

# Income Disclosure Statement

The income statistics shown below include retail profit, commissions, and other cash payments earned by Consultants under the R+F Compensation Plan. In addition, there is potential to earn incentives and other rewards in recognition of performance. These statistics do not include expenses that may be incurred by Consultants such as optional personal products they may have purchased or money they chose to spend on their own for events, samples, or the like. Nothing more than the \$75 Business Starter Pack is required to open or operate an R+F Business. As a Consultant, you always earn retail profit on the sales you make.

The average paid Consultant earned \$462 annually. Average Consultant earnings show the average earnings of all Consultants who were paid in 2020.

## CUSTOMERS - 90%

90% of those who order Rodan + Fields products are strictly customers, who love the visible life-changing results of R+F products and continue to enjoy them month over month. These customers just simply love our R+F products. Only a select few of them will ever decide to become a Consultant and build an R+F business.

	# OF CUSTOMERS	# OF PAID CONSULTANTS	INCOME			TEAM CUST COUNT		
			HIGH	LOW	MEDIAN	MIN	AVG	MEDIAN
<b>PRODUCT AMBASSADORS</b> <i>73% of Paid Consultants</i>	LESS THAN 5	49%	\$14,042	\$20	\$146	1	2	2
	5 to 9	15%	\$34,215	\$23	\$621	5	7	6
	10 to 20	7%	\$37,155	\$97	\$1,595	10	14	13
	20+	2%	\$41,311	\$658	\$3,835	20	31	25

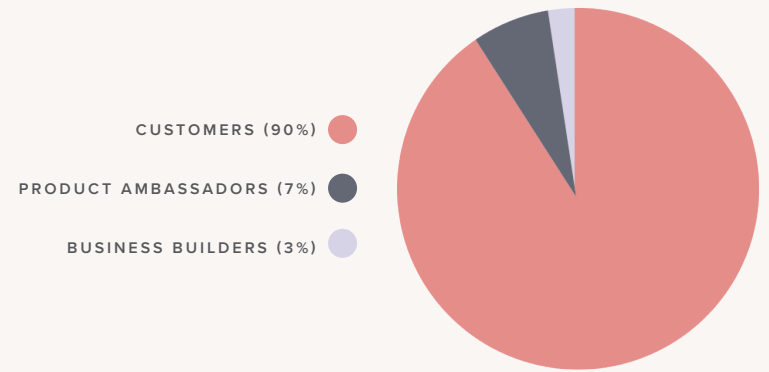
<b>BUSINESS BUILDERS</b>		# OF PAID CONSULTANTS	INCOME			TEAM CUST COUNT	
			HIGH	LOW	MEDIAN	MIN	MEDIAN
<b>DEVELOPING BUSINESS</b> <i>20% of Paid Consultants</i>	C*	9.03%	\$16,819	\$20	\$489	1	6
	C	4.09%	\$10,831	\$20	\$1,461	1	12
	EC	7.22%	\$78,442	\$639	\$4,265	1	35

<b>EVOLVING LEADERSHIP</b> <i>6% of Paid Consultants</i>							
	LI	3.17%	\$31,644	\$1,932	\$6,367	1	82
	LII	2.13%	\$62,576	\$3,184	\$10,800	4	195
	LIII	0.70%	\$124,311	\$7,466	\$19,420	41	434
LIV	0.32%	\$576,544	\$8,504	\$31,040	127	826	

<b>ADVANCED LEADERSHIP</b> <i>&lt;1% of Paid Consultants</i>							
	LV	0.48%	\$1,337,116	\$12,455	\$68,401	193	2,015
	PREMIER	0.11%	\$1,731,634	\$73,965	\$202,956	1,771	7,368
	ELITE	0.02%	\$2,644,256	\$202,576	\$435,109	7,288	17,015
RFX	0.02%	\$2,756,100**	\$276,051	\$946,912	7,437	39,138	

\*Excludes Consultants who were not paid in 2020

\*\*Average of top 5 RFX paid Consultants



## PRODUCT AMBASSADORS - 7%

7% of the R+F community love the visible life-changing results of R+F products and are Consultants who focus primarily on sharing the products with consumers. These Consultants are product advocates and generate their commissions from product sales to new and existing customers. Product Ambassadors make up a large percentage (73%) of R+F paid Consultants.

## BUSINESS BUILDERS - 3%

The remaining 3% of the R+F community are Consultants who are our business builders. These Consultants not only love the life-changing visible results of R+F products but also its life-changing opportunity. They have made the decision to invest a significant amount of time and effort sharing the products with new Customers, building a loyal customer base and developing a team of Consultants to leverage the R+F opportunity.

We have 3 types of Business Builders:

## DEVELOPING BUSINESS - 20% OF PAID CONSULTANTS

Consultants who dedicate time to sharing the R+F business with others can start developing their own skincare business. By sharing the brand and the products with their community they can make a difference through life-changing skincare one person at a time. As they begin to share the opportunity, which is considered the first step to becoming a business builder, they start to develop their own team

## EVOLVING LEADERSHIP - 6% OF PAID CONSULTANTS

With consistency and effort, Consultants can evolve into skincare entrepreneurs as they continue to grow their Customer base and lead other developing business owners. As they grow their teams, these Consultants are dedicated to helping many people feel confident and empowered to share R+F products and the business with others. Those who have reached the evolving leadership status have a base of several customers, and they have also helped some start a business and become Developing Consultants.

## ADVANCED LEADERSHIP - <1% OF PAID CONSULTANTS

Our highest-level Consultants lead larger teams and coach their teams towards their own business advancements. These Consultants demonstrate advanced leadership skills and continually show and share the power behind the R+F opportunity. Advanced Leadership Consultants are dedicated and invested in building a sustainable and meaningful R+F business.

# Income Disclosure Statement



## *What does it mean to enroll as a Rodan + Fields Independent Consultant?*

As a Rodan + Fields Independent Consultant, you can choose the path that is best for you. You can participate simply by purchasing products at a discount for personal use, you can sell R+F products to retail customers for profit, and/or you can fully participate in the Rodan + Fields Compensation Plan by building a team, selling products to Preferred Customers, and earning monthly commissions. You may also be eligible for other bonuses, rewards, and incentives along the way!

Note: If you are joining just to purchase products for personal use, we recommend that you instead enroll as a Preferred Customer (PC) for a one-time fee of \$19.95 to enjoy the PC discount and all the perks that come along with this membership. Please see the PC Perks Terms and Conditions for more information.

## *What if I decide this just isn't for me?*

No problem! If it turns out this isn't for you, you can cancel your Consultant Agreement at any time!

Additionally, all products come with a 60-day empty bottle money-back Satisfaction Guarantee — even if some of the product has been consumed. After 60 days and for up to one year from when you make your purchase, you may return any unsold product in resalable condition and/or the Business Starter Pack for a 100% refund of the purchase price (not including shipping costs) if the business does not work out for you and you terminate your Consultant account.†

## *What should I know prior to becoming a Rodan + Fields Independent Consultant?*

- ▶ The only required purchase is a one-time purchase of the R+F \$75 Business Starter Pack
- ▶ Consultants are eligible to purchase products at reduced prices, create their own schedule, and have the potential to earn retail profit and monthly commissions.
- ▶ Independent Consultants' business results vary significantly, and no income is promised or guaranteed. Many earn "fun money" and income for discretionary purchases; some even earn more.
- ▶ Earnings depend on a number of factors, including leadership, business experience, expertise, quality and depth of network, and individual effort.
- ▶ Potential Consultants are urged to perform their own due diligence prior to making any decision to participate. Please review the R+F Policies & Procedures before deciding whether to enroll.

## *What are the ways I can earn money?*

The R+F Compensation Plan is based on product sales. You cannot earn income from sponsoring or recruiting team members. You can earn by:

- ▶ Selling to retail customers and making retail profit (the difference between the Consultant price and the price you sell it for)
- ▶ Participating in the Rodan + Fields Compensation Plan and earning monthly commissions\*
- ▶ Unlocking other rewards, incentives, bonuses, and gifts through various programs

## *How much can I expect to earn?*

In 2020, R+F had 351,149 enrolled Consultants. 176,721 (50%) were Paid Consultants who received payment in at least one month for sales that occurred during 2020 and 174,428 (50%) were Consultants who received the benefit of discounted prices, but did not earn any compensation from R+F.

Please see other side for more details.

† Residents of Maryland, Wyoming, Massachusetts, and Puerto Rico can receive refunds on the Business Starter Pack purchase even after one year  
 \* To be eligible for commissions on products, you must have monthly sales to retail customers and/or personal purchases of roughly \$100 worth of product (measured in Volume). To receive greater commissions and maintain your status, your direct Customers must purchase and/or your direct Consultants must sell 600 in Volume\*\* of products each month. For more information regarding the compensation plan, see the Rodan + Fields Compensation Plan or contact Sales Support at 1-415-273-8000.  
 \*\* Volume is determined by the Consultant price of products, and sometimes, but not always, is the same as the Consultant price.