



Compensation Plan

September 1st, 2020

CANADA

rev. 03/2022



**Your Adventure
Begins Now!**

START YOUR JOURNEY TODAY

Life is kind of a big deal, and you want to enjoy everything it has to offer.

It's a gift to live healthy, vibrant and well. And it's one that we want to share with everyone. That's why we've been sharing nature's healing power for nearly 50 years.

Once you feel the difference, you'll want everyone around you to feel it, too. Sharing something that helps you is only natural...and rewarding.

Each of us has different goals and dreams, so it's natural for us to take different paths through life. The beauty of Nature's Sunshine is that no matter what your dreams include, you can achieve them. Let us help!

People just like you earn referral rewards every month simply by sharing products they love with their friends. The first step is the same for everyone...begin.





Plan Overview

GLOBAL SHARING PLAN

Our global sharing plan has two distinct parts that work in harmony—our Consultant plan and our Customer/Affiliate Sharing Plan. Consultants are automatically eligible to participate in both.

OVERVIEW

In today's world, health enthusiasts are passionate about sharing products that they trust and love.

Nature's Sunshine offers a simple way for you to share and earn, no matter how deeply—or not—you want to be involved:

1. Earn retail profits by purchasing products at a Consultant discount and re-selling them.
2. Earn up to 20% rewards on every Customer purchase made by people referred by YOUR Consultants or Customers—no limit!
3. Earn up to 10% rewards on every Customer purchase made by people referred by the customers in the groups of YOUR Consultants—no limit!
4. Earn 5 levels of rewards when your downline Consultants purchase and resell product, with full Dynamic Compression.*

In addition, Consultants are automatically eligible to participate in Nature's Sunshine's Customer/Affiliate Sharing Plan and earn 15% cash referral rewards. These rewards are paid to all Active Consultants based on the sales of Customers they personally refer.**



*Refer to Appendix for term definitions

**Refer to Customer/Affiliate Sharing Plan flyer for details



Our Consultant Plan

HOW IT WORKS

As a Nature's Sunshine Consultant, you'll enjoy the benefits of building a team and earning downline rewards for up to 5 levels of Consultants. You'll also receive Discounts from retail prices and get free shipping on 2 orders per month!

Qualification for benefits (including payments) always starts with sharing or purchase and resale of products. Each product is assigned a value called Purchase Volume (PV), which is based on the product's price and is published on the price list.

Consultants are eligible to participate in both the Customer/Affiliate Sharing Plan as well as this Consultant Plan.

Anyone, including a Customer or Affiliate, may become a Consultant by purchasing a Starter Kit and accepting the Consultant (Independent Distributor) Agreement. Consultant status is granted for 12 months, after which a Consultant may choose to renew by paying a nominal Renewal Fee.

From time to time, Nature's Sunshine may hold promotions that allow Consultants to earn perks, incentives and other opportunities such as:

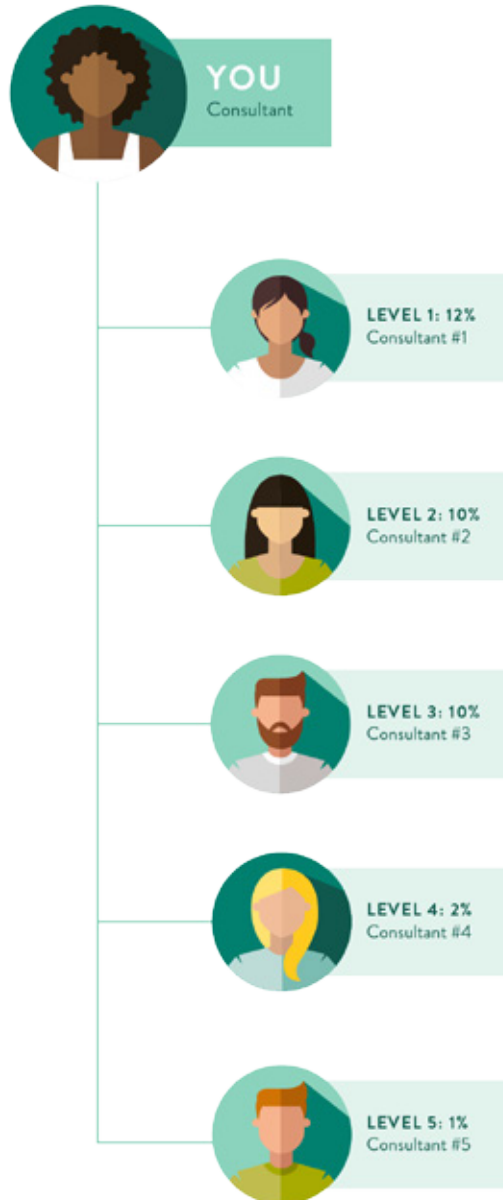
- Convention/Conference
- Regional Meetings
- Incentive travel
- Sales and discounts
- Short-term promotions and offers
- Rank Advancement rewards and recognition

REWARDS

Reward payments are calculated for each Consultant sale based on 3 things:

1. What is the PV amount of the sale?
2. Which Consultants, who are directly upline from the CUSTOMER or CONSULTANT, are qualified this month for payment?
3. How many levels of qualified payees are between the upline Consultant and the Consultant earning PV?

Commissions for Consultant orders are spread to the first 5 upline, qualified Consultants (based on rank), according to a commissions table:



RANK QUALIFICATION

Rank at Nature's Sunshine is granted as Consultants build stable groups of Consultants and Customers. The primary component of rank is the amount of products sold by the downline during a calendar month. Your rank qualification is based on three things: Group Volume (GV), level 1 Group Volume, and having a minimum monthly amount of Total Organizational Volume (TOV).

1. You must have 300-1,000 Group Volume (GV)



- The first 6 ranks only require a total GV of 300.
- The highest ranks require a GV of 1,000.
- A personal purchase is NOT required.
- "Your Customers" include all the customers REFERRED by your directly-sponsored Customers.

2. You must have 300-6,000 Level 1 Group Volume

This is the combined PV of all your Level 1 Consultants and all the Customers in their groups. (This does not include Customers in the group of any other Consultant.)

3. You must have 1,500-1 Million Total Organizational Volume.



RANK/QUALIFICATION REWARDS TABLE

| RANK/QUALIFICATION | CONSULTANT | SENIOR CONSULTANT | DIRECTOR | DIRECTOR 3K | DIRECTOR 6K | EXECUTIVE 12K | EXECUTIVE 25K | EXECUTIVE 50K | PRESIDENTIAL 100K | PRESIDENTIAL 200K | CHAIRMAN'S CLUB 500K | CHAIRMAN'S CLUB 1M |
|--|------------|-------------------|----------|-------------|-------------|---------------|---------------|---------------|-------------------|-------------------|----------------------|--------------------|
| GV/Month (Total of Consultant's own PV + own customers' PV) | -- | 300 | 300 | 300 | 300 | 300 | 300 | 1000 | 1000 | 1000 | 1000 | 1000 |
| Level 1 Group Volume Requirement | -- | -- | 300 | 600 | 1200 | 2400 | 2400 | 4800 | 4800 | 4800 | 6000 | 6000 |
| TOV/Month (Consultant's own PV + Entire Downline PV) | -- | -- | 1,500 | 3k | 6k | 12k | 25k | 50k | 100k | 200k | 500k | 1M |
| LEVEL 1 | -- | 12% | 12% | 12% | 12% | 12% | 12% | 12% | 12% | 12% | 12% | 12% |
| LEVEL 2 | -- | -- | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% |
| LEVEL 3 | -- | -- | -- | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% |
| LEVEL 4 | -- | -- | -- | -- | -- | 2% | 2% | 2% | 2% | 2% | 2% | 2% |
| LEVEL 5 | -- | -- | -- | -- | -- | -- | -- | 1% | 1% | 1% | 1% | 1% |

RANK QUALIFICATION EXAMPLE:

Maria became a Consultant with Nature's Sunshine last year. She often posts discount links on social media, and has referred a number of Customers. Some of her Customers even decided to become Consultants like she is!

Last month, Maria and several of her Customers ordered products from Nature's Sunshine. The total PV of all these purchases was 925—this was her Group Volume (GV). Also, she has referred 3 Consultants—these are the Consultants on her first level. Their total Group Volume was 3,200. And finally, the month's total of all the PV of everyone in her downline was 37,000.

Figuring out Maria's Rank is easy—her Group Volume of 925 exceeds the 300 minimum for all ranks through Executive 25k. With first-level Consultant Group Volume of 3,200, her Level 1 Group Volume exceeds the minimum of 2,400 for Executive 25k. (Note: Maria could've reached this qualification with only 1 first-level Consultant, as long as that Consultant's GV was at least 2,400.) Finally, her TOV of 37,000 is more than enough for her to achieve the Executive 25k Rank (with a requirement of 25,000).

As an Executive 25k, Maria qualifies for Commissions for 4 levels of Consultant purchases.

HOW CAN MARIA ADVANCE IN RANK?

Maria is solidly qualified at her Rank. The next Rank advancement available for her is Executive 50k. To reach this, she just needs to increase her GV to 1,000, her first-level GV to 4,800 and her TOV to 50,000. When she achieves this, she'll begin earning Commissions for any Level 5 Consultants she might have.

Note: According to Plan rules, Consultants earn money 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.

CONSULTANT EARNING OPPORTUNITY FROM CUSTOMER/AFFILIATE SHARING PLAN

Consultants are eligible to earn income when new people in their downline earn referral rewards for sharing with new Customers. They are eligible to earn as the original sharer, or as the first or second upline Consultant of the original sharer.



GET REWARDED WHEN YOUR DOWNLINE CUSTOMERS SHARE

Consultants are eligible to also receive commissions on the sale of Customers who are 2-3 levels removed. Eligible uplines are selected from the immediate upline Consultants who have GV* in the prior month. They are then evaluated for qualification based on rank. Dynamic Compression* is not used. See Rank/Qualifications Rewards table on page 12 to see how Consultants earn rewards.

CUSTOMER SHARING TABLE

| PERSON | REQUIREMENT | PAYMENT | WHEN/HOW |
|--------------------------------|-------------------------------|----------------------|---|
| Sharer | Active Customer or Consultant | 15% of the Purchase* | Calculated Immediately |
| Sharer's Upline Consultant | Senior Consultant | Up to 20% of the PV | 10% Calculated Immediately for Senior Consultant or 15% for Director 3K** |
| Sharer's 2nd Upline Consultant | Director 3K | Up to 10% of the PV | 5% Calculated Immediately** |

*Consultants receive this reward in cash. It is calculated at 15% of the final cost of the purchase, in local currency, before shipping charges and taxes.
 **+5% of PV at month end if upline has new Customer sales of \$200 that month

BUSINESS BUILDING BONUS

The Plan also offers a special additional Business Building Bonus opportunity for Consultants achieving Ranks of Executive 12k and higher. This Bonus is paid monthly, based on the RANK and TOV achieved in the completed month. Advancing in Rank increases the percentage paid through this Bonus, and each Rank has a maximum amount payable.

| NSP CANADA BUSINESS BUILDING BONUS | | |
|------------------------------------|--------------------------------------|------------------|
| RANK | EARNING | MAXIMUM EARNINGS |
| Chairmans Club 1M | Qualified to earn up to 2.00% of TOV | CAD \$5000 |
| Chairmans Club 500K | Qualified to earn up to 1.75% of TOV | CAD \$3750 |
| Presidential 200K | Qualified to earn up to 1.50% of TOV | CAD \$2500 |
| Presidential 100K | Qualified to earn up to 1.25% of TOV | CAD \$2000 |
| Executive 50K | Qualified to earn up to 1.00% of TOV | CAD \$1200 |
| Executive 25K | Qualified to earn up to 0.75% of TOV | CAD \$800 |
| Executive 12K | Qualified to earn up to 0.50% of TOV | CAD \$400 |

VOLUME PRICING CHART

(FOR CONSULTANTS WHO OPERATE A RETAIL BUSINESS)

| MINIMUM ORDER SIZE | DISCOUNT FROM CONSULTANT* PRICE | PV DISCOUNT FACTOR FOR COMMISSION |
|--------------------|---------------------------------|-----------------------------------|
| \$650 | 10% | 0% |
| \$975 | 15% | 20% |
| \$1300 | 20% | 33% |
| \$2600 | 30% | 66% |

Nature's Sunshine separates itself by allowing Consultants (independent distributors) 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.



Appendix

ACTIVE CONSULTANT

A Consultant who has either purchased a Consultant Starter Kit or paid the Renewal Fee within the prior 12 months.

ACTIVE CUSTOMER

A Customer who has referred a new customer or made a personal purchase within the last 90 days.

AFFILIATE

A person who has accepted an affiliate agreement and is therefore eligible to receive any referral rewards in the form of money instead of product credit.

BUSINESS BUILDING BONUS

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COMMISSION

Money earned by a Consultant from the Consultant's downline is considered a commission (i.e., non-employee compensation).

CONSULTANT

An individual who has purchased a Consultant Starter Kit and accepted the Consultant agreement, allowing them to purchase product at Consultant discount prices, has the ability to build a team and is eligible for downline pay.

CONSULTANT STARTER KIT

The collection of sharing-related materials and tools that includes a 12-month Consultant eligibility. Purchasing the Starter Kit and accepting the Consultant agreement upgrades a Customer to a Consultant.

CUSTOMER

An individual who can purchase from Nature's Sunshine directly at the customer price and may participate in the Referral Rewards Program.

CUSTOMER/AFFILIATE SHARING PLAN

The new Plan allows even CUSTOMERS to earn Discounts and income by referring (sponsoring) other Customers to Nature's Sunshine. Earnings are based on the cost of the product in local currency and are calculated immediately (within 30 minutes). In addition to the person who referred the Customer, 2 Upline Consultants also receive payment. See Customer Sharing table for rules..

DISCOUNT

Savings given to any buyer because of either a Discount coupon or offer, or savings given to a Consultant based on the Volume Pricing model.

DYNAMIC COMPRESSION

The process maximizing total payout to 5 qualified Upline Consultants. In the event that an individual upline Consultant does not have the Rank required to receive payment for a certain downline level, Nature's Sunshine will continue to search the upline until a Rank-qualified Consultant is found. This process continues until all 5 levels are paid (the only exception being if no other qualified uplines can be found).

GROUP VOLUME (GV)

Consultant's Purchase Volume (PV) + the PV of ALL the Customers in their group, NOT including any Customers beneath any other Consultants in their downline.

INACTIVE CUSTOMER

A Customer who has not referred any new Customers who have purchased from NSP within the last 90 days or has not purchased from NSP in that time frame.

PURCHASE VOLUME (PV)

Every product available for sale is assigned a PV value, which is listed on the Consultant price list. PV is the basis for all qualifications and payments, and it is awarded when product orders are placed. PV amounts are similar for similar products in each country where NSP operates, allowing true global integration and opportunity.

RANK

A level of leadership granted at a monthly level to a Consultant based on his/her status as a leader, emphasizing Customer sales, first-level Consultants' sales and total downline sales. See Rank table for rules.

REFERRAL REWARDS PROGRAM

Consultants and Customers are eligible to earn income 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 Consultants may also receive payment.

RENEWAL FEE

An annual fee that gives Consultants a 25% Discount from retail price on NSP products, access to their back office, Learning Management System (LMS) access, ability to earn commissions pay from 5 levels in their downline, participation in bonus programs and incentives, and exclusive shipping privileges.

TOTAL ORGANIZATIONAL VOLUME (TOV)

Consultant's PV + the PV of ALL the Consultants and Customers in his/her entire downline.

