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 PROGRAMME

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 organisation.

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 Programme. 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 organisation to capitalise 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 PROGRAMME FEATURES

- Professional business and product training opportunities.
- Bonuses calculated and paid directly by Mannatech.
- Simple, competitive compensation plan that incentivises proper behaviours 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. An Associate's anniversary date is the original application enrolment 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 programmes.

LEADERSHIP BONUSES

Customer and Organisational 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 organisation. Leadership Bonuses are paid for product sales generated in the Leader's downline organisation.

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

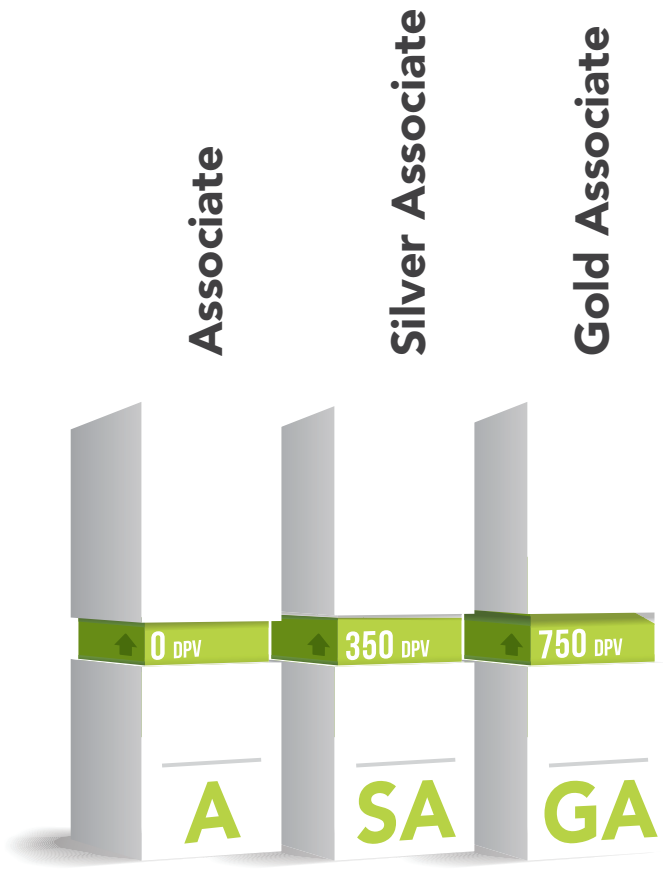
Enrolment fee. No Volume requirements.

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
Personal Point Volume	150	150
Downline Point Volume	350	750
Max Leg DPV (60%)	210	450
Minimum Number of Active Legs	2	2

DIRECTOR

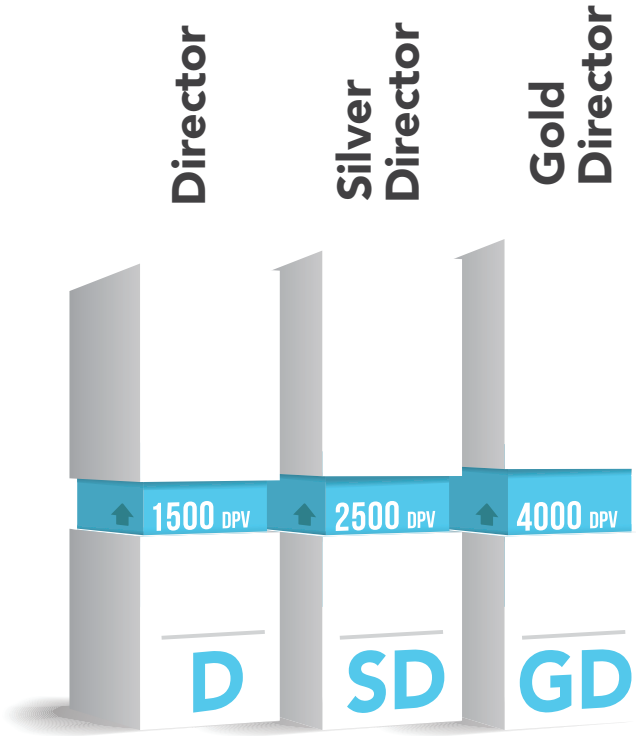
Directors (D) are Qualified Associates who have 150 PPV and at least two active legs with a total of 1,500 DPV. The DPV can come from any number of legs, but no more than 60% (900) can come from any one leg in a qualifying month.

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 (E) 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

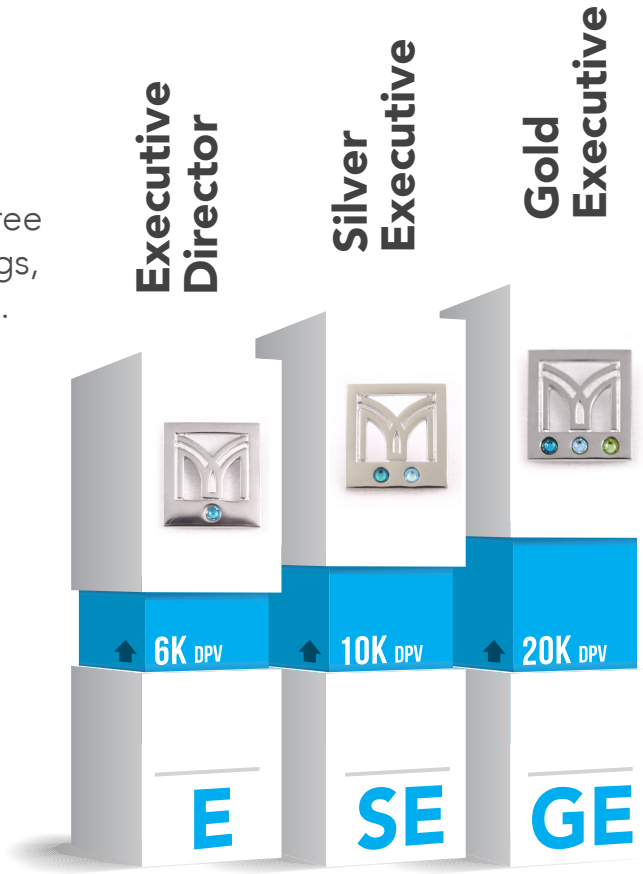
Silver Executives (SE) are Qualified Associates who have 150 PPV and at least two active legs with a total of 10,000 DPV. The DPV can come from any number of legs, but no more than 65% (6,500) can come from any one leg in a qualifying month.

GOLD EXECUTIVE

Gold Executives (GE) 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

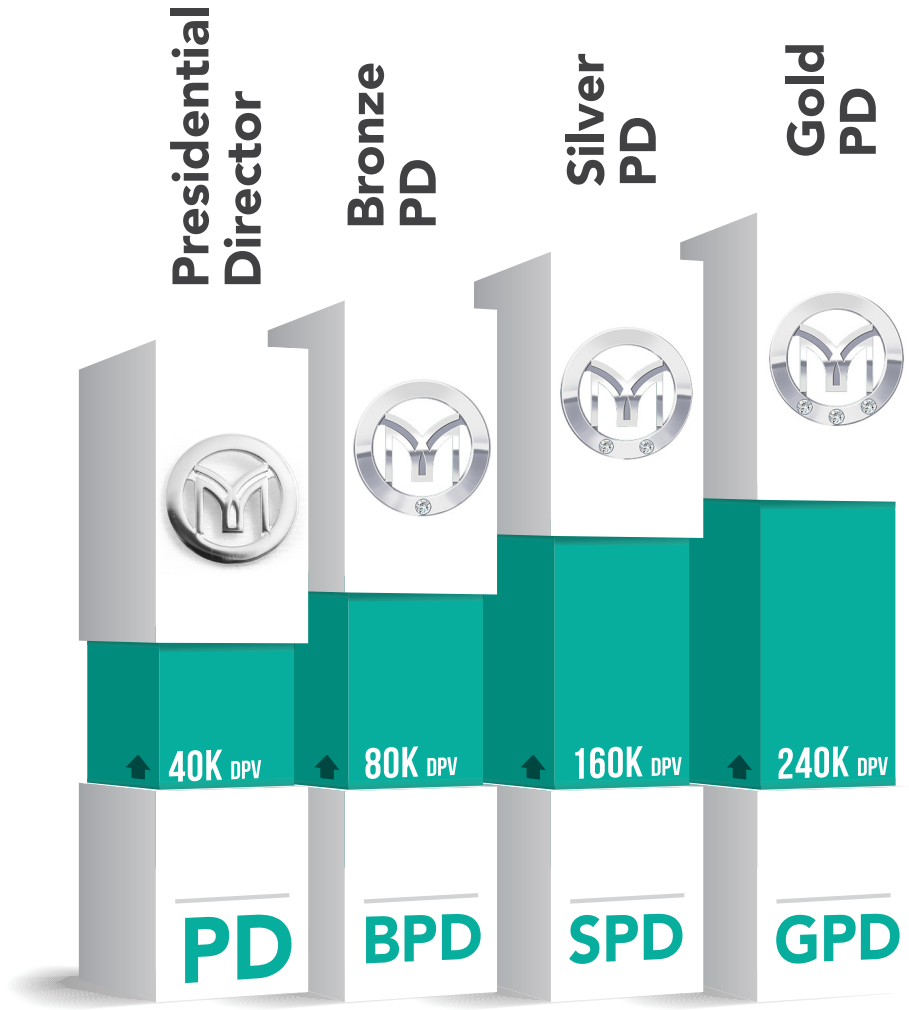
Gold Executives and above generate points for Leaders (Bronze Presidential Directors and above) to meet the minimum leg structure requirements.



	E	SE	GE
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 Programme as further explained on the pages that follow.

Only those Presidential Associates that qualify for and maintain their qualification in the Ambassador Programme are eligible to earn (to include but not limited to) the Presidential Bonuses (which are identified throughout the Compensation Plan booklet by "‡"), participation in certain incentives/programmes (see the rules and qualification requirements for each incentive/programme) and recognition at events. Participation in the Presidential Ambassador Programme is subject to the Presidential Associates' adherence to the terms and conditions set forth in Section 4.9.8 of the Presidential Director Ambassador Programme ("Ambassador Programme") 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, Bronze Presidential Director (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 GE legs and 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 GE legs and three Leader Points.

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.

	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 GE or above with 2 pts	3 GE or above with 3 pts

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 GE legs and 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 and 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 and 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 and 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 and 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 five PD legs and 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 GE 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 ORGANISATIONAL REWARDS

CUSTOMER BONUSES

Mannatech offers Associates the opportunity to earn income generated from product sales through an organisation that can be expanded worldwide by enroling customers. Associates' income potential is based on two things—the depth and the volume of their organisation. Stability comes from having regular product orders every month. Monthly 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, excluding shipping and VAT (subtotal).

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 PPV, 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 PPV, 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 1,000 PPV, 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	1,000 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 Enroler.

** 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 Enroler.

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 £80.00 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 £120.00 bonus in addition to the TEAM 2 earnings, for a total payout of £200.00. 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. Associates are required to have three separate Qualifying Business Development Bonus Legs with at least one personally enrolled Associate who achieves a minimum of 500 PPV in each leg. Any Associate who achieves TEAM 6 status earns an additional £160.00 bonus in addition to the TEAM 4 and 2 earnings, for a total payout of £360.00. 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. Associates are required to have four separate Qualifying Business Development Bonus Legs with at least one personally enrolled Associate who achieves a minimum of 500 PPV in each leg. Any Associate who achieves TEAM 8 status earns an additional £160.00 bonus in addition to the TEAM 6, 4 and 2 earnings, for a total payout of £520.00. The Business Development TEAM 8 Bonus can be earned every month.

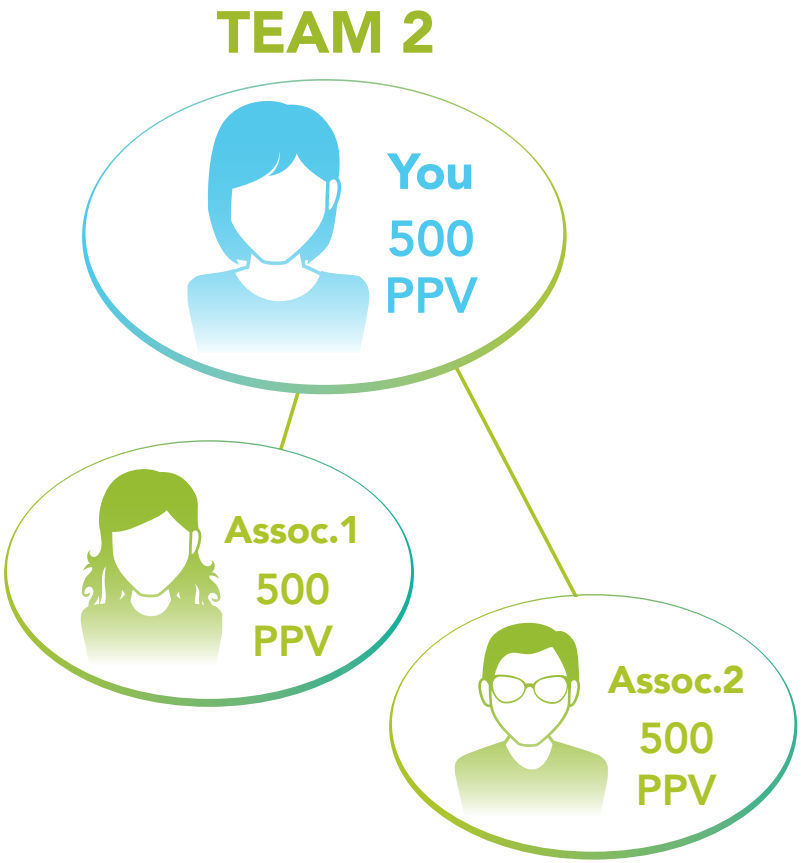
TEAM 10 BONUS

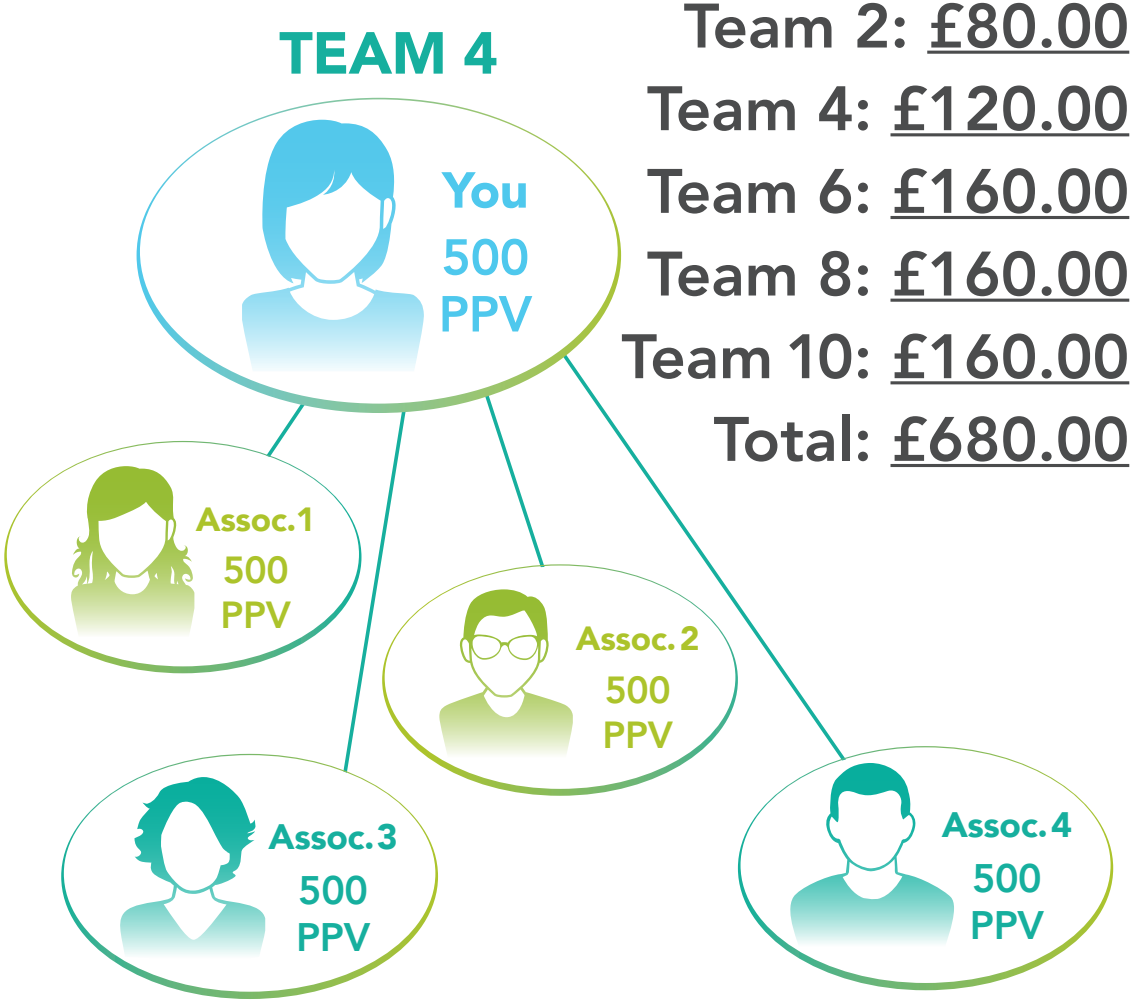
Associates who achieve a minimum of 500 PPV and enroll ten or more Associates who also create a minimum of 500 PPV on their Associate accounts are eligible to qualify for the Business Development TEAM 10 Bonus. Associates are required to have four separate Qualifying Business Development Bonus Legs with at least one personally enrolled Associate who achieves a minimum of 500 PPV in each leg. Any Associate who achieves TEAM 10 status earns an additional £160.00 bonus in addition to the TEAM 8, 6, 4 and 2 earnings, for a total payout of £680.00. 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	£80.00
TEAM 4	Enroll four Associates who also create 500+ PPV on their Associate accounts	£120.00
TEAM 6	Enroll six or seven Associates who also create 500 + PPV on their Associate accounts	£160.00
TEAM 8	Enroll eight or nine Associates who also create 500 + PPV on their Associate accounts	£160.00
TEAM 10	Enroll ten or more Associates who also create 500 + PPV on their Associate accounts	£160.00

BUSINESS DEVELOPMENT BONUS EXAMPLES





Team 2: £80.00
Team 4: £120.00
Team 6: £160.00
Team 8: £160.00
Team 10: £160.00
Total: £680.00

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

FIRST ORDER BONUS

The First Order Bonus (FOB) pays 20% commission on the price paid for the first product order. A Value Bundle can become a Monthly Subscription. No Personal Point Volume is required to earn the First Order Bonus. The FOB pays to the Enroler 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.



(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 organisation. Associates become eligible to earn this bonus at Gold Associate Leadership Rank or higher. The Mentor Bonus pays a monthly commission to the Enroler of equal or higher Leadership Rank. If the Enroler 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	**£25**
Director—1,500 DPV	**£35**
Silver Director—2,500 DPV	**£40**
Gold Director—4,000 DPV	**£60**
Executive Director (and above)—6,000 DPV	**£80**

UNI-LEVEL BONUS

The Uni-Level Bonus is an income stream based on the volume of products your organisation 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 organisation 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 organisation. 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 organisation through seven levels of depth.
- 150 PPV Compression is applied.
- Has no width restrictions.

	SA	GA	D	SD	GD	E	SE	GE	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.



‡ Presidential Bonuses—Presidential Ambassador Programme

LEADER CHECK MATCH‡

Leaders who achieve SE and higher will receive a Matching Check Bonus on their downline Executives 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 SE 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.

	SE 10K	GE 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*	£200	£400	£600	£800	£1,200	£1,600	£2,000	£2,400	£2,800	£3,200	£4,000	£8,000
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%

* Cap amounts are shown in local currency as a courtesy. All commissions are run in USD, and then are converted back into local currency for payment. Therefore, the actual cap amounts may vary slightly due to monthly exchange rate fluctuations.

‡ Presidential Bonuses—Presidential Ambassador Programme

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	£150	£315	£600	£775	£1,175	£2,000	£3,900	£6,250

Levels	SPD	GPD	PPD	1*PPD	2*PPD	3*PPD	4*PPD	CP
Leg Cap	£9,375	£14,000	£19,500	£23,500	£31,250	£39,000	£78,000	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 consecutive months. Activity is determined by consistently growing the downline organisation. 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

‡ Presidential Bonuses—Presidential Ambassador Programme

How the Global Pool Bonus Works

- Paid monthly.
- Must be paid as BPD or higher each month in the prior three months.
- Consistency rules do not apply the first two months you qualify as a new rank.



Note: Only those Presidential Associates that qualify for and maintain their qualification in the Ambassador Programme 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 programmes you'll find anywhere. Established Associates have learned that business achievement at Mannatech can mean far more than just financial rewards. Mannatech's exciting incentive programmes 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 Enroler.

Ambassador Programme

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

Associate

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

Associate Status

There are three types of Associates:

1. Active—any Qualified Associate that meets the minimum requirement for their rank within the qualification period.
2. Current—any Associate who has placed an order in a 365-day reporting period.
3. Inactive—an Associate who has not ordered any products or bundles in the previous six months.

Compensation Plan

The Mannatech Compensation Plan is designed to maximise 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 (before VAT). 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 organisation.

Enroler

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

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 Compensation Plan by meeting certain volume requirements.

Income

Income is paid two weeks (usually the 15th of the month) 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 organisation, 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 organisation, into greater depth of their organisation.

Leadership Rank

Any Associate recognised 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.

Monthly Subscription

An optional product order automatically generated from the start date selected. Monthly Subscriptions are processed on the same date each month. Monthly Subscriptions 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 Monthly Subscription must be created or modified five days prior to close of qualification period.

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 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 enrolment of a new Associate, directly beneath the Sponsor's position.

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 their Customers. This is a recommended price only, and there is no obligation to comply with the recommendation.

MANNATECH

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