

Independent Consultant Business Model

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NATURE'S SUNSHINE OFFERS TWO DISTINCT EARNING OPPORTUNITIES THROUGH OUR CONSULTANT BUSINESS MODEL AND OUR CUSTOMER SHARING PLAN. CONSULTANTS ARE AUTOMATICALLY ELIGIBLE TO PARTICIPATE IN BOTH.

EARNING WITH NATURE'S SUNSHINE

Independent Consultants can make money in several ways when they share Nature's Sunshine, including:

- Receive commissions* on up to 5 levels of your organization when your downline Independent Consultants purchase product.
- 2. Get up to 20% commission* on Customer purchases made by people referred by YOUR Independent Consultants or Customers.
- 3. Up to 5% commission* on Customer purchases made by people referred by Customers in the groups of YOUR Independent Consultants.
- 4. Purchase products at an Independent Consultant discount and resell them at retail.

*NOTE: Commissions are paid to Independent Consultants based on the sales of customers and Independent Consultants in their organization.





ADDITIONAL CONSULTANT BENEFITS

Nature's Sunshine Independent Consultants can also earn perks, incentives and other opportunities, such as:

- Annual Summit
- Regional Meetings
- Exclusive travel incentives
- Sales and discounts
- Short-term promotions and offers
- Rank Advancement rewards and recognition
- Free Shipping twice a month!

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HOW TO GET PAID

Qualification for commission and other perks starts with a product purchase. Each product is assigned a Purchase Volume (PV) value based on the product's cost. Commission payments are paid to the first five (5) qualified upline Independent Consultants (based on rank) and are calculated based on 3 things:

- 1. The PV of the sale.
- 2. If the Independent Consultants linked to the purchase qualify for payment this month.
- 3. The number of levels of qualified payees between the Upline Independent Consultant and the purchase.

RANK QUALIFICATION

Your rank qualification is determined each month based on three things:

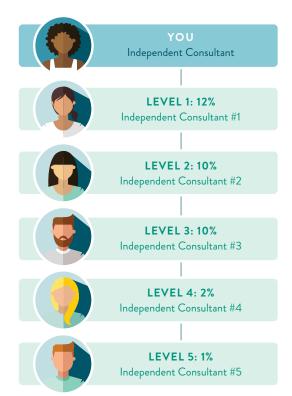
1. Your Group Volume (GV): the total PV of your purchases + the purchases of customers you referred.



- The first rank only requires a GV of 150, all other ranks require a GV of 300
- A personal purchase is NOT required
- Includes PV of customers referred by YOUR customers
- 2. Your First-Level Senior Consultants: Independent Consultants you have personally referred.



- A "Senior Consultant" has a GV of at least 150 and TOV of at least 300.
- No rank requires more than six (6) Senior Consultants!
- Your Total Organizational Volume (TOV): the total PV of your personal purchases + the purchases of all customers and Independent Consultants in your organization.
 - The first rank only requires a TOV of 300
 - Higher ranks require more TOV, up to 1 Million





RANK/QUALIFICATION REWARDS TABLE

RANK	GROUP VOLUME (GV)	FIRST LEVEL SENIOR CONSULTANTS	TOV/MONTH	BALANCE RULE*
Senior Consultant	150	-	300	-
Director	300	1	1,000	-
Director 2K	300	1	2,000	-
Director 3K	300	2	3,000	-
Director 6K	300	2	6,000	-
Executive 12K	300	3	12,000	1,200
Executive 25K	300	4	25,000	5,000
Executive 50K	300	5	50,000	12,500
Presidential 100K	300	6	100,000	25,000
Presidential 200K	300	6	200,000	50,000
Chairman's Club 500K	300	6	500,000	125,000
Chairman's Club 1M	300	6	1,000,000	250,000

*Balance Rule: Total TOV from all first-level leaders in a consultant's downline besides the largest leader.

GET PAID BASED ON YOUR RANK

RANK	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	LEVEL 5
Senior Consultant	12%	-	-	-	-
Director	12%	10%	—	—	—
Director 2K	12%	10%	-	—	—
Director 3K	12%	10%	10%	—	—
Director 6K	12%	10%	10%	-	—
Executive 12K	12%	10%	10%	2%	—
Executive 25K	12%	10%	10%	2%	—
Executive 50K	12%	10%	10%	2%	1%
Presidential 100K	12%	10%	10%	2%	1%
Presidential 200K	12%	10%	10%	2%	1%
Chairman's Club 500K	12%	10%	10%	2%	1%
Chairman's Club 1M	12%	10%	10%	2%	1%

NOTE: According to Plan rules, Independent Consultants earn their commissions in the current month based on the rank achieved in the previous month. This allows Nature's Sunshine to calculate and pay rewards quickly, without having to wait until the end of the current month.



EARN REWARDS FROM YOUR CUSTOMERS

Independent Consultants are eligible to earn when they share with customers OR when people in their downline share. Anytime you share and a customer buys, a link is created between you and your customer. So anytime the customer re-purchases, you get rewarded!

Your friends get 25% off their first order, and you earn 15% off their order total!



GET REWARDED WHEN YOUR DOWNLINE SHARES

When a customer purchases product, up to 3 people are paid: the person who shared with the customer and two Upline Independent Consultants based on their eligibility. As an Independent Consultant, you earn rewards when your customers buy or share!

NOTE: Eligibility is based on rank. Qualifications for same-day payments are based on rank. Qualifications for month-end rewards are based on rank and new customer sales.

CONSULTANT'S CUSTOMER SHARING TABLE

PERSON	PAYMENT	WHEN/HOW
Sharer	15% of the Purchase ¹	Calculated Same Day
Upline Independent Consultant 1 (Senior Consultant or Above)	Up to 20% of the PV	Up to 15% calculated same day ² 5% at the end of the month ³
Upline Independent Consultant 2 (Director 3K or above)	5% of the PV	5% same day

1. Independent Consultants' commission is available in the form of cash or Product Credit. It is calculated at 15% of the final cost of the purchase, in local currency, before shipping charges and taxes.

2. Senior Consultants earn 10%, and Director 2K (or higher) qualify for 15%.

3. The extra 5% is paid if the Upline Independent Consultant personally sponsors new customers who order \$200 or more during the month.

VOLUME PRICING CHART

MINUMUM ORDER SIZE	DISCOUNT FROM INDEPENDENT CONSULTANT* PRICE	PV DISCOUNT FACTOR FOR COMMISSION
\$500	10%	0%
\$750	15%	20%
\$1,000	20%	33%
\$2,000	30%	66%

Nature's Sunshine separates itself by allowing Independent Consultants to inventory and display products in a retail setting. The published discounts above allow these retailers to maintain similar profit margins with non-MLM suppliers of competing products. To facilitate this, PV amounts for purchases receiving a 15% Discount (or higher) are reduced as described above, for purposes of upline Commissions calculation. For the purpose of Rank qualification for all uplines, however, full PV is granted.

KEY TERMS

BALANCE RULE

In order to maintain or advance in rank, beginning at Executive 12K, a predetermined portion of an Independent Consultant's TOV requirement must come from outside their largest first-level Independent Consultant's downline. This Balance Rule TOV requirement is expressed as a monthly accumulated amount, and all other first-level Independent Consultants and Customers in your group contribute to this requirement. This encourages both breadth and depth within your organization while also promoting stability for your overall organization.

COMMISSION

Money or Product Credits (as defined in the Policies and Procedures document) earned by an Independent Consultant from the Independent Consultant's downline is considered a commission (i.e., non-employee compensation).

INDEPENDENT CONSULTANT

An individual linked to another Nature's Sunshine Customer or Independent Consultant who has accepted the terms and conditions of the Membership Agreement. Independent Consultants receive discounted pricing (25% off MSRP), may build a team and may earn commissions from their downline.

INDEPENDENT CONSULTANT BUSINESS MODEL

The payment model used when an Independent Consultant makes a purchase, paying five eligible Independent Consultants in the purchaser's upline. The breakdown of pay by level is as follows:

- 12% in the first level must be Senior Consultant rank or above to be eligible
- 10% in the second level must be Director rank or above to be eligible
- 10% in the third level must be Director 3K rank or above to be eligible
- 2% in the fourth level must be Executive 6K rank or above to be eligible
- 1% in the fifth level must be Executive 50K rank or above to be eligible

CUSTOMER

An individual eligible to purchase products at regular price (MSRP) and refer products to others. They are paid according to the Customer Sharing Plan and can earn commissions on the purchases made by those they share with.

CUSTOMER SHARING PLAN

This is the commission model used when a Customer makes a purchase, paying up to three individuals. These individuals include the Sharer (the individual who initially referred the Customer and to whom the purchasing Customer is linked) and the first two eligible Upline Independent Consultants.

There is no cost or purchase requirement to participate in the Customer Sharing Plan. To be eligible for commission, the Sharer must have made a personal purchase or referral within the last 90 days. The first Upline Independent Consultant must hold the rank of Senior Consultant or above to be eligible for pay. The second Upline Independent Consultant must hold the rank of Director 2K or above to be eligible for commission. If any individual is not qualified by activity or rank, the commission is lost. See Customer Sharing Table on page 4 for details.

DISCOUNT

A percentage reduction from the MSRP, or standard Customer price, of a product or products due to a coupon, offer, program or other qualification. Independent Consultants automatically receive a 25% discount on all purchases. Larger orders can qualify for additional discounts of up to 30%.

DYNAMIC COMPRESSION

When an Independent Consultant makes a purchase, we will pay five Independent Consultants in the purchaser's upline. At each level, these individuals must meet certain rank requirements to be eligible for commission. When an Independent Consultant in the purchaser's Upline does not meet the rank requirement for their level of commission, they—and any other Independent Consultant above them who does not meet the rank requirement—are skipped until we find a qualified Independent Consultant to receive the commission for that level. In this way, we ensure that five people always receive a commission when an Independent Consultant makes an order. Plus, as long as you meet the rank requirements, this feature allows you to earn a commission on multiple levels of your organization beyond your fifth level.

GROUP VOLUME (GV)

The sum of the PV from all personal purchases combined with the sum of the PV from all purchases made by all Customers who are linked directly to you within a given month. Does not include Independent Consultants who are linked to you or the Customers in their organizations.

MEMBERSHIP AGREEMENT

The binding contract between the Independent Consultant and NSP. It governs the Independent Consultant's membership and includes the Independent Consultant Application, this Nature's Sunshine Compensation Plan, and the Nature's Sunshine Policies & Procedures.

MEMBERSHIP FEE

The annual fee that allows an individual the right to distribute products, participate in the Independent Consultant Business Model, receive a 25% discount on purchases and the opportunity to earn commissions on their downline. Independent Consultants gain access to the back office of Nature's Sunshine website and the Learning Management System (LMS). They also receive exclusive shipping privileges and may participate in bonus programs and other incentives. Memberships are active for 12 months, and must be renewed each year.

PURCHASE VOLUME (PV)

The volume amount assigned to a product. Purchase Volume is used to determine an individual's Group Volume and Total Organizational Volume each month for rank purposes, and most commissions are calculated using it. PV amounts for similar products in each country where Nature's Sunshine operates are similar, allowing true global integration and opportunity.

RANK

A level of leadership granted to an Independent Consultant each month based on their Customer sales, first-level Independent Consultant sales and total downline sales in the previous month. A feature of the Independent Consultant Business Model, rank is not available to Customers. Rank advancement qualifies an Independent Consultant to receive commissions on more levels of their downline. See the Rank/Qualification Rewards table on page 3 for details.

Rank requirements have been designed to create a simple, reachable path for individuals seeking to increase their engagement with Nature's Sunshine. Ranks have been categorized in several groupings, with Total Organizational Volume (TOV) being a key factor.

RENEWAL FEE

To extend active membership for 12 months, and remain eligible for Independent Consultant benefits, Independent Consultants must pay a Renewal fee by the indicated deadline. By default, memberships renew automatically each year and the corresponding renewal fee is automatically charged. For more information, or to review account settings, Independent Consultants may visit our website or contact Customer Service.

REFERRAL

A referral is how new Customers and Independent Consultants are added to your downline. When someone uses a link you shared using our new digital tools to make a purchase, they are linked to your account as a new Customer. Alternatively, new customers can manually enter the ID of an existing Customer or Independent Consultant when they place their original order to join an individual's downline.

REFERRAL REWARDS PROGRAM

Independent Consultants and Customers are eligible to earn a commission by referring other Customers to Nature's Sunshine. Earnings are based on the cost of the product in local currency and are calculated within 30 minutes. In addition to the person who referred the Customer, two Upline Independent Consultants may also receive commission.

SENIOR CONSULTANT

A Nature's Sunshine Independent Consultant who accumulates 150 Group Volume and 300 Total Organizational Volume within a month will qualify for the rank of Senior Consultant. To advance in rank, an Independent Consultant must have 1-6 Senior Consultants in their first level and meet other rank requirements.

SHARER

The Customer or Independent Consultant who initially referred an individual to Nature's Sunshine and is linked to the referred individual's account.

SUBSCRIBE & THRIVE

Products purchased through Subscribe & Thrive receive an additional discount (25% for Customers and 30% for Independent Consultants) and free shipping. Delivery can be scheduled at regular intervals (every month, every two months, every six months, etc.), but is limited to one (1) auto-shipment per month. Subscription can be paused or cancelled at any time.

TOTAL ORGANIZATIONAL VOLUME (TOV)

The sum of the PV from all personal purchases combined with the sum of the PV from all purchases made by all Customers and Independent Consultants in your ENTIRE downline within a given month.

UNILEVEL

The Independent Consultant Business Model is described in industry terms as a unilevel plan. This means that each purchasing Independent Consultant within your organization, regardless of their rank, is considered an individual level for commission purposes.

WELCOME KIT

A Customer who becomes an Independent Consultant receives a Welcome Kit containing product information, sharing tools and shipping coupons to help them understand the business and begin growing.