

Commissionable Volume is a set value associated with each Mannatech product or bundle. This value is used to calculate commissions across our global Compensation Plan, where we do business in multiple currencies. Generally, Commissionable Volume will be paid up to 75% of the Associate/Preferred Customer price. There is NO other use or application for CV.

Compression

All Associates with less than 150 PPV are compressed for the calculation of bonuses. Compression is used to create pay levels before bonuses are calculated.

Downline Point Volume (DPV)

DPV consists of an Associate's Personal Point Volume (PPV) plus volume from their entire downline organization.

Enroller

The Associate who is listed on the Associate Application and Agreement as the Enroller. The Enroller and the Sponsor may be the same person, or the Enroller may place the new Associate under a different Sponsor in their organization.

Factoring

Factoring is the process of capping commissions when global consolidated compensation exceeds approved payouts.

Independent Distributor

An independent distributor is an Associate who purchases company products for himself or herself and/or for retail to consumers and earns commissions through the Career and Compensation Plan by meeting certain volume requirements.

Income

Income is paid two weeks after the qualification period closes, on an ongoing basis. The network marketing business model provides for income from all ongoing product orders of everyone in your business organization, through the specifics of the Compensation Plan.

Leader

Any Associate who has obtained the Leadership Rank of Executive or above.

Leadership Bonuses

A series of bonuses that provide increasing income as the Associate advances in Leadership Rank. The Associate must first be a Qualified Associate and will earn increasing percentages of product sales generated in their downline organization, into greater depth of their organization.

Leadership Rank

Any Associate-recognized title or the highest title they have achieved. An Associate's leadership title may vary from month-to-month due to leadership qualification requirements.

M5M® Foundation

By purchasing Mannatech products, donations are made to the M5M Foundation, which provides nourishment across the world to children in need.

Network or Multi-Level Marketing

A business model in which an independent distributor network is required to build the business. Usually such business involves payouts occurring at multiple levels.

Personal Point Volume (PPV)

The volume earned on personal and customer purchases/sales needed to qualify for commissions during the qualification period.

Point Volume (PV)

Points assigned to each product.

Preferred Customer

A regular consumer of Mannatech's products. Preferred Customers are not Associates and do not participate in the Mannatech Career and Compensation Plan.

Qualified Associate (QA)

An Associate who has met the requirements for specific Leadership Rank, including but not limited to PPV and/or DPV.

Qualification Period

For compensation distribution purposes, Mannatech uses the 12-month calendar year. The plan requires that Associates meet their requirements for their rank each month.

Rank-Up Bonus

Any Associate who reaches Presidential Director or Bronze Presidential Director for the first time ever will qualify for a one-time payment. If the Associate maintains the rank for an additional two consecutive months, they will qualify for another one-time payment.

Sponsor

An existing Associate becomes a Sponsor at the time of enrollment of a new Associate, directly beneath the Sponsor's position.

Subscription

An optional product order automatically generated from the start date selected. Subscriptions are processed on the same date each month, and are processed earlier than the scheduled date during the last week of the month and during holidays. Early processing ensures timely qualifications and deliveries. To avoid delays, all Subscriptions must be created or modified five days prior to close of qualification period.

Success Tracker

Mannatech's proprietary business management system that provides Associates with business-critical information. From downline Associate search tools to robust sales and marketing reports, Success Tracker supplies information that provides visibility into all aspects of an Associate's Mannatech business, which allows them to manage and grow their business.

Suggested Retail Price

The recommended selling price for a product by the Associate to his or her Customers. This is a recommended price only, and there is no obligation to comply with the recommendation.

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