

**NEW COMP PLAN**  
**PHASE 2 – (POST TRANSITION)**  
**KEVIN ROBBINS**

Begins: February 1, 2018



# INCOME DISCLAIMER

This information details estimated commissions earned at specific leadership levels under the new compensation plan. It is only an estimate and is not a representation of what you will earn under Mannatech's new compensation plan. Your individual, actual earnings under the new compensation plan may be different and are dependent on various factors including, the sales volume generated by you and your downline, your customer base, and the time devoted to your business. All commissions, bonuses, and incentive awards are earned through the sale of Mannatech products.

# COMP PLAN –The Good

## What went right?

- We converted to a monthly business cycle (end of month rank up culture/auto orders)
- More people earning money
- Plan more attractive to people outside of Mannatech
- Plan is more predictable
- Focus on customers

# COMP PLAN - RANK UP STATS cont.

What went right?: Grow your business, Grow your income!

<b>Rank Ups:</b>	SE:	<b>425</b>
	GE:	<b>195</b>
- <b>October:</b>	PD	<b>115</b>
	BPD	<b>43</b>
	SPD	<b>11</b>
	GPD	<b>6</b>
	PPD - 3*	<b>13</b>
- <b>November:</b>	SE:	<b>312</b>
	GE:	<b>136</b>
	PD	<b>94</b>
	BPD	<b>25</b>
	SPD	<b>21</b>
	GPD	<b>6</b>
	PPD - 3*	<b>9</b>

# COMP PLAN - REVIEW

## What were the challenges?

- Power Seller Bonus, Uni-level and Check Match ran hot.
- More Ranks created more opportunities to make more money, but the increases were less dramatic than previous plan.
- Some leaders with organizational structure that didn't match up with new Uni-level plan.

# COMP PLAN – NEXT STEPS

What are we doing about it?

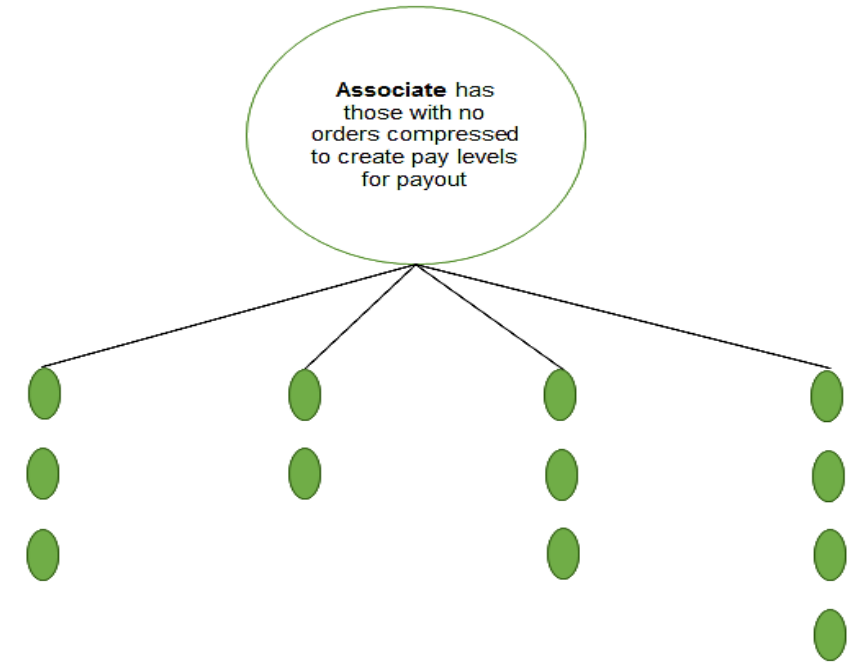
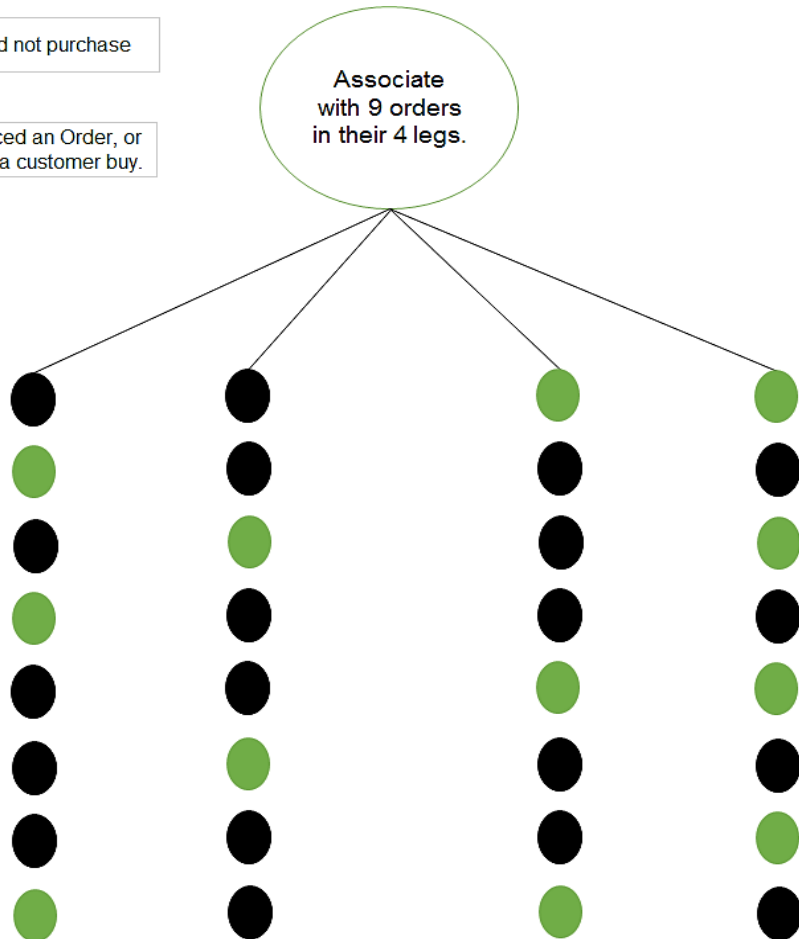
- Changing the methodology for how we handle compression  
(150 PPV compression vs Zero compression)
- Including Bronze PDs in the Global Pool  
(increasing pool to 1.5% of Global Finished Product Sales)

# Compression Discussion

**Associate** with her people and their orders  
PHYSICAL LEVELS

**Associate** with compression of orders  
PAY LEVELS

- Did not purchase
- Placed an Order, or had a customer buy.

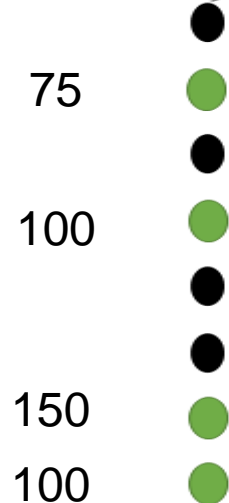


# Compression – Leg 1 Example (Zero Compression)

**Associate** with her people and their orders  
PHYSICAL LEVELS

- Did not purchase
- Placed order or had a Customer order

Associate has those with no orders compressed to create pay levels for payout



Associate has those with no orders compressed to create pay levels for payout

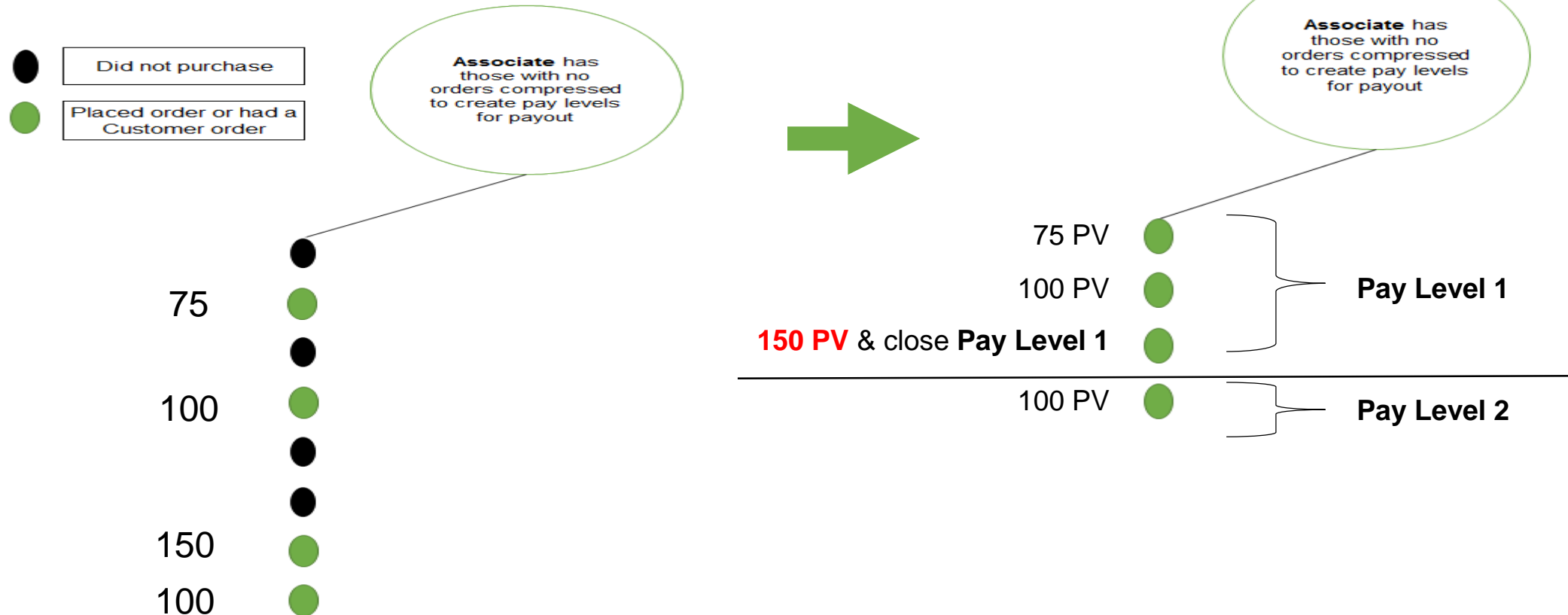
75 PV	●	Pay Level 1
100 PV	●	Pay Level 2
150 PV	●	Pay Level 3
100 PV	●	Pay Level 4



# Compression – Leg 1 Example (150 PPV Compression)

**Associate** with her people and their orders  
PHYSICAL LEVELS

**Associate** with compression of orders  
PAY LEVELS



# COMP PLAN – WHAT ELSE?

Changing compression increases payout dramatically (which is good), but we need to temper it to meet our Total payout commitment.

- July 2017- December 2017 was a “transition”
- WE had discussed raising the bar in several areas:

1. Adding GP requirement (volume in first levels)
2. Increasing PPV requirement for GE and above
3. Increasing the “legs” requirement
4. Require some “activity” for Global Pool bonus

# COMP PLAN – WHAT ELSE?

Changing compression increases payout dramatically (which is good), but we need to temper it to meet our Total payout commitment.

Stretch Out Power Seller Bonus

Reduce CV

Modify infinity bonuses

Slight increase Leadership qualification for SE and above (instead of adding GPV qualification)

Other small tweaks:

- Increasing PPV to 150 for SA and GA

# COMP PLAN – NEW POWER SELLER BONUS

Power Seller tiers will be stretched out.

- 150 PPV = 5%
- 500 PPV = 7.5%
- 1000 PPV = 10%
- 2000 PPV = 15%

# COMP PLAN – NEW COMMISSIONABLE VOLUME

## New CV:

- Reality of current CV is, that because of better Associate efficiency, we have had to factor CV down to 85% on average
- New CV with 150 compression will be up to 75%

# COMP PLAN – PAYOUT

Payout is what matters:

	<b>FINAL Sept</b>	<b>150 compression</b>	<b>\$ Increase</b>	<b>% Increase</b>
Uni-level	\$1,427,306	\$1,694,329	\$267,023	19%
CheckMatch	\$659,236	\$725,469	\$66,233	10%

# COMP PLAN – PAYOUT CONTINUED

## Other changes:

### No Big Leg infinity:

1% has turned into 4% or 5%

Side Leg infinity paid at .5%

### New Leadership Qualification:

SE and above will be 65%/35%

- SE will need 3,500 side volume (instead of 3,000 side volume)
- GE will need 7,000 side volume (instead of 6,000 side volume)
- PD will need 14,000 side volume (instead of 12,000 side volume)

# COMP PLAN – WHEN?

When will Phase 2 go into effect?

February 1, 2018: All markets except Korea (April)





# 6 WAYS TO EARN INCOME

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# BONUS 1: CUSTOMER/POWER SELLER BONUSES

<b><u>Power Seller Bonus*</u></b>		<b>Tiered Customer commissions based on CV</b>
<b>Tier 1</b>	<b>150-499 PPV</b>	<b>5% PS Bonus</b>
<b>Tier 2</b>	<b>500-999 PPV</b>	<b>7.5% PS Bonus</b>
<b>Tier 3</b>	<b>1,000 or more PPV</b>	<b>10% PS Bonus</b>
<b>Tier 4</b>	<b>2,000 or more PPV</b>	<b>15% PS Bonus</b>

\*Includes your own Associate Purchase plus your Customer Volume

# BONUS 1: AUTOSHIP QUALIFIED (AQ) CUSTOMER BONUS

	<b>Count of AQ Customers (minimum 100 PV each)</b>	<b>\$ Per Month</b>
<b>AQ Personal</b>	5 AQ Customers	<b>\$75/mo</b>
<b>AQ Team</b>	<ol style="list-style-type: none"><li>1. You must be AQ Personal qualified.</li><li>2. Enroll 2 Associates who achieve AQ Personal requirements.</li></ol>	<b>\$300/mo</b>

AQ = Customer with an Auto Order of 100 or more Point Volume

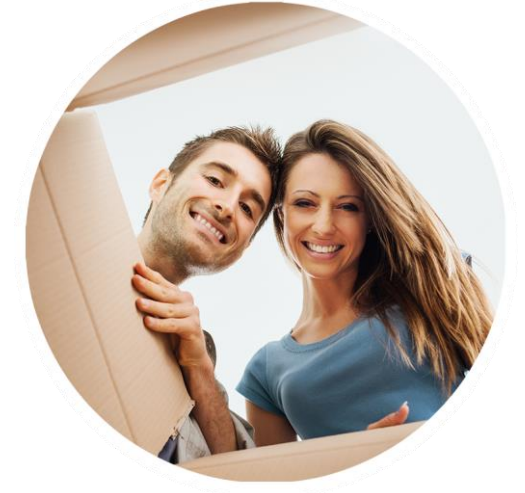
# BONUS 2: FIRST ORDER BONUS

## Building Your Organization

FIRST ORDER



BUNDLES CAN BECOME  
AUTO ORDERS



ALL FUTURE ORDERS WILL HAVE **FULL COMMISSIONABLE VOLUME**

First Order Value Bundles will be assigned a commissionable volume of 50%.

# BONUS 3: MENTOR BONUS

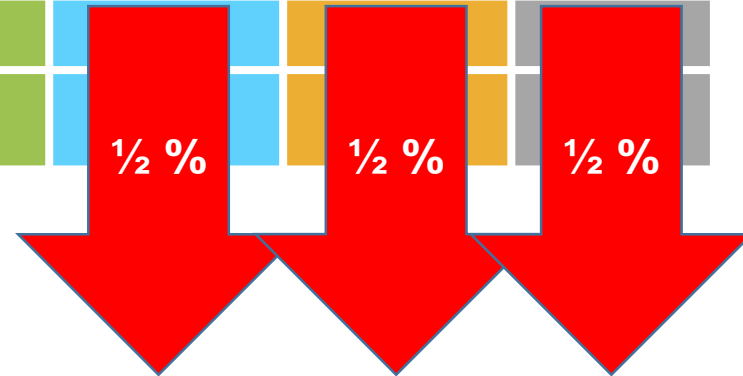
	<b>Monthly Bonus</b>
Gold Associate – 750 DPV	\$30
Director – 1,500 DPV	\$40
Silver Director – 2,500 DPV	\$50
Gold Director – 4,000 DPV	\$75
Executive Director (and above) – 6,000 DPV	\$100

Mentor Bonus pays a monthly commission to the ENROLLER of equal or higher rank. If the ENROLLER has a lower rank, their bonus is limited to the corresponding title bonus of their rank. USD Shown.

# BONUS 4: UNI-LEVEL PAYOUTS/INFINITY BONUS

UNILEVEL	SA 350	GA 750	D 1.5K	SD 2.5K	GD 4K	E 6K	SE 10K	GE 20K	PD 40K	BPD 80K	SPD and above
Level 1	3%	4%	5%	6%	7%	8%	8%	8%	8%	8%	8%
Level 2		2%	3%	4%	6%	8%	8%	8%	8%	8%	8%
Level 3			2%	4%	6%	8%	8%	8%	8%	8%	8%
Level 4				3%	4%	6%	6%	6%	6%	6%	6%
Level 5						5%	5%	6%	6%	6%	6%
Level 6							4%	4%	5%	5%	5%
Level 7									4%	4%	4%
INFINITY BONUS											
									1/2 %	1/2 %	1/2 %

 Side Volume Bonus



# BONUS 5: LEADER CHECK MATCH

You earn check match on ALL Executive Directors (6K) and above.

	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	\$250	\$500	\$750	\$1,000	\$1,500	\$2,000	\$2,500	\$3,000	\$3,500	\$4,000	\$5,000	\$10,000
<b>Gen 1</b>	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
<b>Gen 2</b>		20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
<b>Gen 3</b>			10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
<b>Gen 4</b>				10%	10%	10%	10%	10%	10%	10%	10%	10%
<b>Gen 5</b>					2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
<b>Gen 6</b>						2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

A generation is defined as SE (10K) and above.

# 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, AQ Bonuses, Mentor Bonus, First Order Bonus or Global Pool Bonus earnings.

Levels	Director	Silver Director	Gold Director	Executive Director	Silver Executive Director	Gold Executive Director	Presidential Director	BPD	SPD	GPD	PPD	1*PPD	2*PPD	3*PPD	4*PPD	CP
Leg Cap	\$200	\$400	\$750	\$1,000	\$1,500	\$2,500	\$5,000	\$8,000	\$12,000	\$18,000	\$25,000	\$30,000	\$40,000	\$50,000	\$100,000	No Cap



# BONUS 6: GLOBAL POOL BONUS

Pays on all qualified and active BPDs and above.



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

- Must maintain leadership rank for three consecutive months.

# QUALIFICATION CRITERIA

		Silver Associate <b>SA</b>	Gold Associate <b>GA</b>	Director <b>D</b>	Silver Director <b>SD</b>	Gold Director <b>GD</b>	Executive Director <b>E</b>
<b>PPV</b>		150 PPV	150 PPV	150 PPV	150 PPV	150 PPV	150 PPV
<b>DPV</b>		350	750	1,500	2,500	4,000	6,000
DPV - <i>Max</i> Leg	60%	210	450	900	1,500	2,400	3,600
DPV - <i>Side</i> Leg (Including PPV)	40%	140	300	600	1,000	1,600	2,400
Active Legs (100 PPV = Active)		2	2	2	2	2	2

# LEADER LEVEL QUALIFICATION CRITERIA

	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	CPA 10M
<b>PPV</b>	150	150	150	150	150	150	150	150	150	150	150	150
<b>DPV</b>	10K	20K	40K	80K	160K	240K	320K	640K	1.25M	2.5M	5M	10M
Max Leg 65%	6.5K	13K	26K	52K	104K	156K	208K	416K	812.5K	1.625M	3.25M	6.5M
Side Leg 35% (With PPV)	3.5K	7K	14K	28K	56K	84K	112K	224K	437.5K	875K	1.75M	3.5M
Active Legs	2	3	3	3	3	3	4	4	4	4	4	5
Leader Leg Points (earned)		0.5	1	1.5	2	2.5	3	3	3	3	3	3
Minimum Structure Required				1 Pt	2 GEs 2 Pts	3 GEs 3 Pts	4 GEs 4 Pts	4 PDs 6 Pts	4 PDs 8 Pts	4 PDs 10 Pts	4 PDs 12 Pts	5 PDs 15 Pts

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