

May 15- 19, 2016

## **Updates and Clarifications:**

- 4/13/15
  - Page 2, (1.b.2) GPV Growth Calculation Clarification: The update provides clarification on the growth calculation process in blue in the text below.
  - Page 3, (b.3, c.3, d.3,) Page 4, (e.3) Auto Order Requirements Change: Changes made include moving from requiring an auto order (minimum PV of 100 in Mexico) BP2-BP13, 2015 for existing Associates to requiring existing Associates to be on AO from BP6-BP13, 2015 and have a cumulative PV of 1,200 for the promotion/qualifying period. Changed text in blue below.

# Rules for North America (Canada, Mexico and the United States)

The Incentive is broken down into two parts:

- Mayan Riviera Challenge Mannatech's annual incentive trip.
- The 3BP Challenge earn short-term top-up prizes and rewards for growing your business.

## **MAYAN RIVIERA CHALLENGE OVERVIEW:**

- I. <u>Entry:</u> All Qualified Associates ("Participants" or "Associates") as defined in the definitions, and who meet the Eligibility Requirements also defined in the definitions below, are automatically entered into the 2015
  - Mayan Riviera Challenge (the "Promotion"). Participants must meet the Qualification Criteria below during the Promotion Period defined below.
- II. <u>Promotion Period</u>: The 2015 Mayan Riviera Challenge begins on the first day of BP2, 2015 and ends on the last day of BP13, 2015.
- III. Qualification Criteria: The Participant must meet or exceed (1) the Qualification Baseline Target and (2) the requirements for the applicable Associate Growth Target level as described herein. Please also refer to the Official Rules section of this document for more details.
  - 1. Qualification Baseline. The Qualification Baseline will be determined as follows:
    - a. **Leadership Level:** Leadership levels are determined by the highest qualified leadership level achieved from BP8, 2014 BP13, 2014. Qualified leaders are those who hold Mannatech leadership levels for a minimum of 3 BPs from BP8, 2014 BP13, 2014.
      - i. Example 1: If Associate is an Executive Director 2 times and a National Director 4

- times during the 6BP period referenced above, their Qualified Leadership level for purposes of this contest will be a National Director.
- ii. **Example 2:** Qualified Presidentials are Presidentials that have maintained Presidential level for a minimum of 3 BPs from BP8, 2014 BP13, 2014.
- b. Target Baseline Volume: The Baseline Volume GPV target will be the cumulative GPV from BP2, 2014 through BP13, 2014 excluding the GPV volume of downline qualified Presidentials in the baseline period. All Participants must maintain their cumulative baseline volume plus their target new GPV growth before they can earn the incentive.
  - Example: GPV total for BP2 BP13 = 150,000 (excluding GPV of qualified Presidentials in the baseline period). Highest qualified level achieved is National Director so the minimum requirement is to have an overall GPV target growth of 40,000 (excluding growth from downline qualified Presidentials). Total Baseline Target GPV = 150,000 + 40,000 (Target growth required over baseline GPV) = 190,000 cumulative required GPV for the Promotion Period to earn the top tier as defined below.
  - ii. Process for Calculation:
    - Associates will achieve their baseline GPV before any GPV counts toward their target GPV growth calculation. The Member and Associate GPV split will not apply until the baseline GPV is met.
    - Once an Associate meets their cumulative baseline requirement, the
      difference between their baseline and any new GPV will begin
      counting toward their target GPV growth. In the BP that the Associate
      exceeds their baseline volume, the cumulative GPV over the baseline
      target will first count toward their Associate volume for the cutover BP
      only. The cutover BP is defined as the BP where the Associate exceeds
      the cumulative baseline GPV requirement.
    - The split of Associate and member GPV growth will happen the BP following the BP that they cross from baseline volume to new volume. (Eg. If the baseline GPV is 10,000 and an Associate reaches 9,800 in BP3, and 4,000 in BP4, then the BP 4 volume will not be split because part of the BP 4 volume went towards meeting my baseline GPV. From BP 5 onwards, the Associate will need to meet the Associate and Member GPV split requirement).
    - The new GPV growth will be counted according to the 65% rule or maximum amount allowed in any leg as stated in the rules.
    - After the 65% rule is applied, the new volume will be split according to the 2/3 Associate and 1/3 Member volume by taking the Associate volume first.
    - Next, the calculation will consider any new Member volume. The
      Member volume cannot exceed 1/3 of the total Associate volume
      calculated in the bullet point above. Example: If new Associate volume
      = 3000, only 1000 could be recognized from member volume
      regardless of how much volume they have earned in new member
      volume. This will recalculate each month and be the cumulative GPV.
- c. A maximum of 65% of the required growth will be allowed from any one leg.
  - i. **For example:** As a Regional Director, and in order to achieve 100% of the required target growth (35,000), only 22,750 new target growth can be in any one leg.
- 2. Requirements for Associate by Levels.

# a. New Associates (All Associates who enroll BP2, 2015 or after)

- i. Target Growth Obtain a minimum of 30,000 cumulative GPV (target growth) over baseline volume.
- ii. Obtain National Director Leadership level and maintain it in at least 4 BPs during the Promotion Period including the last BP (13) of the incentive trip. Associates must be a minimum of a National Director in the BP preceding the travel dates (May 15-19, 2016) in order to attend the trip.
- iii. A maximum of 65% of required GPV growth will be considered from any one leg. 19,500 of the required growth can be from any one leg.
- iv. New Associates must generate an auto order\* for each BP of 100PV or a minimum qualifying order or more in products for every BP following their enrollment BP through BP13, 2015.
- v. Only one-third of the required growth can come from GPV from Member sales. Two-thirds or more of the required growth must be from GPV from Associate sales.

# b. Associates with no Leadership Level (All Associates who enrolled BP1, 2015 or before) and Regional Directors

- i. Target Growth Increase GPV by a minimum of 35,000 cumulative GPV (target growth) over baseline volume.
- ii. Obtain National Director Leadership level and maintain it in at least 4 BPs during the Promotion Period including the last BP (13) of the incentive trip. Associates must be a minimum of a National Director in the BP preceding the travel dates (May 15-19, 2016) in order to attend the trip.
- iii. Be on auto order\* each BP for 100PV or more in products from BP6, 2015 through BP13, 2015 and also have a cumulative PV of 1,200 from BP2-BP13, 2015.
- iv. A maximum of 65% of the required growth will be considered from any one leg. 22,750 of the required growth can be from any one leg.
- v. One-third of the required growth can come from GPV from Member sales. Two thirds or more of the required growth must be from GPV from Associate sales.

# c. National Directors

- i. Target Growth Increase GPV by a minimum of 40,000 cumulative GPV (target growth) over baseline volume.
- ii. Obtain National Director Leadership level and maintain it in at least 4 BPs during the Promotion Period including the last BP (13) of the incentive trip. Associates must be a minimum of a National Director in the BP preceding the travel dates (May 15-19, 2016) in order to attend the trip.
- iii. Be on auto order\* each BP for 100PV or more in products from BP6, 2015 through BP13, 2015 and also have a cumulative PV of 1,200 from BP2-BP13, 2015.
- iv. A maximum of 65% of the required growth will be considered from any one leg. 26,000 of the required growth can be from any one leg.
- v. One-third of the required growth can come from GPV from Member sales. Two-thirds or more of the required growth must be from GPV from Associate sales.

## d. Executive Directors

i. Target Growth - Increase GPV by a minimum of 44,000 cumulative GPV (target growth) over baseline volume.

- ii. Maintain Executive Director Leadership level in at least 4 BPs of the qualification period Promotion Period including BP13, 2015.
- iii. Be on auto order\* each BP for 100PV or more in products from BP6, 2015 through BP13, 2015 and also have a cumulative PV of 1,200 from BP2-BP13, 2015.
- iv. A maximum of 65% of the required growth will be considered from any one leg. 28,600 of the required growth must be from GPV from any one leg.
- v. One-third of the required growth can come from GPV from Member sales. Two thirds or more of the required growth must be from GPV from Associate sales.
- vi. Associates must be a minimum of an Executive Director the BP preceding the travel dates in order to attend the trip.

# e. Presidential Directors and Above

- i. Target Growth Increase GPV by a minimum of 48,000 cumulative GPV (target growth) over baseline volume.
- ii. Obtain Presidential Director Leadership level and maintain it in at least 4 BPs during the Promotion Period including the BP prior to the incentive trip. If you are a Bronze PD, you must maintain a Bronze Leadership level. If you are a Silver, you must maintain Silver Leadership level and so on.
- iii. Be on auto order\* each BP for 100PV or more in products from BP6, 2015 through BP13, 2015 and also have a cumulative PV of 1,200 from BP2-BP13, 2015.
- iv. A maximum of 65% of the required growth will be considered from any one leg. 31,200 of the required growth must be from GPV from any one leg.
- v. One-third of the required growth can come from GPV from Member sales. Two thirds or more of the required growth must be from GPV from Associate sales.
- vi. Associates must be a minimum of a Presidential Director in the BP preceding the travel dates in order to attend the trip.

\*For the US and Canada, a 100 PV auto order is required. For Mexico, any 100 PV order will be required. Auto order is not required to purchase Mannatech Products. It is a convenient way to order products.

#### THE INCENTIVE PACKAGE INCLUDES:

Participants have the opportunity to earn a trip to Mayan Riviera, Mexico. The 2015 Mayan Riviera Incentive Packages include the following tiered awards for the winners ("Contest Qualifiers") based on GPV growth attainment. All other requirements of the trip must be met.

## 100% of Target Growth or Higher requirements defined in #2 in this document.

- 1. Mayan Riviera Resort hotel accommodations for two (2) individuals (at least one individual must be the Contest Qualifier) for four (4) nights at the all-inclusive resort.
- 2. Round-trip coach airfare for two (2) individuals (at least one individual must be the Contest Qualifier) from the United States, Canada or Mexico and round-trip airport transfers to and from the Mayan Riviera Airport and hotel. Airline ticket vouchers will not exceed \$600 per airline ticket.
- 3. Corporate-sponsored entertainment/activities.

# 99% - 89% of Target Growth plus other requirements defined in #2 in this document.

1. Mayan Riviera Resort hotel accommodations for two (2) individuals (at least one individual

- must be the Contest Qualifier) for four (4) nights at the all-inclusive resort.
- 2. Round-trip coach airfare for one (1) Qualifier from the United States, Canada or Mexico and round-trip airport transfers to and from the Mayan Riviera airport and hotel. Airline tickets will not exceed \$600 per airline ticket.
- 3. Corporate-sponsored entertainment/activities.

## 88% - 78% of Target Growth plus requirements defined in # 2 in this document.

- 1. Mayan Riviera Resort hotel accommodations for two (2) individuals (at least one individual must be the Contest Qualifier for four (4) nights at the all-inclusive resort.
- 2. Round-trip airport transfers to and from the Mayan Riviera Airport and hotel.
- 3. Corporate-sponsored entertainment/activities.

### **3BP CHALLENGE:**

In addition to the 2015 Mayan Riviera Challenge, every 3 consecutive BPs during the Mayan Riviera Promotion (BP2- BP13, 2015), Mannatech will provide Participants the opportunity to win additional prizes from the Participants' business results as they grow their business and strive for the ultimate goal of the Mayan Riviera Incentive Promotion. The four, 3BP challenge periods are as follows:

Challenge 1 (BP2-BP4)

Challenge 2 (BP5-BP7)

Challenge 3 (BP8-BP10)

Challenge 4 (BP11-BP13)

Participants may win top-up prizes for the Mayan Riviera Challenge, including hotel upgrades, once-in-a-lifetime chances to swim with the whale sharks in Mexico, spa days for the Contest Qualifier and a guest, weekend getaways, room upgrades or room credit, travel vouchers and much more.

Participants will be ranked for both auto order growth and enrollment pack growth (An AO for the next BP must accompany an enrollment pack order to count) from personally enrolled Associates during each 3 BP-competition challenge period. Each will be weighted equally. There will be one top winner (three earners) from each Leadership level (National Director, Executive Director and Presidential Director) in each Challenge (challenge periods described above) who will earn a \$1,500 travel voucher to spend on travel to places like Vail, San Francisco, Florida, New York, Vancouver, Banff or for a weekend getaway in your home town. Mannatech will promote specific destinations during the Promotion in which the \$1,500 will cover costs.

The top 10 winners overall from all Leadership levels will be able to select one prize from the following top-up prizes. Prizes may be selected up to 30 days after the incentive winners are announced as some of the prizes are based on qualifying for the Mayan Riviera Challenge. Winners of the travel voucher are not eligible for the top winner prize in the BP Challenge in which they earned a travel voucher.

- i. Two Excursions to swim with the whale sharks in the Mayan Riviera (value \$600)
- ii. Couples Massage and Pampering / Spa Day in the Mayan Riviera (value \$600)
- iii. Ipad (Value \$400)
- iv. Travel Voucher for \$400 (Value \$400)
- v. Upgrade room view at the Mayan Riviera (Value \$600)

# **OFFICIAL RULES:**

- 1. BY ENTERING THIS PROMOTION, PARTICIPANTS ACCEPT AND AGREE TO BE BOUND BY THESE OFFICIAL RULES ("RULES"). FURTHERMORE, ANY VIOLATION OF THESE RULES BY THE PARTICIPANT MAY, AT MANNATECH'S SOLE DISCRETION, RESULT IN DISQUALIFICATION. ALL DECISIONS OF MANNATECH REGARDING THIS PROMOTION ARE FINAL AND BINDING IN ALL RESPECTS.
- 2. Only Active and Qualifying Associates (Associates who have a minimum of 100PV in each of the qualifying

Business Periods and who are in Good Standing during the Promotion Period are eligible to earn the incentive. An Associate in "Good Standing" is one who has renewed his or her position as required and is not the subject of a final Compliance Committee disposition (i.e., the appeal period has expired and/or a final compliance appeal disposition has occurred)). See Associate Disciplinary Procedures in sections 6.12 and 6.13 of the Associate Policies and Procedures.

- 3. GPV growth will not be considered from the result of an existing Associate sponsor transfer, override or country transfer.
- 4. Prior to the official notification of qualification to Participants, all qualification information provided by Mannatech is unofficial and subject to change and verification by Mannatech. If the Participant falls below the Qualification Criteria, the Incentive Package will not be awarded.
- 5. Mannatech assumes no responsibility for notifying Participants of any returns or cancellations within their organization that affect point totals.
- 6. We recommend (but do not require) that Participants keep track of their progress. Inquiries to research an account must be in writing and received by Mannatech's Incentives Department by February 29, 2016 to be considered for review. Any discrepancy received after the February 29, 2016 deadline will not be considered for approval.
- 7. Contest Qualifiers are not finalized until the end of the Promotion Period. All determinations/decisions are solely at Mannatech's discretion.
- 8. Incentive Packages are not transferable and may not be given away or sold. Incentive Packages may not be transferred to another Mannatech Associate, family member, friend, etc. Only the names on the account are eligible to redeem the trip. Business accounts must have a registered contact name.
- 9. Travel visas must be valid for the trip prior to the issuance of airline tickets. Mannatech will not be responsible for any travel visas for any Contest Qualifiers and his/her guest(s).
- 10. Product Orders used to qualify for the Incentives may not be returned if the Incentive has been awarded. If products are returned prior to receipt of an award, GPV earned for the returned product will be deducted.
- 11. Only one (1) Incentive Package may be earned per Mannatech SSN, SIN, EIN or CRUP. Upon sign-up, the SSN, SIN, EIN or CRUP will be tracked for duplication and authenticity at the time of sign-up. The 2015 Mayan Riviera Incentive Package will be awarded to the Participant named on the Mannatech account at the end of the Qualification Period. In no event may a participant receive more than one (1) 2015 Mayan Riviera Incentive Package. If the Participant has more than one account in his/her name, he or she may only qualify for one (1) package.
- 12. If a shared position qualifies for the Incentive Package, the joint owner of the position may be the guest. Each person listed on the account is not entitled to bring a guest. If one of the joint account owners chooses not to attend, a guest may be invited.
- 13. Mannatech, in its sole discretion, reserves the right to substitute the 2015 Mayan Riviera Incentive Package destination for one of equal or greater value for any individual Contest Qualifier or the entire group of Contest Qualifiers.
- 14. Contest Qualifiers will be notified on or before February 1, 2016 at the last known mailing address or email at the last known address for those who have VALID email accounts on file with Mannatech. If either notification is returned as non-deliverable, the Incentive Package may be forfeited. The notifications will include a link to the registration website as well as instructions on how to complete the registration process.
- 15. Participants with excessive returns of products in their organization may be disqualified from the promotion. If there are any excessive returns in the 12 months following the trip qualification that would have affected qualification for the trip or Incentive Package, then Mannatech has the right not to accept the returns and/ or the Associate agrees to reimburse Mannatech for the cost of the trip or Incentive Package and any other recognition received by the Associate, at Mannatech's discretion. Mannatech reserves the right, in its sole discretion, to determine what constitutes excessive returns.
- 16. Participants must meet all Eligibility Requirements. Mannatech's determinations and decisions are final on all matters related to this 2015 Mayan Riviera Incentive.
- 17. Promotion must be 18 years of age or older at the start of the Incentive Promotion Period to

- participate. If the Participant is under the age of 18 years old, a parent or legal guardian must also be named on the account.
- 18. Participants must be a resident of the United States, Mexico or Canada in order to participate and must be able to show proof, excluding residents of Quebec. All other entries will be disqualified. Transfer of qualification to another country for the purpose of qualifying for this Incentive is prohibited. Only active Independent Associates in Good Standing during the Promotion Period and at the time the Incentive Packages are awarded are eligible to enter or receive an Incentive Package. This Promotion is void where prohibited by law.
- 19. Online Verification of Age will be **REQUIRED** prior to completion of the registration. If it is found that the Contest Qualifier was not at least 18 years of age at the start of the Qualification Period, the Incentive Package WILL BE forfeited and may not be transferred to a legal guardian or parent.
- 20. An online Release of Liability must be accepted when registering in order for a resort reservation to be made and/or airfare booked. The trip will not be awarded without acceptance of this release.
- 21. Registration for the Incentive, acceptance of the online Release of Liability and Online Verification of Age must be completed and submitted to Mannatech. Deadlines for this will be announced at a later date.
- 22. The 2015 Mayan Riviera Incentive Packages are awarded to Contest Qualifiers.
- 23. The 2015 Mayan Riviera Incentive Packages must be taken on the dates specified by Mannatech or it will be forfeited.
- 24. If the Contest Qualifier chooses not to accept the Incentive Package earned, **no cash will be awarded** and the Incentive Package will be forfeited.
- 25. All applicable taxes are the responsibility of the Contest Qualifier. Contest Qualifiers in the United States, Mexico and Canada will have the value of the package included in their 1099, T4A and MR (Approximate minimum value is USD \$4,500 including Travel subsidy if applicable). If the Contest Qualifier cancels after tickets are issued and hotel rooms are booked, the Contest Qualifier will be issued a 1099, T4A and MR on the expenses incurred regardless if the Incentive Package is actually taken.
- 26. Not-for-profit or government agencies should consult a tax attorney prior to participation. By entering, Participants consent to the use of their name and likeness for publicity and promotional purposes by Mannatech without additional compensation, unless prohibited by law.
- 27. Passports are required for ALL travelers regardless of age. There may be special restrictions for parents traveling with minor children. Please contact your local consulate for travel requirements outside of the United States, Canada and Mexico.
- 28. Participants' enrollments will be audited throughout the Promotion Period.
- 29. Mannatech reserves the right to cancel or modify this Incentive program as determined by Mannatech at its sole discretion.
- 30. No purchase necessary.
- 31. Any indication of manipulation regarding qualification criteria will disqualify any Participant attempting to benefit from the action. This includes sponsoring manipulation, adding members and or accounts of people that do not exist, buying in volume for qualification purposes on downline accounts.
- 32. Mannatech, at its sole discretion, may disqualify any Participant from participating in the Promotion, refuse to reward points and or Incentive Packages and require the return of Incentive Packages if Participant engages in any conduct Mannatech deems improper, unfair, or otherwise adverse to the operation of the incentives
- or detrimental to other entrants. Such improper conduct includes but is not limited to, falsifying personal information before, during or after the Promotion Period of the Promotion.
- 33. Any attempts to avoid compliance with these rules or with the Associate Agreement may result in an automatic disqualification from the contest in addition to sanctions under the Associate Agreement. If a Contest Qualifier voluntarily or involuntarily terminates his or her distributorship under the terms of the Associate Agreement before the trip, he or she will forfeit the right to an Incentive Package.
- 34. Once a Contest Qualifier has registered for the trip and airfare is booked, any cancellations could forfeit his or her chance to participate in any future Mannatech incentive programs and will forfeit his or her

- attendance on this trip. A cancellation will be treated as final.
- 35. Guests of the contest qualifier may not be a Mannatech Associate or a Mannatech Member unless they are a family member. A guest may not attend the trip without the qualifier.

## **DEFINITIONS:**

- 1. Active Associates Associates who have a minimum order of 100 Qualifying Volume (QV) in each of the Business Periods (BP) during the Promotion Period and the position must be duly renewed.
- 2. Associate in Good Standing one who has (1) renewed his or her position as required by the Company and (2) has not received a final compliance sanction precluding the Associate from participating in events and/ or receiving recognition. A "Compliance Sanction" is considered final when (1) a ruling by the Compliance Committee is not appealed or (2) when an appealed compliance matter is decided by the Appeal Panel.
- 3. Qualified Associate (QA) an Associate who has at least 100 QV in the business period. A Qualified All-Star Associate must renew annually to maintain all All-Star privileges. Preferred Associates, including non-renewal for new All-Star Associates, must simply maintain 100 QV each business period to reclaim qualified status.
- 4. Qualifying Order A product order that has a minimum of 100 PV.
- 5. Point Volume (PV) Points assigned to every product for the purpose of bonus qualifications.
- 6. Group Point Volume (GPV) The total PPV earned from all Associates and members in your downline, in one business period
- 7. Automatic Order An optional product order that is automatically generated from the start date selected. Automatic Orders are processed every 28 days for Associates and every 30 days for Members.
- 8. Leg GPV (Leg Group Point Volume) Leg GPV is the total Group Point Volume under an entire leg of your organization. Leg GPV includes member volume for Leadership purposes.
- 9. Leg A personally sponsored Associate and his or her entire downline structure.
- 10. Baseline Volume The starting GPV used to calculate qualifications for the period of the Incentive. For purposes of this Incentive, the cumulative GPV Baseline Volume is from BP2, 2014 through BP13, 2014 excluding Presidential Director GPV where applicable.
- 11. Presidential Leg A leg containing a qualified Presidential Associate
- 12. Downline Consists of all the Associates/Members enrolled or sponsored by an Associate/Member or by other Associates/Members in their team or organization.
- 13. Strongest Leg The leg with the highest GPV.
- 14. Eligibility Requirements Contest Qualifiers must be a Qualified Associate in Good Standing and a resident of US, Canada, or Mexico. Contest Qualifiers must be 18 at the beginning of the promotion and also meet or exceed the requirements defined in the Qualification Requirement section of this rules document.
- 15. Contest Qualifiers A Qualified Associate who has met the minimum requirements of the 2015 Mayan Riviera Challenge Incentive.

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