



COMPENSATION PLAN

AT A GLANCE

“Our passion has always been changing skin and changing lives...and not just for some, but for everyone. With direct sales, our passion is now a reality!”



The Rodan + Fields® Program is intended to reward you with both immediate and residual income. It offers five different ways to earn and is easy to understand, teach and duplicate.

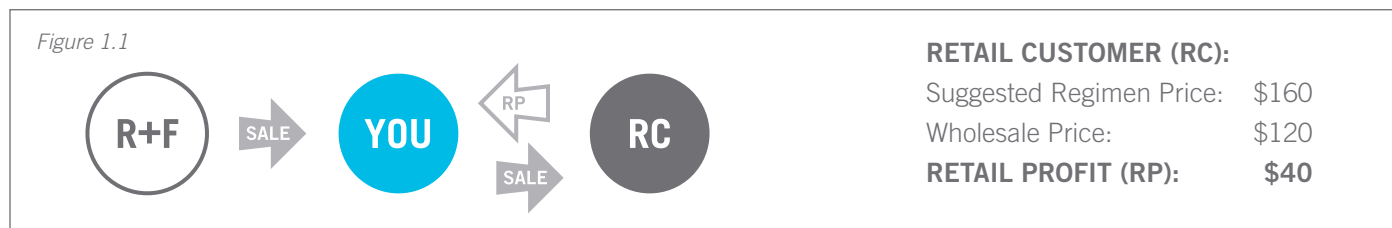
- 1 Retail Profit
- 2 Consultant Commissions
- 3 Personal Team Commissions
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1 Retail Profit

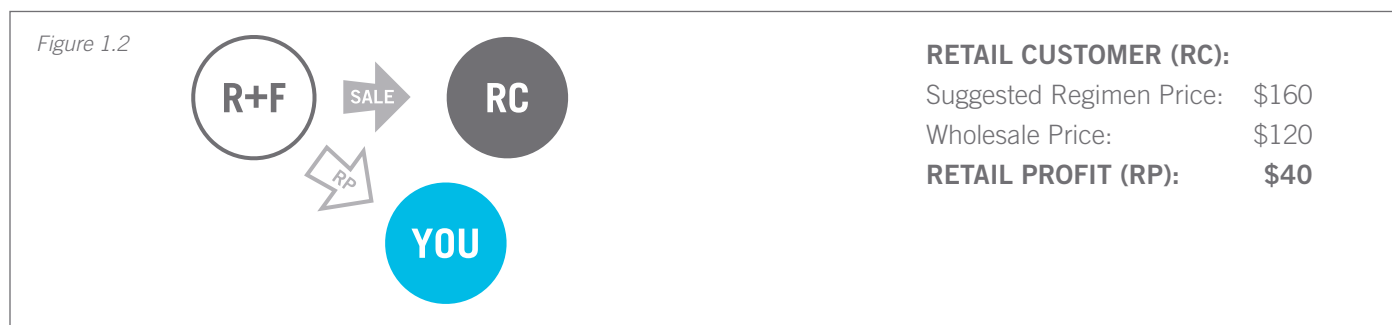
As a Consultant, you have the opportunity to earn *Retail Profit (RP)* through products purchased by retail customers and *Preferred Customers (PCs)*.

RETAIL CUSTOMERS (RC)

A. Earn retail profit through products you purchase directly from Rodan + Fields® at wholesale prices and resell to your customers at suggested retail prices. (see *Figure 1.1*)

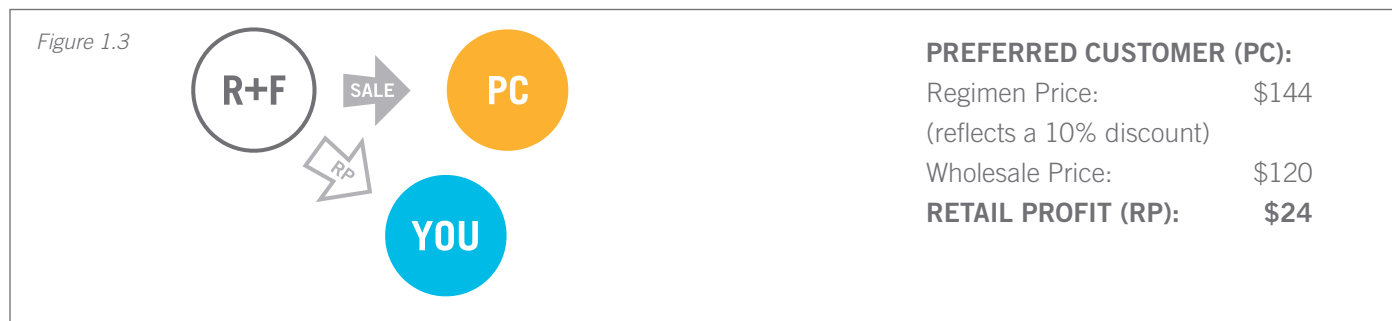


B. Earn retail profit through products purchased by your customers online or by phone directly from Rodan + Fields utilizing your Consultant ID number (see *Figure 1.2*). Rodan + Fields will ship these products directly to your retail customer and pay you the retail profit in your monthly commission check.



PREFERRED CUSTOMERS (PC)

Earn retail profit through products purchased by your PCs directly from Rodan + Fields at the discounted PC price. You earn the difference between the PC and wholesale prices. (see *Figure 1.3*)



Retail Profit: The profit earned by a Consultant completing a sale to a retail customer or Preferred Customer (PC)

Preferred Customer Program: PCs agree to accept a replenishment order every 2 months and enjoy the benefits of:

- FREE shipping and handling on all replenishment orders
- 10% discount on all orders placed
- Great customer service, convenience, and savings

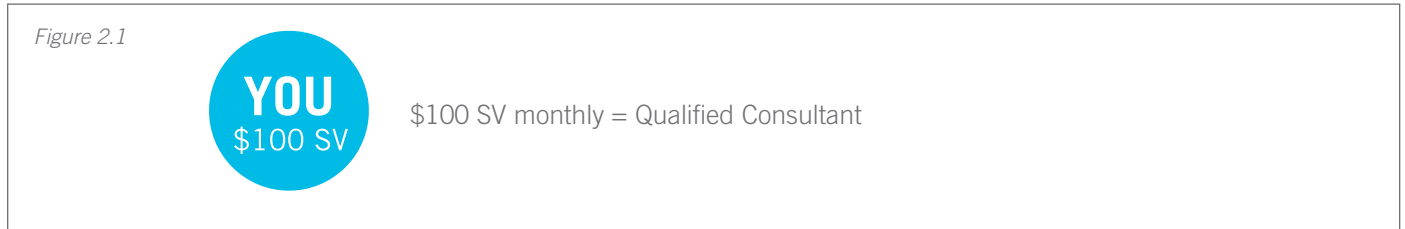
Refer to Preferred Customer Replenishment section of Rodan + Fields Policies and Procedures for more information.

* All examples are for illustrative purposes only.

** Refer to Rodan + Fields Policies and Procedures for complete definitions of all terms.

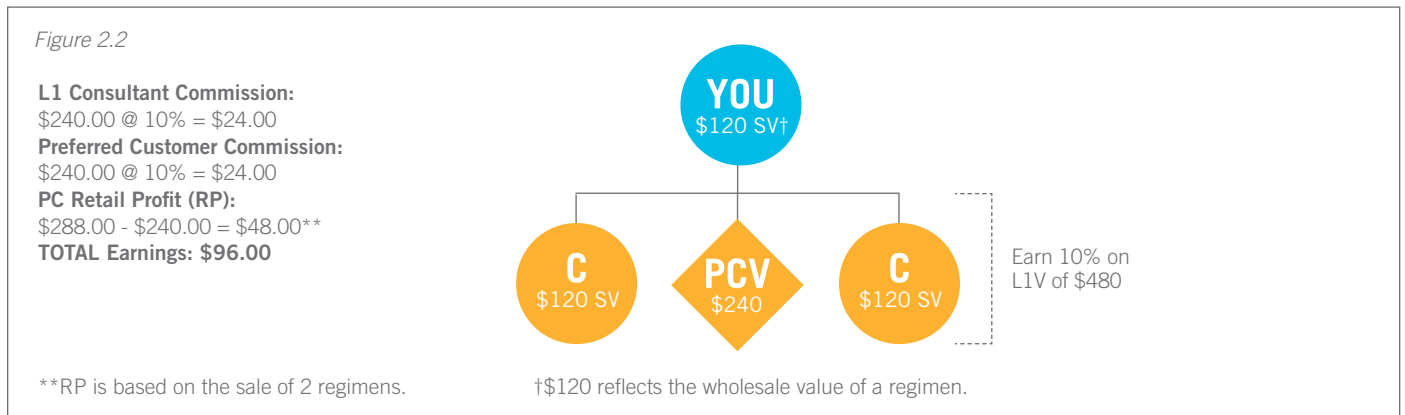
2 Consultant Commissions

When you achieve just \$100 per month in *Sales Volume (SV)* you become a *Qualified Consultant* and have the opportunity to earn Consultant commissions on the monthly purchases of your PCs and the Consultants directly below you. (see *Figure 2.1*)



As a Consultant with your monthly SV requirement met, you may qualify to earn Consultant commissions of 10% on your *Level 1 Volume (L1V)*.

In *Figure 2.2*, by meeting the \$100 SV requirement, you are a qualified Consultant. You generate \$480 in *Commissionable Volume (CV)*: \$240 in *Preferred Customer Volume (PCV)* and \$240 from the SV of the Consultants directly below you. This \$480 makes up your L1V and as a qualified Consultant you earn 10% on that volume.* With PCs, you now earn both retail profit and Consultant commissions.



Sales Volume (SV): The sales volume generated under a Consultant's ID number, which consists of:

- The wholesale volume of the Consultant's personal purchases and/or
- The wholesale volume of purchases made directly from Rodan + Fields by the Consultant's retail customers

Qualified Consultant: A Consultant that achieves the \$100 SV monthly requirement to earn Consultant commissions

Level 1 Volume: L1V consists of:

- The monthly SV of all Consultants directly below a Consultant and
- The wholesale volume of a Consultant's PCs' purchases (PCV)

Consultants directly below a Consultant do not have to be personally sponsored to count toward L1V. See Rodan + Fields® Policies and Procedures for more information

Commissionable Volume (CV): The total monthly purchases, generally but not always, based on wholesale prices, credited to a Consultant for calculation of commissions

Preferred Customer Volume (PCV): The total wholesale volume of a Consultant's PCs' purchases and replenishment shipments

*Consultant does not earn commission on his or her own SV.

3 Personal Team Commissions

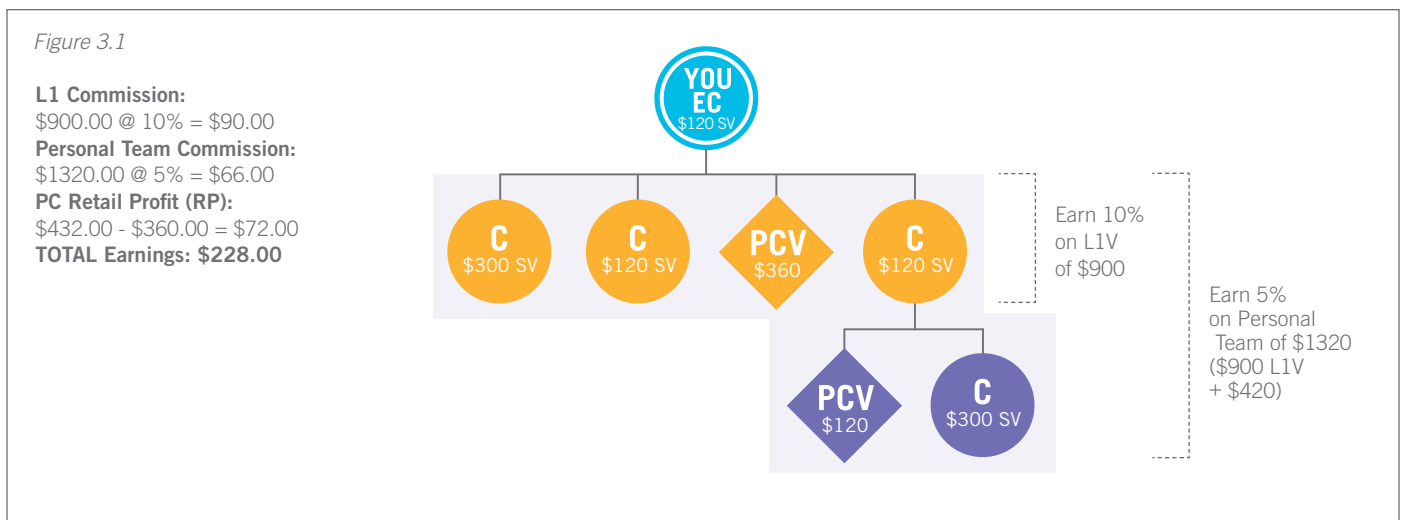
When you achieve a minimum of \$100 SV and \$600 *Personally Sponsored Level 1 Volume (PSL1V)* in a single month, you promote to *Executive Consultant (EC)* in the following month and have the opportunity to earn *Personal Team* commissions in that month and subsequent months.

EC PROMOTION EXAMPLE:

You start the month of May as a Consultant. You qualify as an EC during the month of May and will be paid as a Consultant in May. You will promote in June and will have the opportunity to be paid as an EC on sales made beginning in June.

As a “Paid As” EC, you now earn 15% on your L1V (10% on your L1V plus 5% on your entire Personal Team CV), in addition to retail profit on purchases made by your retail customers and PCs.

In *Figure 3.1*, you are a qualified EC with \$120 SV. You have personally sponsored a new Consultant who started with a business building kit valued at \$300 SV. You have generated PSL1V of \$900: \$360 in PCV and \$540 from the SV of your personally sponsored Consultants. With this volume you have met the \$600 PSL1V requirement and you will be paid as an EC. In addition, one of your personally sponsored Consultants has started to develop his or her own L1V. This volume counts towards your Personal Team CV of \$1320 and begins to grow your first *Downline Leg*.



Personally Sponsored Level 1 Volume (PSL1V): PSL1V consists of:
 -The monthly SV of a Consultant’s personally sponsored Consultants and
 -The wholesale volume of a Consultant’s PCs’ purchases (PCV)

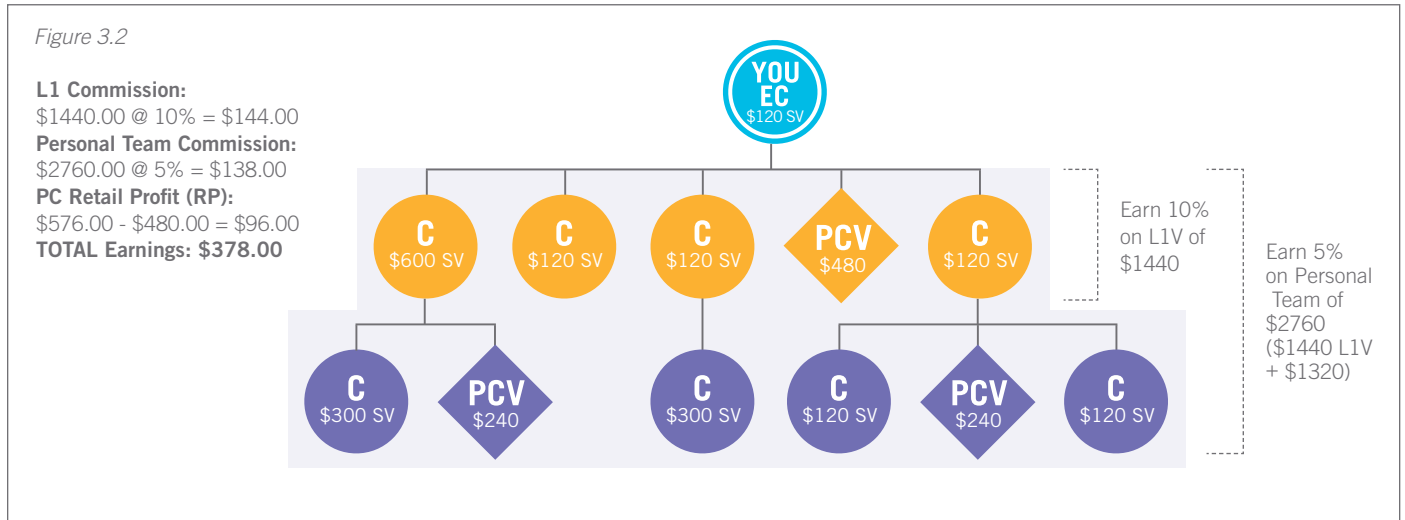
Executive Consultant (EC): To qualify as an EC in any given month, you must achieve:
 - a minimum of \$100 SV and
 - a minimum of \$600 PSL1V

Personal Team: A Consultant’s Personal Team consists of:
 - the Consultant’s PCs
 - the Consultant’s directly and indirectly sponsored Consultants who have not achieved EC status and those Consultants’ PCs
 - the first qualified EC in any downline leg

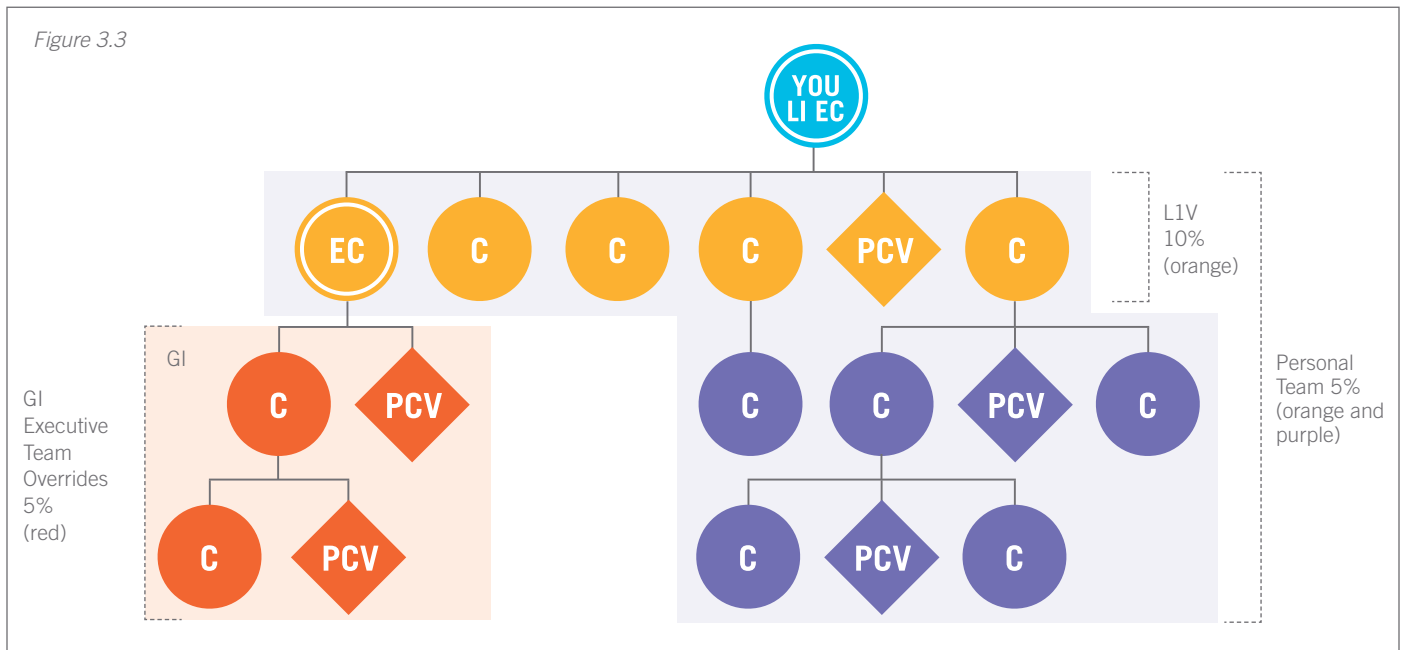
“Paid As” Title: The title level at which a Consultant will be paid based on qualification in the current period. The “paid as” title may be no higher than the Recognition Title, which is the highest title specified in the compensation plan for which a Consultant has qualified in past commission months

Downline Leg: Consists of a Consultant’s personally sponsored Consultant and all volume beneath that personally sponsored Consultant

In *Figure 3.2* (building on *Figure 3.1*) you continue to develop your L1V and exceed the minimum EC requirement of \$100 SV and \$600 PSL1V. Your PCV continues to grow with new activity, in this example now up to \$480, and you consistently sponsor new Consultants, including a Consultant who started with a business building kit valued at \$600 SV. An ever growing L1V reflects activity and growth which, in turn, creates income and increased earning potential.



In *Figure 3.3*, as you continue to build your L1V by signing up new PCs and sponsoring a new Consultant, your Consultants begin to do the same, which grows your Personal Team. As Consultants in your Personal Team promote to EC, you will be eligible for Executive Team Overrides as explained on the following page.



4 Executive Team Overrides

As you grow your team and help others to do the same, you have the opportunity to earn *Executive Team Overrides*. The more *Qualified EC Legs* you create, the higher your leadership level becomes and the more earning potential you can achieve. You have the opportunity to reach leadership levels as high as Level V EC.

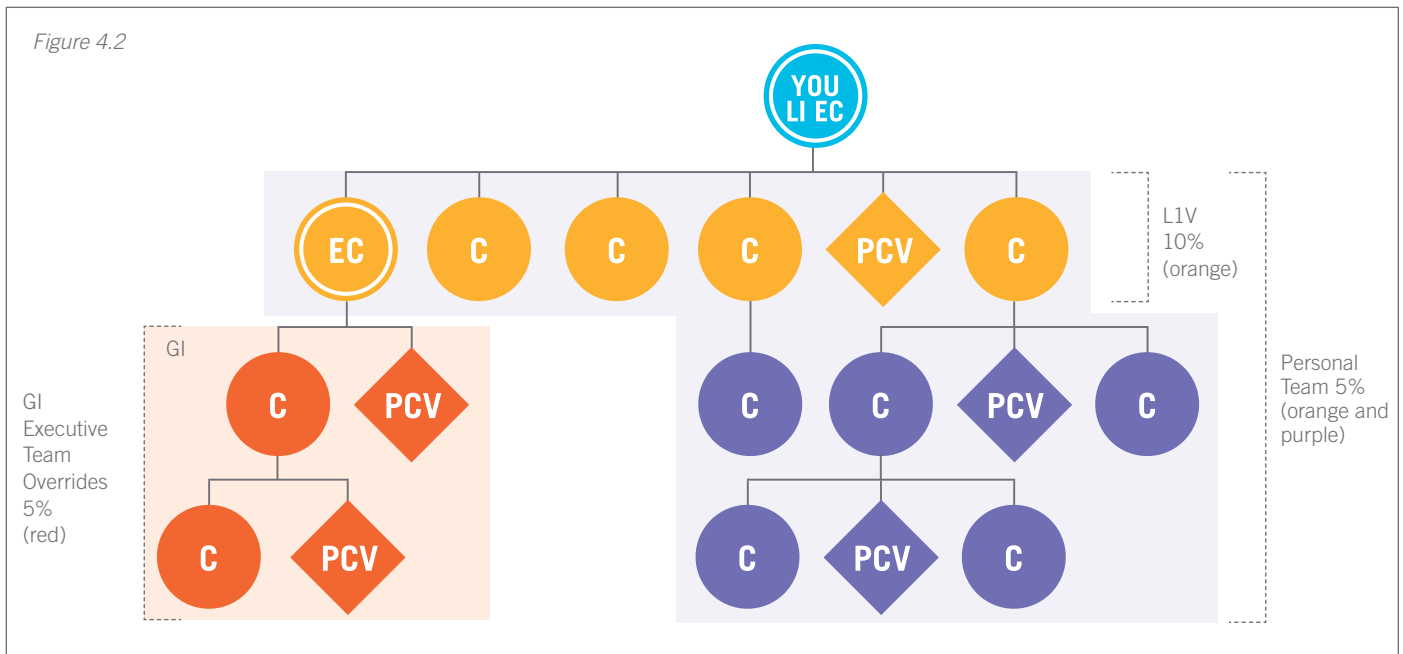
Figure 4.1

LEVEL I EC	= 1 Qualified EC Leg
LEVEL II EC	= 2 Qualified EC Legs
LEVEL III EC	= 4 Qualified EC Legs
LEVEL IV EC	= 6 Qualified EC Legs
LEVEL V EC	= 8 or more Qualified EC Legs

Your level of leadership is determined by the number of qualified EC legs in your Personal Team (see *Figure 4.1*). As your team grows, your width will determine your depth, meaning the number of qualified EC legs will determine your leadership title, which in turn will determine the number of downline *Generations* on which you may earn Executive Team Overrides. You have the ability to earn Executive Team Overrides of 5% on your *Generation Volume* up to and including five generations below your Personal Team.

In *Figure 4.2*, your personally sponsored Consultant promoted to EC. With one qualified EC leg, you have promoted to Level I EC. You may now earn commissions of 15% on your L1V (10% on your L1V plus 5% on your entire Personal Team) and 5% on all CV in your first generation (G1).

Figure 4.2



Executive Team Overrides: The 5% commission earned on Generation Volume (GV) up to and including (but not more than) five Generations below a Consultant's Personal Team

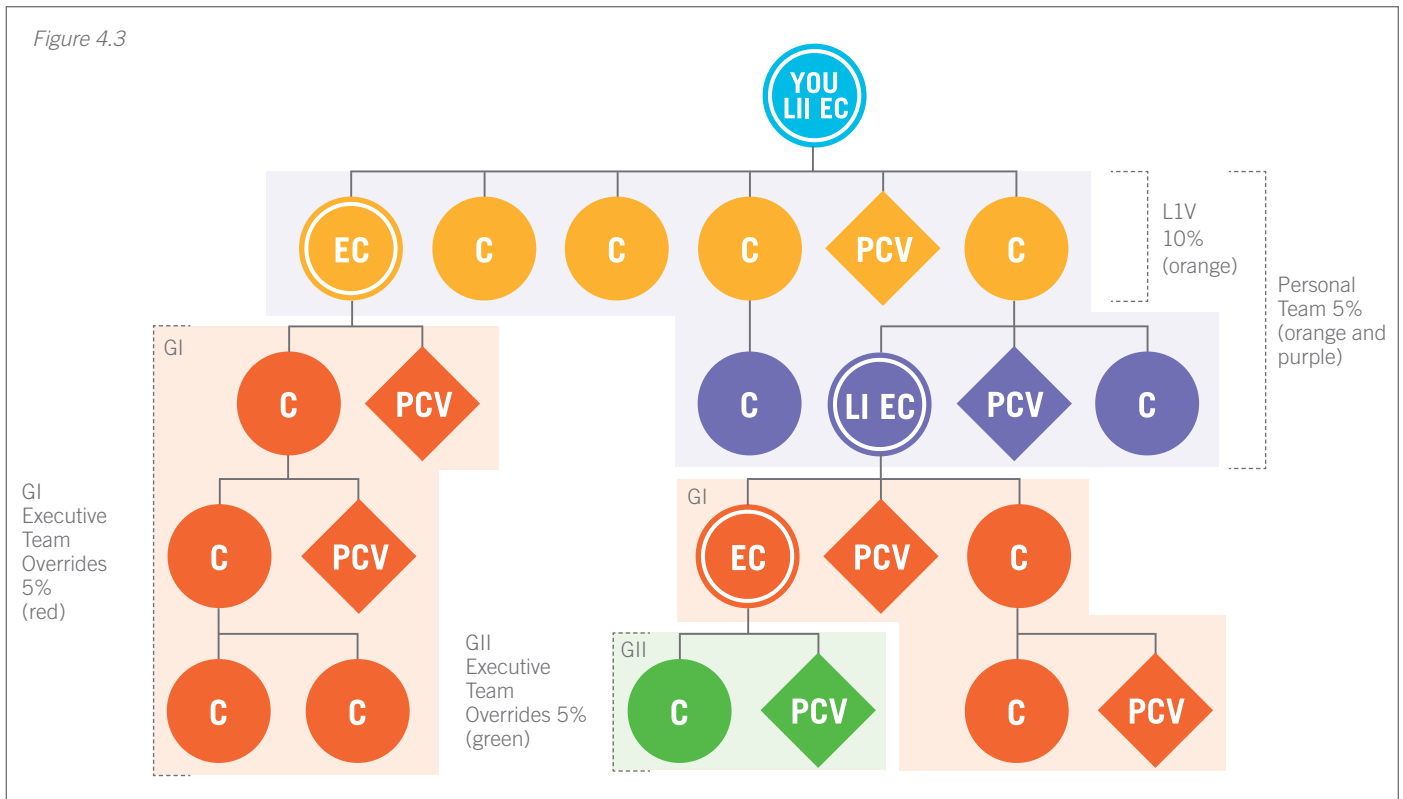
Qualified EC leg: An EC directly or indirectly sponsored beneath a Consultant who has qualified to the title of EC or above and is the first to qualify as an EC in that respective downline leg

Generation: A generation consists of all CV in the downline of an EC up to and including the SV of the next EC. For example, Generation I starts with the L1V (PCV + SV) of each Executive Leg in the Personal Team and continues up to and including the SV of the next EC in each Executive leg. Generation II starts with the L1V of each Executive leg in Generation I and continues up to and including the SV of the next EC in each Executive leg.

Generation Volume: The Commissionable Volume (CV) generated in qualified EC Legs and upon which Executive Team Overrides are calculated

As your team continues to grow, an advantage of our plan is that your qualified EC legs do not have to be personally sponsored. It's not always who you know, but who your Consultants know that can help you build your organization.

As shown in *Figure 4.3*, you now have two qualified EC legs: your personally sponsored EC and an additional downline EC. These two distinct EC legs qualify you as a LII EC and you are eligible to earn Executive Team Overrides of 5% on two generations below your Personal Team.



As your organization continues to grow and duplicate, you have the opportunity to promote to leadership titles as high as Level V EC, and you may earn Executive Team Overrides of 5% on all CV in the five generations below your Personal Team.

Figure 4.4

	L I EC	L II EC	L III EC	L IV EC	L V EC
G I	5%	5%	5%	5%	5%
G II		5%	5%	5%	5%
G III			5%	5%	5%
G IV				5%	5%
G V					5%

5 Performance Bonuses

As you develop your Rodan + Fields® business and advance through the leadership titles, you may become eligible to participate in additional bonus opportunities that are offered from time to time.

Plus, you may continue to build an unlimited number of qualified EC legs for an opportunity to earn commissions and Executive Team Overrides up to and including FIVE generations below your Personal Team. Successful Consultants understand the importance of (and never stop) recruiting and developing new leaders.



Rodan + Fields®

Compensation Plan at a Glance

The Rodan + Fields® compensation plan has been created with one goal in mind...your success. The plan may reward both part-time and full-time efforts. The following table and illustrations present an overview of the earning opportunities associated with individual sales and leadership advancement in the Rodan + Fields Consultant program.

	Consultant	Qualified Consultant	Executive Consultant	Level I Executive	Level II Executive	Level III Executive	Level IV Executive	Level V Executive
Requirements								
Purchase \$45 business portfolio	X	X	X	X	X	X	X	X
Total Sales Volume (SV)		\$100 SV	\$100 SV	\$100 SV	\$100SV	\$100SV	\$100SV	\$100SV
Personally Sponsored Level 1 Volume (PSL1V)			\$600 PSL1V	\$600 PSL1V	\$600 PSL1V	\$600 PSL1V	\$600 PSL1V	\$600 PSL1V
Number of Qualified EC Legs				1	2	4	6	8 or more
Earning Potential								
Retail Profits	X	X	X	X	X	X	X	X
Level 1 (L1) Consultant Commission		10%	10% + 5%	10% + 5%	10% + 5%	10% + 5%	10% + 5%	10% + 5%
Personal Team Commission (below L1)			5%	5%	5%	5%	5%	5%
Generation I Executive Team Overrides				5%	5%	5%	5%	5%
Generation II Executive Team Overrides					5%	5%	5%	5%
Generation III Executive Team Overrides						5%	5%	5%
Generation IV Executive Team Overrides							5%	5%
Generation V Executive Team Overrides								5%

All commission calculations are based on wholesale price (or percentage of wholesale price)

Disclaimer: The examples in this brochure are for illustration purposes only and are not in any way intended to provide business advice. Rodan & Fields, LLC does not guarantee that Consultants participating in the business opportunities described in this brochure will generate any income. As with any business, each Consultant's business results may vary, and will be based on, among other factors, such Consultant's individual capacity, business experience, expertise, and motivation. Readers are cautioned not to place undue reliance on the examples in this brochure and are urged to perform their own due diligence prior to making any decision to participate.