



New Compensation Plan FAQ's

General

- **Why are we changing the compensation plan?**
 - So that we can have the most attractive and competitive Compensation Plan in the industry.
- **When will the change happen?**

The go-live launch date for the new Compensation Plan will be on July 1, 2017.
- **Will we still have 13 business periods?**

Beginning July 1, 2017, we will move to a convenient monthly calendar for everyone.
- **Is there any Compensation Plan information posted online?**

Please visit library.mannatech.com/compensation.
- **Will my Qualifying Volume need to change?**

We do not have a Qualifying Volume requirement anymore
- **What is Commissionable Volume (CV) Globally?**

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 vary from 75-95% of the Associate/Preferred Customer price. There is NO other use or application for CV.
- **I heard this is a “Do Something Plan.” Does that mean that if I don’t do something each month, I won’t earn any income?**

We have enticing rewards in the new plan for those wanting to operate a business. For those retiring and unable to continue their prior efforts, they still enjoy their Organizational Rewards. Mannatech is very fair and we know that this plan will help reward you in the right way as you help the Mannatech Mission.

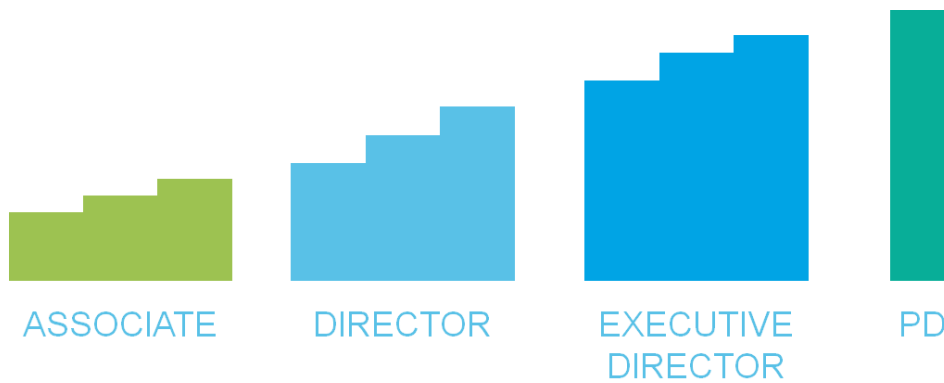
New Leadership Positions

- **Why are there so many new positions in the plan?**

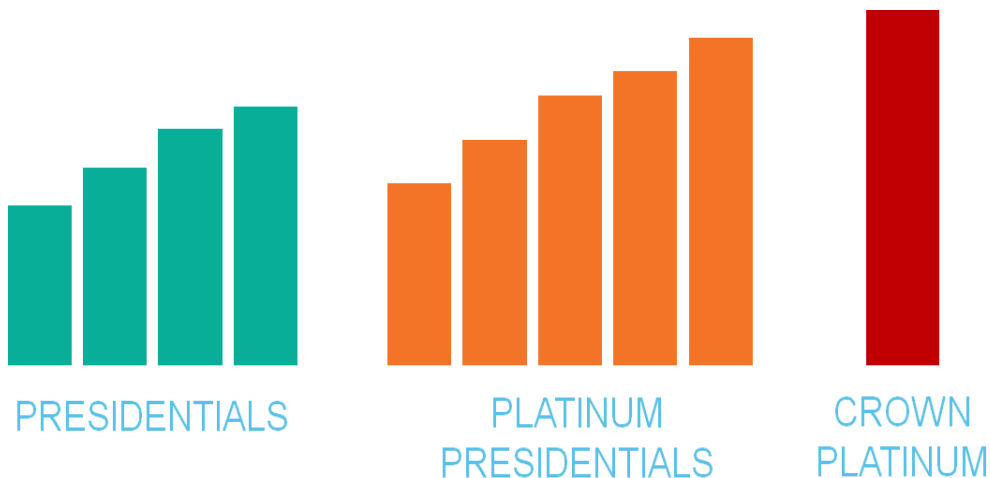
We want to make sure that your income will grow as your organizational volume grows. To be fair, we’ve made sure that the advancements between positions make sense.
- **What are the actual title names of the ranks?**

Our plan starts with Associate, Director, Executive Director and Presidential Director ranks. We call that the Pathway to Presidential. **Please see the Compensation Plan presentation for a complete listing of all ranks.**
- **The qualification rules seem complicated; will I have time to adapt?**

Yes. We have a transition plan that helps with moving into the new plan in the first six months. We will be relaxing certain qualifications, and we will support our leaders as they learn the new qualification rules.



However, we do not stop there. We now have a pathway to Crown Presidential.



Customer bonuses:

- What is PPV?**
 Personal Point Volume is simply what you as an Associate buy, plus all the volume from the Preferred Customers in your personal circle. Whatever that volume is, we consider that as your PPV.
- Can I earn on my own order? Does my volume count?**
 Yes, your volume counts and you can earn the Power Seller Bonus on your own order! We have a tiered reward up to 15% for your PPV, which does include your order.
- What happens to my current Members?**
 They are automatically converted from Members to Preferred Customers in the new compensation plan. Organizationally speaking, they are simply moved from level 1 beneath their Associate up to the side of the Associate in their Personal Circle. Preferred Customers will receive an additional 5 percent discount on Mannatech's products in the new compensation plan, compared to the Member discount in the old compensation plan. Preferred Customers do not participate in the Compensation Plan, but they can participate in the Loyalty Program if they choose.
- Will my Associates, who are really customers, automatically convert to Preferred Customers?**
 To be fair, we will be leaving all Existing Accounts as they are today. We will not remove any accounts, but Members will become Preferred Customers. It will all take place behind the scenes for you, and you do not have to do anything about your account.

Autoship Qualified Bonus:

- **To earn the Autoship Qualified Team Bonus, can my two Associates who are AQ Personal qualified, be in the same leg?**
Yes, that is fine. The key is that you enrolled the Associates who are doing the **AQ Personal** so that you can have your **AQ Team**.
- **What if I have more than two Associates I've enrolled who earn the AQ Personal, can I earn more than R4,400 AQ Team?**
No, the **AQ Personal** and **AQ Team** Bonuses are one-time earnings per Associate in a month.

First Order Bonus

- **What is a First Order?**
It is a new person joining Mannatech as an Associate that chooses a Value Bundle offering. It will be very easy to get what you want, when you want it.
- **Does a new Associate have to buy a Product Value Bundle?**
No, a new Associate can purchase what they want. However, the value in the bundle is an experience that most cannot pass up!
- **Will those Value Bundles be available to Preferred Customers?**
Yes, we are offering them to Preferred Customers at the same price as an Associate for convenience. The **First Order Bonus** only pays out to the Enroller when an Associate purchases a Value Bundle though.
- **What happens on the second order?**
On the second order and beyond, we go back to the normal way we pay commissions by using full Commissionable Volume (CV).

Mentor Bonus:

- **Do I earn the Mentor Bonus just one time?**
No, the **Mentor** bonuses pay monthly!
- **Does the Mentor Bonus pay to the Enroller or the Sponsor?**
Mentor bonuses pay to the Enroller; the person who told that Leader about Mannatech Inc.
- **What if the Enroller isn't active, does the Mentor Bonus roll up to someone else?**
There is no roll up for the **Mentor** Bonus.
- **What happens when the person I enroll qualifies as Silver Executive Director (10K in DPV)?**
This is first leadership level that begins to earn **Leader Check Match**.

Uni-level Payout/Infinity Bonus:

- **Why does the Uni-Level Bonus not pay the same percentage at each leadership level?**
We reward effort appropriately by increasing the percentages earned on volume as you advance in leadership level.
- **How do I earn the Uni-level Bonus percentages in the new plan?**
Commissionable Volume (CV) is what Mannatech Inc. sets aside when an order is placed in order to pay out our Rewards and Bonuses. Your percentage is on the CV so you know what you are earning.
- **As a PD, am I only paid on seven levels?**

No, in addition to earning on level 1-7, you can also earn 1% of the CV on level 8 and beyond, infinitely deep in your largest leg. That largest leg is defined monthly as the leg with the highest amount volume.

- **Does Uni-level Payout use compression?**

Yes, we compress on zero PPV.

- **What's the difference between Big Leg Infinity and Side Volume Infinity?**

The **Big Leg Infinity** pays 1% on the CV in the volume beneath **Uni-levels** on their largest leg with the most volume. That is for Executive Directors (6,000 in DPV) all the way to Bronze PD (80,000 in DPV). For Silver PD and above, they earn 1% on the CV in the volume beneath **Uni-levels** in all legs but the biggest. For example, if leg 1 had 100,000 in volume and no other leg was that high in volume, then a Silver PD and above would earn the **Side Volume Infinity** on legs 2, 3, 4, etc.

- **What do the caps mean?**

Caps mean that there is a limit to the **Infinity Bonus**. Whatever is the smallest figure is what is paid. The higher in leadership level, the higher the caps earned. However, 1* Platinum PD's and above have no cap at all!

Leader Check Match:

- **How do I earn the Leader Check Match in the new plan?**

Leader Check Match pays you on a leader beneath you. It pays you what the Leader earned in **Uni-level** and the **Infinity Bonus**.

- **Can I only earn Leader Check Match on one of my leaders if I was the Enroller?**

No, **Leader Check Match** is on all your leaders up to the Generation level you earn through leadership level advancement. The higher the leadership level achieved, the greater the Generations you earn.

- **What are the generations? Does it matter what level the leader is on?**

Generations are achieved when you break a leader of Silver Executive Director (10,000 in DPV) or higher beneath you. No, it does not matter what leadership level beneath you the Leader is to you. You earn on all your leaders up to the generation depth achieved for your leadership level.

- **Do Executive Directors (6,000 in DPV) create generations?**

No, all the Executive Directors are included into your Generation automatically. They do not take up a Generation in the **Leader Check Match**.

- **How do the caps work for Check Match?**

In order to be fair and not pay too much for too little, or vice versa, we put a cap on each leader. Each check you match has that cap. Whatever the cap, that is the most you can earn per person. The caps are to be fair to the Upline and to everyone. For example, if a lower rank leader had a 1* PPD beneath them, we wouldn't want to match that check fully or there would be nothing left to pay Upline.

Global Pool Bonus:

- **Do we have to have three First Order Product Value bundles sold to qualify for the Global Pool Bonus each month?**

No, you just need three First Order Product Value Bundles sold every three months to earn the **Global Pool Bonus**. One month could double up if you missed the prior month.

- **If I qualify as Gold PD twice, but drop to Silver PD, do I receive any shares in the Global Pool Bonus?**

Sure, we take the lowest rank achieved in the three-month window and apply the shares of that rank. In this example, you would earn the Silver PD share.

- **What if I am a new Silver PD on July 1, do I have to wait until I qualify three months in a row before I earn the Global Pool Bonus?**

No, we automatically give new leaders in a rank the **Global Pool Bonus** share amount for that new rank. You get it twice automatically the first two times you achieve that new level and then the consistency requirement takes effect because you now have a three-month window for that rank we can recognize.

Miscellaneous:

- **How do I qualify for commissions?**

Associates qualify to earn commissions by achieving leadership level rank requirements in three ways. First, they achieve the Personal Point Volume (PPV) requirement. Then, they achieve the Group Point Volume requirement (GPV) and finally, they achieve the Downline Point Volume Requirement (DPV). These specific requirements are different depending on which leadership level you are working toward. We have 18 leadership levels for you to work toward. As you rise in the leadership level ranks, you enjoy higher percentages on volume and bigger caps on bonuses. To see the specific PPV, GPV and DPV requirements for each leadership level, please refer to the charts below.

- **What kind of customer compensation do you offer?**

Power Sellers Bonus – This is a tiered bonus based on your volume plus all of your Preferred Customer volume in your personal circle. (In the new plan, your Members on your first level become your Preferred Customers to your side in your personal circle.) That is what we call Personal Point Volume or PPV. You can get up to 15% of the Commissionable Volume of your personal circle orders with the Power Sellers Bonus. It can be any type of order too. It doesn't have to be an Auto Ship order to count. No minimum volumes on those orders either. This is a great reward for your Preferred Customer sales!

Autoship Qualified Bonus (Personal and Team) – This is a reward for Associates who get Preferred Customers on a 100 PPV or greater Auto Order. If you get 5 preferred customers with 100 PPV auto order within one month, you will earn R1,105 AutoQual Bonus that month. In addition, if you have two personally enrolled Associates that also earn their R1,105 AutoQual Bonus within the same month you will earn an additional R4,400 AutoQual Team Bonus that month. We are rewarding you for Preferred Customer Auto Orders with those bonuses.

- **What organizational rewards are offered?**

Our **First Order Bonus** rewards you for sales of Value Bundles in your Organization. The **Mentor Bonus** rewards you for Enrolling Associates that climb up the Leadership Path. Our **Uni-level** and **Infinity Bonus** plan rewards you for volume up close to you and deep down in your organization. We have enhanced the rewards for depth in your organization with our **Leadership Check Match** Bonuses where you get to match what leaders in your organization make monthly. We even have a **Global Pool Bonus** that is derived from 1% of the Global Finished Product Sales for our highest Leadership Rank achievements.

- **What are the requirements for the Leadership Path?**

		Silver Associate SA	Gold Associate GA	Director D	Silver Director SD	Gold Director GD	Executive Director E
Transition PPV		100 PPV	100 PPV	150 PPV	150 PPV	150 PPV	150 PPV
DPV		300	750	1,500	2,500	4,000	6,000
DPV - Max Leg	60/40	180	450	900	1,500	2,400	3,600
Transition Active Legs (100 PPV = Active)		2	2	2	2	2	2

	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
Transition PPV	150	150	150	150	150	150	150	150	150	150	150	150
DPV	10K	20K	40K	80K	160K	240K	320K	640K	1.25M	2.5M	5M	10M
Max Leg 70/30	7K	14K	28K	56K	112K	168K	224K	448K	875K	1.75M	3.5M	7M
Transition Active Legs	2	3	3	3	3	3	4	4	4	4	4	4

- **When Will Success Tracker be updated to reflect the new compensation plan updates?**
There are a few critical reports which will be revised with new terminology and data fields by mid-July. Any remaining reports affected will be updated in the weeks there after.