COMPENSATION PLAN
OVERVIEW
HOW OUR PLAN WORKS FOR YOU

The foundation of any Rodan + Fields® business is a commitment to promoting our products and brand values. From there, it is up to you how you choose to grow.

This document is designed to help you further understand the Compensation Plan.

We estimate that in Canada the typical plan participant will earn between $1,700 and $2,000 CAD per year.
The Rodan + Fields® Compensation Plan offers five ways to earn:

1. **RETAIL PROFIT** from selling product to Retail Customers and to Preferred Customers.

2. **CONSULTANT COMMISSIONS** from sales made by the Consultants and to the PCs you sponsor.

3. **PERSONAL TEAM COMMISSIONS** on sales made by your Personal Team and Consultants you sponsor.

4. **GENERATION COMMISSIONS** on sales made by the extended organization your Personal Team creates.

5. **PERFORMANCE BONUSES** for performance achievements.

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1. With respect to any Consultant, the Personal Team consists of (i) Consultants who are directly or indirectly sponsored by that Consultant down to and including the first EC in each respective Downline Leg in the Performance Lineage; and (ii) PCs who are directly sponsored by the Consultant or have compressed to the Consultant, and any PCs of Consultants who have not promoted to EC in the Consultant’s Personal Team.
RETAIL CUSTOMER (RC): A Customer who purchases the R+F Products from or through a Consultant at suggested Retail Price.

PREFERRED CUSTOMER (PC): A Customer who agrees to receive regular shipments by enrolling in PC Perks, the Rodan + Fields Customer Loyalty Program (see PC Perks Terms & Conditions located in the Pulse Business Development Library for more details).

CONSULTANT (C): A Consultant is an Independent Contractor who has signed a Consultant Application which has been accepted by Rodan + Fields and is operating in compliance with Rodan + Fields Policies and Procedures.

EXECUTIVE CONSULTANT (EC): The first promotion title an Active Consultant\(^2\) may achieve. Requires a monthly minimum of 100 in Sales Volume (SV) and a minimum of 600 in Personally Sponsored Qualifying Volume (PSQV).

LEVEL I EC (LI EC) – LEVEL V EC (LV EC) AND RF\(^x\) EC: Leadership Titles within the Compensation Plan.

EXECUTIVE CONSULTANT GROUP: Personal Team of an Executive Consultant. Executive Consultant Groups make up the generational volume. A Personal Team is an Executive Consultant Group that is Generation 0.

\(^2\) A Consultant becomes an “Active Consultant” and therefore has an opportunity to earn Consultant Commissions by achieving a minimum of 100 SV in sales during a Commission Period.
1. RETAIL PROFIT

As a Rodan + Fields Consultant, you can earn retail profit on purchases made by your Retail Customers and L1 Preferred Customers. Retail Profit is based on the difference between Consultant Price and the Retail or Preferred Customer Price.

**PRICE SHEET SAMPLE**

<table>
<thead>
<tr>
<th>Consultant Price</th>
<th>Preferred Customer Price</th>
<th>Retail Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>$167</td>
<td>$200</td>
<td>$222</td>
</tr>
<tr>
<td>Retail Profit</td>
<td>$33</td>
<td>$55</td>
</tr>
</tbody>
</table>
2. CONSULTANT COMMISSIONS

ACTIVE CONSULTANT

As an Active Consultant you are eligible to earn Consultant Commissions. You simply need to acquire a minimum of 100 Sales Volume (SV) for your Consultant Account each Commission Period.³

As an Active Consultant, two ways you can earn include:

- **Consultant Commissions**: 10% L1 Commissions on all Commissionable Volume (CV) which includes volume from Customers and Consultants on your L1.
- **Retail Profit**: From your Retail Customers and Preferred Customers.

### ACTIVE CONSULTANT

SV is credited to your account by:
1. Purchases made directly by your Retail Customers AND/OR
2. Personal sales at Consultant Price.

**Level 1 (L1)**⁴ consists of the Consultants and Customers of the **Performance Lineage**⁵.

As an Active Consultant you receive 10% Commission on sales generated by your Consultants and by your PCs on your L1.

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³ Commission Period is a calendar month.
⁴ With respect to a Consultant, L1 consists of all Preferred Customers and Consultants of which that Consultant is the Sponsor in the Performance Lineage.
⁵ The lineage based on performance within the Program. The lineage can change as a result of Compressions, which may be the result of either a Roll Around or Termination.
EXECUTIVE CONSULTANT

As an Active Consultant, your next target is to qualify as an Executive Consultant (EC) by achieving a minimum of 600 Personally Sponsored Qualifying Volume (PSQV) in a Commission Period. PSQV is the qualifying volume generated by the Preferred Customers whom you personally enroll in the PC Perks Program and Consultants whom you personally sponsor, including Commissionable Volume (CV) from their Retail Customers.

As an EC, three ways you can earn include:

- **Personal Team Commissions:** 5% Commission on the CV generated by all the Consultants and Customers in your Personal Team.
- **Consultant Commissions:** 10% Commission on all L1V.
- **Retail Profit:** From your Retail Customers and Preferred Customers.

### EXECUTIVE CONSULTANT

![Diagram showing the structure of an Executive Consultant's team, including levels L1, L2, RC, and PCs, with commission rates indicated.](image-url)
ADVANCING TO LEVEL I EXECUTIVE CONSULTANT

When you maintain your EC status and support the promotion of one Consultant in your Personal Team to EC status through product sales, that Consultant’s Personal Team Volume moves out of your Personal Team to your Generation I. This process will promote you to a Level I Executive Consultant (LI EC).

As a Level I EC, four ways you can earn include:
- **Generation Commissions**: 5% Commissions on Generation I Volume.
- **Personal Team Commissions**: 5% Commission on the CV generated by all the Consultants and Customers in your Personal Team.
- **Consultant Commissions**: 10% Commission on all L1V.
- **Retail Profit**: From your Retail Customers and Preferred Customers.

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**LEVEL I EXECUTIVE CONSULTANT**

- 5% PERSONAL TEAM COMMISSION
- 10% LI COMMISSION
- L1
- L2
- 100 SV from personal sales or from your Retail Customer.
- 600 Personally Sponsored Qualifying Volume (PSQV)
- A *Generation* is formed by Executive Teams as new Executives promote in the plan.

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6 All volume generated by an Executive Consultant forms a new generation.
ADVANCING TO LEVEL II EXECUTIVE CONSULTANT

When you maintain your status as a Level I Executive Consultant and support the promotion of one additional Consultant in your Personal Team to an EC through product sales, you will promote yourself to a Level II Executive Consultant (LII EC).

As a Level II EC, four ways you can earn include:

- **Generation Commissions**: 5% Commissions on Generation I – Generation II Volume.
- **Personal Team Commissions**: 5% Commission on the CV generated by all the Consultants and Customers in your Personal Team.
- **Consultant Commissions**: 10% Commission on all L1V.
- **Retail Profit**: From your Retail Customers and Preferred Customers.

Achieving this title is a critical milestone in the Rodan + Fields leadership journey. Maintaining a status of a paid as Level II EC and supporting the promotion of two additional Consultants in your Personal Team to ECs through product sales, promotes you to a Level III Executive Consultant (LIII EC). Maintaining a status of a paid as LIII EC and supporting the promotion of two additional in your Personal Team to ECs through product sales promotes you to a Level IV Executive Consultant (LIV EC).
4. GENERATION COMMISSIONS CONTINUED

LEVEL V EXECUTIVE CONSULTANT

Once you have grown your organization, maintained your status as a paid as LIV EC and supported the promotion of two additional Consultants in your Personal Team to ECs through product sales, you will be promoted to a Level V Executive Consultant (LV EC).

As a Level V EC, four ways you can earn include:
- **Generation Commissions**: 5% Commissions on Generation I – Generation V Volume.
- **Personal Team Commissions**: 5% Commission on the CV generated by all the Consultants and Customers in your Personal Team.
- **Consultant Commissions**: 10% Commission on all L1V.
- **Retail Profit**: From your Retail Customers and Preferred Customers.
RFx EXECUTIVE CONSULTANT

Maximize your potential earnings from the Compensation Plan with RFx when you continue to build your organization by maintaining your status as a paid as LV EC and supporting the promotion of seven additional Consultants in your Personal Team to ECs through product sales. Five of your Downline EC Legs must start with a LV EC. For full details please refer to the Rodan + Fields Policies and Procedures. When you reach this ultimate destination you will earn 2.5% Commission on your Generation VI Volume. As your organization continues to grow and develop, this has the potential to meaningfully increase your earnings.

RFx PERSONAL TEAM SNAPSHOT
In addition to earning Commission through our Compensation Plan, you may also become eligible to participate in award programs that are offered from time to time. From our Fast Start Program designed to help Consultants get an early return on their efforts to our Road to RF\(^x\) Car Incentive Program, the Compensation Plan and bonus programs offer the possibility of residual income and an abundance of lifestyle rewards.
## COMPENSATION PLAN AT A GLANCE

### Requirements

<table>
<thead>
<tr>
<th></th>
<th>Consultant</th>
<th>Active Consultant</th>
<th>Executive Consultant</th>
<th>Level I Executive</th>
<th>Level II Executive</th>
<th>Level III Executive</th>
<th>Level IV Executive</th>
<th>Level V Executive</th>
<th>RFx Executive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase $52 Business Portfolio</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<td>Total Sales Volume (SV)</td>
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<td></td>
</tr>
<tr>
<td>Personally Sponsored Qualifying Volume (PSQV)</td>
<td>600 PSQV</td>
<td>600 PSQV</td>
<td>600 PSQV</td>
<td>600 PSQV</td>
<td>600 PSQV</td>
<td>600 PSQV</td>
<td>600 PSQV</td>
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<tr>
<td>Number of Qualified EC Legs</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>8 or more</td>
<td>15 or more*</td>
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### Earning Potential

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<tr>
<th></th>
<th>Consultant</th>
<th>Active Consultant</th>
<th>Executive Consultant</th>
<th>Level I Executive</th>
<th>Level II Executive</th>
<th>Level III Executive</th>
<th>Level IV Executive</th>
<th>Level V Executive</th>
<th>RFx Executive</th>
</tr>
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<tbody>
<tr>
<td>Retail Profit</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<td>Level 1 (L1) Consultant Commission</td>
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<tr>
<td>Personal Team Commission (includes L1)</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
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<td>5%</td>
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<tr>
<td>Generation I Commission</td>
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<tr>
<td>Generation II Commission</td>
<td>5%</td>
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<td>Generation III Commission</td>
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</tbody>
</table>

*To qualify for RFx, you must maintain your status as a paid as LV EC and create seven additional Downline EC Legs by helping at least seven Consultants in your Personal Team promote to EC through product sales. Five of your Downline EC Legs must start with a LV EC. For full details please refer to the Rodan + Fields Policies and Procedures.*

All calculations are based on Commissionable Volume.
The examples in this brochure are for illustration purposes only and are not in any way intended to provide business advice. Rodan & Fields, LLC, Rodan & Fields Canada, ULC, and any affiliates of such entities do 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.

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