A Look at the Biggest Announcement for Your Business—Ever



August 15, 2013

Welcome to a new era of the USANA opportunity, where you and your business can have it all—savings, improved compensation, and so much more.

We've been promising for months that the **2013 USANA International Convention** would feature the biggest announcement for your business in our history. And with the enhancements made to how we do compensation, pricing, rank advancements, and rewards, we delivered—big time.

Now you'll save money on all the amazing USANA products you trust to help you love life and live it.

You'll be able to take advantage of commission changes that make compensation simple, streamlined, put more money in your pocket faster, and reward you even more for building a solid business.

You'll also be able to push your business to higher levels with an upgraded rank advancement process.

Improving our already award-winning business model wasn't easy. We took the time to figure out how we could change things to make every area of your business better, simpler, and more lucrative. In the end, there were seven major components we changed, simplified, or added that combine into one tremendous enhancement to the USANA opportunity.

- 1. **Preferred Pricing**: Now you'll only see one price listed for each product. This new Preferred Price—available to Associates and Preferred Customers—is the same as the old Autoship prices. This means we've essentially lowered our prices, saving you and your customers money!
- 2. **Discount on Auto Orders**: In addition, you'll save even more money when you purchase products through automatically processed orders. These Auto Orders (previously known as Autoship) will give you an additional 10-percent discount on qualifying products *on top of savings you'll receive from the Preferred Price*.
- 3. **Initial Order Reward**: To help new Associates start off on the right foot, we're adding a reward based on their initial order. This means 10 percent of qualifying products on their very first order will be credited to two future Auto Orders.
- 4. **Simplified Rank Advancement**: Rank advancements just got simpler. Now, all rank advancements will be based on total base Commission Volume Points (CVP) generated throughout your entire business, instead of individual Business Centers. You may have advanced to the next rank already!
- 5. **Base Commission Changes**: This will be big for your bottom line. No more Commission Payout Schedule. No more tiers. No more complications. Now your base commissions will follow a simple calculation—20 percent of the total Group Sales Volume (GSV) on the small side of your business. You'll now get paid on a minimum of 125 GSV (instead of 250) which means new Associates will receive their first checks faster, and you'll no longer have to reach a certain volume tier to receive the next level of commission payout!
- 6. **Auto Order Maxed Business Center Commission**: We want to reward you even more for building a solid business. Now, when you max out a Business Center and at least 5,000 GSV per side comes from Auto Orders, you'll receive an additional 25-percent CVP payout.
- 7. **Executive Recognition Titles**: Each quarter, Gold Directors and above will have the chance to qualify to earn an executive title—and all the awesome benefits that will come with it. It's just another thing we're doing to reward those who build solid businesses.

Exciting, right? Sure. But it's a lot to take in. For now, the most important thing to understand is that each one of these changes is designed to put more money in your pocket and make your business simpler, more rewarding, and easier to understand. So take a minute to celebrate this big announcement and what it means for you and your business.

Dive into extended explanations with in-depth stories about the savings, earnings, and rank advancement opportunities these changes will bring to your business:

Savings:

Announcing Three New Ways to Save Big



It's hard to snap your fingers and make everything better. Improvements take time and effort. But there's one foolproof way to make something more awesome almost immediately.

Lower the price.

And that's just what we did.

One of the main components of the <u>massive announcement</u> regarding enhancements to the USANA opportunity was about pricing. We've simplified our price list and—this is the part you'll really like—made it easier for you to save big on the same world-class products you've always trusted.

Preferred Pricing

Gone are the days of three prices. Now there's just one—Preferred Pricing. That's what Associates and Preferred Customers will pay every single day. And it gets better. Preferred Pricing will be at the Autoship price of old.* Which means those of you who were paying the wholesale price for our products will immediately see a savings of 10 percent.

Discount on Auto Orders

And since we're USANA and we like to outdo ourselves, we've given you a way to save even more. When you set up an Auto Order—the shopping option formerly known as Autoship—and allow it to process automatically as part of a weekend-processed order, you'll get 10 percent off the Preferred Price!

This Auto Order discount applies to all products that generate Sales Volume Points,† which means you can save even more on Nutritionals, Foods, Rev3 Energy[®], Sensé, and many of your other favorite USANA products.

†Except enrollment packs and promotional packs, since they already have a built-in discount

Basically, we lowered our prices, saving you money. What an instant improvement, right? And you can pass these savings on to your customers, too. Now you can find the Suggested Retail Price for each product by adding 10 percent to the Preferred Price.

Initial Order Reward

Having the greatest products in the world at lower prices is pretty darn good. But your potential new Associates will also have the chance to receive a special 10 percent reward based on their initial order when they set up an Auto Order.

Getting this reward is simple. Your new Associate places an initial order, and then sets up an Auto Order. That's it. We take care of the rest. The Initial Order Reward (10 percent of all qualifying products in the initial order) will be broken into two installments, and credited to your new Associate's first two automatically processed Auto Orders.

Say you are a new Associate and you place an initial order with \$600 of qualifying product. You then set up an Auto Order worth \$120. Your initial reward will be \$60 (10 percent of the qualifying products in your initial order), which will be split in half and paid back to you as your first two Auto Orders automatically process. This means you will only be charged \$90 on each of your first two Auto Orders instead of the regular price (\$120–\$30=\$90). Of course, you would save even more for ordering your products through Auto Order. Just look at the example below:

Initial Order = \$600

• Initial Order Reward: \$60 (10% of initial order)

1st Auto Order = \$120

- 10% Auto Order savings (\$12)
- Half of the Initial Order Reward (\$30)
- Total cost: \$78

2nd Auto Order = \$120

- 10% Auto Order savings (\$12)
- Half of the Initial Order Reward (\$30)
- Total cost: \$78

Ongoing Auto Orders (containing the same products) = \$120

- 10% Auto Order savings (\$12)
- Total cost: \$108

Remember, the larger your initial order, the more you'll earn back with the Initial Order Reward. And just like the Auto Order discount, the Initial Order Reward only applies to products that generate Sales Volume Points. Discounted packs—including enrollment and promotional packs—are not eligible for Initial Order Rewards.

Start Saving Now

We've made it easy to save big. In most cases, you don't have to do anything but place your order. But make sure you're maximizing your savings with the 10-percent Auto Order discount and by helping your new Associates earn their Initial Order Reward.

It's savings made simple, and you and your wallet are going to love it.

If you want more information, check out the <u>Frequently Asked Questions</u> to get full details about Preferred Pricing, Auto Order Discount, Initial Order Reward, and all the other exciting improvements we just made.

Also, read more about the other exciting changes we announced at Convention:

Earnings:

Commissions are Getting Simpler—and Larger



You're all getting a raise.

It's really as simple as that. We've enhanced the USANA opportunity—you may have already heard about some of the changes—and a big part of that is finding a way to hand out more and bigger commission checks.

Now, with the updates we're making to the way we pay, things are getting even better. And it's big news for your bottom line.

Base Commission Changes

The major change comes from the way we calculate your base commissions. Instead of a Commission Payout Schedule, volume tiers, and other complications, we're making it easy. Now, just take the matched Group Sales Volume (GSV) from your left and right sides and multiply it by 20 percent. Simple as that.

Not only will you get paid on more of your GSV without the hassle of volume tiers, we've also lowered the minimum GSV requirements from 250 to 125, so new Associates will start seeing commission checks sooner.

More money. Less time. That's a good combination.

Here's an example of how the changes will impact you.

In the old system, if you had 400 GSV on your left side and 600 GSV on your right side, you'd fall short of balancing at the 500 GSV tier on the Commission Payout Chart. You'd only get paid out on the next closest tier level—250 GSV—for a total of 40 commission points.

With the new system, there's no Commission Payout Chart to worry about. So if you have 400 GSV on your left side and 600 GSV on your right side, you get paid 20 percent of your small side, or where the two sides meet. That means you'd get 20 percent of 400 GSV, for a total of 80 commission points.

And 80 CVP is a lot more than 40.

The maximum is still 5,000 GSV per side, and you will still be allowed to rollover GSV into the next commission period. We've just eliminated the complications and created a simpler way to pay you more.



Want another example? Check out the USANA Business Enhancement Flyer. $\underline{\text{US EN}}$ / $\underline{\text{CA EN}}$ / $\underline{\text{SP}}$ / $\underline{\text{FR}}$ / $\underline{\text{CH}}$ / $\underline{\text{JP}}$ / $\underline{\text{KR}}$

Auto Order Maxed Business Center Commissions

We've also come up with a way to add an extra 25 percent to your payout.

You know Auto Order—formerly Autoship—is a convenient way to get the products you need and stay commission qualified. Well, with the new Auto Order Maxed Business Center Commission, this will make it easy for you to earn bigger checks, too.

For every Business Center you max out that generates at least 5,000 GSV per side in Auto Orders, you'll receive an additional 25-percent CVP payout on that Business Center. This means your total payout on that Business Center would go from 1,000 CVP to 1,250. That's a pretty nice chunk of change for building a solid business. And you'll get this extra commission for every Business Center you max out with Auto Order volume. Think of the earnings potential!

All these improvements came about because we like rewarding you for all the hard work you do. We like finding ways to help your realize your dreams. And we love seeing you be the catalyst for positive change in the lives of others.

That's why we're giving you this raise. You've earned it.

For more information, check out the <u>Frequently Asked Questions</u> to get full details about the base commission changes, Auto Order Maxed Business Center Commission, and all the other exciting improvements we just made.

Recognition:

Simplified and Improved Rank Advancement

You love to show others how to love life and live it, see your business grow, and watch weekly commissions roll in. But very few things top the feeling of rank advancing—and the acknowledgement that you're going places.

We get it. That's why—as a part of the <u>huge announcement</u> about enhancements to the USANA opportunity—we've simplified and improved how we handle rank advancements.

And we think you'll really like it.

Simplified Rank Advancement

Now rank advancements will be based on total base Commission Volume Points (CVP) generated across all of your Business Centers. In addition, we've removed the maxed Business Center requirement for Gold Director and above advancement.

So what does this change mean for you? Well, it means the points required for you to rank advance can come from *anywhere* in your organization, not just a single Business Center. Trying to advance to the rank of Gold Director? The old rules required you to max out a single Business Center for four consecutive weeks. Now,



you'll need to generate 1,000 CVP for four consecutive weeks, but those

points can come from anywhere in your business!

Here's a look at your new rank advancement criteria:

Nutritional Advisor (China only): 25 CVP for one week

Sharer: 50 CVP for one week **Believer**: 100 CVP for one week **Builder**: 200 CVP for one week **Achiever**: 400 CVP for one week **Director**: 600 CVP for one week

Bronze Director: 800 CVP for one week **Silver Director**: 1,000 CVP for one week

Gold Director: 1,000 CVP for four consecutive weeks

Above Gold: Add an additional "1,000 CVP for four consecutive weeks" for each level, so 2,000 for Ruby

Director, 3,000 for Emerald Director, etc.

There's your new list of goals—the roadmap to the kind of time and financial freedom that makes dreams come true laid out for you.

Executive Recognition Titles

We've also added a new title that comes with even more benefits and privileges. Now Gold Directors and above who qualify—based on cumulative quarterly CVP earned—will get a new Executive title.

Executive titles are earned and awarded each quarter, and this coveted status will grant you admission to exclusive events, special recognition, and other exciting benefits for three months—at which point you'll need to renew your executive status.

The first 13-week qualification period will start in the fourth quarter of 2013. During each qualification period, Gold Directors and above will need to generate a cumulative CVP total to achieve or maintain their Executive title. And since the CVP totals for Executive titles are *cumulative*, this means you can earn the required points whenever you want—earn them all in a single week, or spread them out over the course of the calendar quarter. It's up to you.

Executive Recognition Title CVP Requirements:

Executive Gold Director: 13,000 total CVP in a 13-week calendar quarter

Executive Ruby Director: 26,000 total CVP **Executive Emerald Director**: 39,000 total CVP **Executive Diamond Director**: 52,000 total CVP

Above Diamond: Add an additional "13,000 CVP in a 13-week calendar quarter" for each level (65,000 total

CVP for 1-Star Diamond Director, etc.)

Oh, and one last thing—when you rank advance to Gold Director or above, you'll automatically receive executive benefits for the rest of that quarter, and all of the next quarter. Think of it as our way of saying thanks.

We love it when you rank advance. But we love it even more when you build a solid business that continually finances your dreams. So Executive recognition rewards those Associates who build solid business and earn consistently at their level.

Look for more information about Executive Recognition Titles coming soon to USANAtoday.

The Time to Advance is Now

We've worked to simplify and improve rank advancements and recognition. Now it's your turn to put in the work to take advantage of these changes. And there's no better time than now to start moving up—from Believer and Builder to Silver and Executive Gold and beyond. And you have a bit of a head start. Since the new criteria are already in effect, you may have already advanced.

Also, don't miss our handy Frequently Asked Questions (below) that will provide you with full details about all these exciting improvements.

USANA BUSINESS ENHANCEMENT: FREQUENTLY ASKED QUESTIONS

Preferred Pricing

1.1 What is the Preferred Price?

The Preferred Price is the everyday price offered to Associates and Preferred Customers. This price is for all orders, including online orders and orders placed through a USANA office. All Associates/Preferred Customers will receive this price.

1.2 Do I have to be on Auto Order to get the Preferred Price?

No. Although Preferred Prices are similar to the old Auto Order prices, if you are an Associate/Distributor or Preferred Customer, you will receive the Preferred Price even without having an Auto Order established. If you do choose to purchase your products through Auto Order, you will save an additional 10 percent off the Preferred Price.

1.3 How much should I charge my customers for USANA products?

Although we don't list a specific retail price to charge your customers, we suggest you add 10 percent to the Preferred Price (to calculate, multiply the Preferred Price by 1.1). For example, if the Preferred Price of a product is \$30, we recommend you sell it for \$33. If you received 10 percent Auto Order savings for this product, your cost would have been \$27, giving you a retail profit of \$6.

1.4 Will these price changes affect shipping rates?

No.

1.5 When will the Preferred Price be available?

The Preferred Price will available on site at USANA's Convention Store during all of the 2013 International Convention. Preferred Pricing will be available online or through Customer Service beginning on Saturday, August 17, 2013.

Discount on Auto Orders

2.1 How does Auto Order work?

The 10-percent Auto Order savings only apply to orders that process automatically as weekend-processed orders; these orders must be from your 001 Business Center placed as Personal Sales Volume (PSV). To get the Auto Order savings, your orders must be set up in advance so they can process automatically. To do this, we encourage you to set your Auto Order at least one week before it is scheduled to process.

2.2 How do I take advantage of the 10-percent Auto Order savings?

The Auto Order savings will be applied to all applicable products that are placed in an Auto Order ahead of time

and allowed to process automatically as part of a weekend-processed Auto Order.

2.3. What products qualify for the 10-percent Auto Order savings?

Only products that have a Sales Volume Point value greater than zero will receive the Auto Order savings. Products that do not generate SVP (sales tools, logo merchandise, etc.) and products already receiving a built-in discount (enrollment packs and promotional packs) will not receive the Auto Order savings.

2.4 Do I still get the 10-percent Auto Order savings if I choose to pick up my weekend-processed order at Will-Call, instead of having it shipped to my home? Yes.

2.5 How can I place the Sales Volume Points generated by my Auto Order to my second or third Business Centers?

Volume from Auto Orders only go to your Business Center 001 as Personal Sales Volume. They help you qualify for commissions, but do not add to the Group Sales Volume on the left or right side of your Business Center.

2.6 What if I call and have Customer Service add products to my existing Auto Order?

You will still receive the 10-percent Auto Order savings as long as you call far enough in advance to allow your updated order to process automatically. Auto Order changes must be completed prior to midnight MST/MDT the Friday before the Auto Order is scheduled to process.

2.7 How long does it take for an Auto Order to process automatically?

It depends on when you set your Auto Order to process. If you are setting up a new Auto Order, it will not be able to process automatically during the current commission period. If you make changes to an existing Auto Order, the changes must be completed prior to midnight MST/MDT the Friday before the Auto Order is scheduled to process.

2.8 What if I already have a reoccurring Auto Order that processes automatically—do I have to do anything to receive the additional 10-percent Auto Order savings?

No. You will automatically begin to receive the savings on qualified product.

2.9 Do enrollment packs or discounted packs qualify for the 10-percent Auto Order savings?

No. Since most of these packs are already receiving a built-in discount, they do not qualify for the Auto Order savings.

2.10 Will Preferred Customers receive the 10-percent Auto Order savings?

Yes. The same rules for Auto Order savings apply to Preferred Customer orders as they do to Associate orders.

2.11 Is there a minimum order value (e.g. 100 Sales Volume Points) before I can receive the 10-percent Auto Order savings?

No. You will receive 10 percent off weekend-processed orders of any value, as long as they contain qualified products.

2.12 Do I get the 10-percent Auto Order savings on additional orders I place during the week if I pay using the same payment method?

No. You would receive the Preferred Price, but without the 10-percent Auto Order savings. The Auto Order savings only apply to the orders you place that are fulfilled automatically during USANA's weekend batch processing.

2.13 Does the 10-percent Auto Order savings lead to a 10-percent reduction in the volume points of the order?

No, the volume points of the order remain unchanged.

2.14 Will I receive 10 percent off my Auto Order shipping fees?

No. The Auto Order savings only apply to products that have a Sales Volume Point value greater than zero. Business tools, logo merchandise, renewal fees, and shipping fees will not receive Auto Order savings.

2.15 I have set up a recurring Auto Order. Will I automatically get the 10-percent Auto Order savings every four weeks?

Yes, as long as you allow that Auto Order to process automatically.

2.16 Why don't I see the Auto Order price on the USANA Price List?

We no longer list Auto Order prices separately on our Price Lists. Instead, a single Preferred Price is listed, and the 10 percent savings will be applied to total product order amounts placed ahead of time for automatic processing by USANA. This simplification makes our pricing structure easier to understand.

2.17 Doesn't this mean I now have to pay more for products I purchase during the week?

On the contrary—the new Preferred Price is the old Auto Order price for most products. This means that during the week you can purchase at the same price as before, but the Auto Orders you place ahead of time for weekend processing now come with an additional 10 percent savings.

Initial Order Reward

3.1 What is an Initial Order Reward?

When you enroll as a new Associate or Preferred Customer, you will earn back 10 percent of the cost of all products in your initial order that have a Sales Volume Point value greater than zero (excluding enrollment packs), which will be paid to you when your first two Auto Orders process automatically.

3.2 What price will I pay for my initial order? Can I get the 10-percent Auto Order savings on my initial order?

As a new Associate or Preferred Customer, you will pay the Preferred Price for products in your initial order. If the initial order processes automatically as an Auto Order, that order will generate an Initial Order Reward, but it will not receive the 10-percent Auto Order savings the first time that order processes automatically.

3.3 Who is eligible to receive the Initial Order Reward?

This reward is only available to new Associates or Preferred Customers who enroll on or after August 15, 2013, place an initial order, and then set up an Auto Order that processes automatically at least twice.

3.4 When will I receive the Initial Order Reward?

The reward will be split into two equal installments—paid in each of your first two weekend-processed Auto Orders, provided these two Auto Orders process automatically. To receive the reward, your first Auto Order must automatically process within the first four Fridays of placing your initial order, and your second Auto Order must automatically process within the first eight Fridays of placing your initial order. Start counting from the Friday of the week your initial volume-generating order was placed.

• **Example:** Your initial order is \$600, and you receive a 10 percent reward (which equals \$60). Half of this amount (\$30) will be applied to your first Auto Order, processed within the first four Fridays of your initial order, and the next \$30 will be applied to your second Auto Order, processed within the first eight Fridays of your initial order.

3.5 Suppose I enroll and place my qualifying initial order on Wednesday, September 4, 2013. When must my first and second Auto Orders process in order to receive the full Initial Order Reward?

Your first Auto Order must process automatically by September 27, 2013. Your second Auto Order must process by October 25, 2013.

3.6 Similar to the question above, what are my deadlines if I enroll and place my initial order on Saturday, September 7, 2013?

Your first Auto Order must process automatically by October 4, 2013. Your second Auto Order must process by November 1, 2013.

3.7 Does my initial order need to be above a certain value (e.g., 200 Sales Volume Points) to qualify for the Initial Order Reward?

No. The reward applies to initial orders with any SVP value greater than zero.

3.8 What products qualify for the reward?

Any products placed in your initial order that have an SVP value greater than zero qualify for this reward. Products that do not generate SVP (such as sales tools, logo gear, etc.) do not qualify for this reward. Note: Enrollment packs, promotional packs, and other discounted packs also do NOT qualify for this reward since they are already discounted.

3.9 Why didn't I receive a 10-percent reward on the full value of my initial order?

Your initial order may include the Business Development System (BDS), business tools, and/or logo merchandise that do not generate Sales Volume Points. The reward does not apply to these items. You will not receive a reward for the price of the shipping fee, either.

Your initial order may include special enrollment packs that come with built-in discounts or promotional packs. The reward does not apply to these products, even if they generate Sales Volume Points, since they are already discounted.

3.10 What if I only purchase a Starter Kit at the time of enrollment, and then place my first product order the next day? Will I still receive an Initial Order Reward on my product order?

Yes. The reward will be generated by your first order in which you purchase product that has an SVP value greater than zero. If you place that first order as an Auto Order, it will be treated as an initial order and you will earn the reward, but you will not receive the 10-percent Auto Order savings the first time your order processes.

3.11 If I place a second order the day I enroll, but after my initial order has processed, will my second order also receive a reward?

No. Only the initial order that generates volume will receive a reward.

3.12 Do I have to set up my Auto Order at the same time as I place my initial order to get the reward? Not necessarily. You may set up your Auto Order later, but to receive the reward your first Auto Order must automatically process within the first four Fridays of placing your initial order, and your second Auto Order must automatically process within the first eight Fridays of placing your initial order.

3.13 What if I postpone/miss one or both of my first two Auto Orders?

You may end up losing one or both installments of your Initial Order Reward if your actions result in the next two Auto Order(s) processing and shipping more than four Fridays (first Auto Order) and eight Fridays (second Auto Order) after your initial order. You may still qualify to receive the second installment of the Initial Order Reward, even if you don't receive the first installment.

3.14 What if I make changes to my first two Auto Orders?

This is okay, as long as your first two Auto Orders are allowed to process automatically within the Initial Order Reward timeframe.

3.15 What if I return products from my initial order? Or from one of my Auto Orders?

You will be required to pay back any discounts or rewards you have received through an adjustment to the refund amount or through reverse commission.

3.16 My reward exceeds the cost of my Auto Order. Will USANA pay me the difference?

No. In such cases, the cost of your Auto Order would be \$0. You will not receive the difference between the price of your reward and the cost of your Auto Order. Neither will the difference be applied to any future Auto Orders.

3.17 If I place my initial order through the True Health Assessment, or through a USANA Customer Service department, will I still get the Initial Order reward?

Yes.

3.18 Do new Preferred Customers qualify to receive this reward?

Yes. Preferred Customers may also receive this reward based on products placed in their initial order that have an SVP value greater than zero.

3.19 If my first two Auto Orders have an Initial Order Reward applied, will those orders also receive the 10-percent Auto Order savings?

Yes. The reward from your initial order will be paid during your first two Auto Orders (as long as they process automatically as weekend-processed orders), for which you will also receive 10-percent Auto Order savings.

• **Example**: Suppose you placed an initial order with \$600 worth of qualifying (SVP-generating) product. Afterward, you added one HealthPakTM to an Auto Order. This is what your first few receipts would look like:

Initial Order = \$600

Initial Order Reward: \$60 (10% of initial order)

1st Auto Order = \$114 (cost of HealthPak in United States)

10% Auto Order savings (\$11.40)

Half of the Initial Order Reward (\$30)

Total cost: \$72.60

2nd Auto Order = \$114

10% Auto Order savings (\$11.40)

Half of the Initial Order Reward (\$30)

Total cost: \$72.60

Ongoing Auto Orders (for the same HealthPak) = \$114

10% Auto Order savings (\$11.40)

Total cost: \$102.60

Simplified Rank Advancement

4.1 How do I advance in rank under the new rules?

Rank advancement has just become easier to achieve and easier to understand. You simply generate the required weekly Commission Volume Points (CVP) to attain a higher rank.

Note: "CVP" in this case refers to base commission volume, and does not include Leadership Bonus, Elite Bonus, Lifetime Matching Bonus, etc. It does, however, include Auto Order Maxed Business Center Commissions (see "Auto Order Maxed Business Center Commissions" section below).

Rank	Old (based on Sales Volume Points/Max BCs)	New (based on Commission Volume Points)
Sharer	250 SVP on left & right sides in a week	50 CVP for one week
Believer	500 SVP on left & right sides in a week	100 CVP for one week
Builder	1,000 SVP on left & right sides in a week	200 CVP for one week
Achiever	2,000 SVP on left & right sides in a week	400 CVP for one week
Director	3,000 SVP on left & right sides in a week	600 CVP for one week
Bronze	4,000 SVP on left & right sides in a week	800 CVP for one week
Silver	5,000 SVP on left & right sides in a week	1,000 CVP for one week
Gold	Max same BC for four consecutive weeks	1,000 CVP for four consecutive weeks
Ruby	Max any 2 BCs for four consecutive weeks	2,000 CVP for four consecutive weeks
Emerald	Max any 3 BCs for four consecutive weeks	3,000 CVP for four consecutive weeks
Diamond	Max any 4 BCs for four consecutive weeks	4,000 CVP for four consecutive weeks
Etc.		

4.2 Do Commission Volume Points include Matching Bonus?

Commission Volume Points (CVP) are from your base weekly commission only, and do not include Matching Bonus, Leadership Bonus, Elite Bonus, or any other contest earning. However, base CVP does include Auto Order Maxed Business Center Commissions (see "Auto Order Maxed Business Center Commissions" section below).

4.3 How do I advance to the rank of Gold Director or above?

You will need to generate enough points from your entire business to reach a CVP minimum (dependent on rank) each week for four consecutive weeks.

4.4 Can the 800 CVP required to become a Bronze Director come from different Business Centers?

Yes. For example, you may generate 600 CVP from your first Business Center (BC1), and 200 CVP from your second Business Center (BC2) to advance to the rank of Bronze Director. This is why it is now easier to rank advance!

4.5 Can I become a Ruby Director without maximizing a Business Center?

Now you can! The example below illustrates one such possibility:

- Week 1: You earn 800 CVP from BC1, 800 CVP from BC2, and 400 CVP from BC3
- Week 2: You earn 800 CVP from BC1, 600 CVP from BC2, and 600 CVP from BC3
- Week 3: You earn 800 CVP from BC1, 800 CVP from BC2, and 400 CVP from BC3
- Week 4: You earn 600 CVP from BC1, 600 CVP from BC2, 400 CVP from BC3, and 400 CVP from BC4

4.6 If I earn 2,300 CVP during Week 1 of my Ruby Run, can I use the extra 300 CVP against any shortfall in Week 2?

No. You need to generate at least 2,000 CVP in each of the four weeks of your Ruby Run.

4.7 How will this new rule affect my current rank?

Your current rank will not be changed because of the new rule, although you are now likely to find it easier to advance to your next rank.

4.8 I would have advanced to Diamond Director last August had the new rules been in place then. Will USANA offer any additional commission or recognition for those who would have advanced earlier had these changes been available?

No. We will not backpay any rank advancements, commission checks, bonuses, etc.

4.9 Will this new rule affect how I earn Leadership Bonus?

No. The rules for earning Leadership Bonus remains unchanged.

4.10 I was in the third week of my "Ruby Run" when the rules for rank advancement changed. Will I be required to max out two Business Centers in the fourth week, or generate 2,000 CVP?

You can do either and still be recognized as a new Ruby Director.

4.11 Will this new rule for rank advancement change how I earn an Additional Business Center?

No. While you may now become a Silver Director without maximizing a Business Center, you will still have to maximize a Business Center in order to earn an Additional Business Center.

4.12 Will my accumulated CVP include bonuses received by team members in my downline?

No. Your accumulated CVP is only based on the Group Sales Volume generated in your Business Centers—this does not include bonuses or other incentives received by team members.

4.13 Will this new rule change how I qualify for promotions like Success on the High Seas or The Cruise of The Stars by advancing to the rank of Director?

No. The "Fast Track" rules remain unchanged.

Base Commission Changes

5.1 How are commissions going to be calculated?

We will pay 20 percent in commissions based on where the left and right side of a Business Center match. In other words, commission payout can be calculated by multiplying the Group Sales Volume (GSV) on a Business Center's small side by 20 percent.

• Example:

700 GSV Left Side 800 GSV Right Side You will be paid 20 percent of your small side.

700 * 20% (.2) = 140 Commission Volume Points

5.2 Will there still be volume carryover or rollover?

Yes. Any extra volume will rollover into the next commission period. (Note: There is a rollover maximum of 5,000 GSV per side.)

• Example:

700 GSV Left Side 800 GSV Right Side 700 * 20% (.2) = 140 Commission Volume Points

Carryover = 0 GSV on the Left Side, 100 GSV on the Right Side

5.3 What happened to USANA's Weekly Commission Payout Schedule?

We have discontinued the Weekly Commission Payout Schedule. Now, weekly base commissions are equal to 20 percent of the Group Sales Volume on the small side of your Business Center. In addition, we have eliminated volume tiers and will pay commissions for Group Sales Volume between 125 GSV and 5,000 GSV on the small side of a Business Center.

5.4 What is the benefit of this new way of defining weekly base commissions?

You can get paid sooner! In the past, you had to meet the next tier on the Weekly Commission Payout Schedule to get your check. Now you get paid for all the Group Sales Volume on your small side (minimum 125 GSV).

300 GSV

2.500

200 GSV

1.950

• Example 1:

OLD: You do not earn any commissions until your right side generates 250 GSV

NEW: You earn 20% x 200 = 40 CVP

• Example 2:

Weekly Commission Payout Schedule says:

1,000 Left, 1,000 Right = 200 CVP.

NEW: You earn 20% x 1,950 = 390 CVP

5.5 Is there a minimum GSV I need to reach to receive a commission check?

Yes. To receive a commission check, a Business Center must generate a minimum of 125 GSV per side. If you generate less than that, your Group Sales Volume will be rolled over until it accumulates a minimum of 125 GSV per side.

Auto Order Maxed Business Center Commissions

6.1 What is an Auto Order Maxed Business Center?

Unlike a maxed Business Center, which generates a minimum of 5,000 Group Sales Volume (GSV) on both its left and right sides at the end of a commission week, an Auto Order Maxed Business Center does so at the start of the commission week, immediately after the automatically processed Auto Orders are processed.

This means the Business Center maxed with only volume generated from automatically processed Auto Orders, *without* counting any new GSV that is added during the commission week.

6.2 What benefit do I get for building an Auto Order Maxed Business Center?

You earn 1,250 CVP for each Auto Order Maxed Business Center, instead of 1,000 CVP for a regular maxed Business Center. Having a stable maxed Business Center earns you 25 percent more!

6.3 Will I only earn this extra CVP for my first Business Center (BC1)?

No. Any number of Business Centers can achieve Auto Order Maxed status, and they will earn you 1,250 CVP each.

6.4 Can an Auto Order Maxed Business Center have GSV not generated by an Auto Order?

Of course! Additional GSV can always be generated during the week, over and above the required 5,000 GSV that must come from Auto Orders. But the extra 250 CVP can only be earned when you max a Business Center with volume that comes from Auto Orders.

6.5 I thought my first Business Center achieved an Auto Order Maxed status. Why did I not earn 1,250 CVP?

Some of the Auto Orders in your team may have been subsequently cancelled. This can happen if some credit card charges or electronic fund transfers have been declined, which brings your auto-generated volume below the 5,000-point threshold.

6.6 In the situation above, will I still earn 1,250 CVP if those affected by the financial-transaction failure eventually process their Auto Orders during the week? Yes.

6.7 Does the extra 250 CVP count toward rank advancements, growth contests, Elite Bonus, and Million Dollar Club qualifications? Yes.

6.8 Is the extra commission subject to arbitrage?

No.

Executive Recognition Titles

7.1 How do I receive an "Executive" title?

Executive status is applied when you earn at a specific rank for an entire 13-week calendar quarter. For example, if you are a "solid" Ruby Director and continue to generate base commissions at that level, then you would be able to qualify as an Executive Ruby Director by meeting the commission requirements.

7.2 Can I meet the qualification requirements during any 13-week period?

No. Executive qualifications are based on 13-week calendar quarters (January–March, April–June, July–September, October–December) and not a rolling calendar. Note: The number of weeks in a calendar quarter may vary slightly. The exact start date of each calendar quarter depends on USANA's commission periods.

7.3 Which ranks qualify for Executive status?

For now, Executive status will be applied to the ranks of Gold Director and above.

7.4 Is "Executive" a lifetime status?

No. You must re-qualify for Executive status each quarter.

7.5 To become an Executive Gold Director, do I have to generate 1,000 CVP each week?

No. You must generate a total of 13,000 CVP by the end of the 13 weeks, although you can generate that volume at any time during the qualification period.

7.6 What if I'm an Executive Gold Director, and then I rank advance to Ruby Director. Will I lose my Executive benefits?

No. During the rest of the calendar quarter in which you rank advance to Ruby, and all of the following quarter, you will continue to receive Executive benefits at the Ruby Director level. If you continue to produce at that level (generating 26,000 CVP in the quarter after advancement) you will then become an Executive Ruby Director and maintain benefits continuously unless you fall below for any quarter and need to re-qualify.

7.7 If I'm a Gold Director, can I become an Executive Ruby Director without advancing to the rank of Ruby Director first?

No. Although it would technically be possible within a 13-week period to generate 26,000 total CVP without meeting the requirements to advance to the rank of Ruby Director (generate 2,000 CVP for four consecutive weeks), you will not obtain an Executive rank title without first advancing to that rank.

Simplification of Compensation Plan Language

You may have noticed some of the terms we've been using have changed. That's because we've simplified the way we refer to some parts of the compensation plan, in order to make it simpler to explain and easier to understand.

8.1 Why are these terms changing?

We are hoping to reduce network-marketing jargon that can be difficult for new Associates to understand, and are problematic for existing Associates to explain to their potential team members.

8.2 How were these new terms chosen?

USANA's marketing and network development teams worked with our Independent Distributor Councils to find terms that are more common in everyday business, or just easier to understand.

Old Terms	New Terms
Autoship	Auto Order
Wholesale Price, Retail Price, Autoship Price	Preferred Price
Re-entry	Additional Business Center
Activate Business Center	Open Business Center
Weak Leg/Strong Leg	Small Side/Large Side
Enrollee	New Associate/Team Member
Carryover	Rollover
Prospect (noun)	Potential Associate, Preferred Customer

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