



USANA HEALTH SCIENCES OVERVIEW AND ASSOCIATE COMPENSATION

WHAT IS USANA?

USANA, founded in 1992, is a direct selling company that develops, manufactures, and sells high-quality, science-based nutritional supplements, healthy foods, and personal care products. USANA operates in the United States and 25 other countries around the world.

HOW CAN I BE A PART OF USANA?

You can participate in USANA as a Preferred Customer or an Associate. Only Associates are permitted to sell USANA products and earn compensation.

PREFERRED CUSTOMERS.

As a Preferred Customer, you can purchase USANA products at a discount for your personal or household use.

ASSOCIATES. In addition to the benefits you would get as a Preferred customer, an Associate has the additional benefits of being able to:

- Sell USANA products to customers to make a retail profit;
- Sponsor Preferred Customers and earn compensation from the sale of USANA products to Preferred Customers in your sales organization; and
- Sponsor other Associates and earn compensation from the sale of USANA products by other Associates in your sales organization.

WHAT ELSE DO I NEED TO KNOW ABOUT BEING AN ASSOCIATE?

- The cost to become an Associate is very low. There are no required product purchases to be an Associate, but you must purchase a Welcome Kit for \$9.95, which contains helpful business information. On average, Associates spent \$47 per year on non-commissionable products.
- People become Associates for various reasons. Some Associates join and sell our products part time to friends and family to earn some extra money. Only a small percentage of our Associates sell USANA products full time.
- **Just like any sales business, earning compensation takes considerable dedication, time, and effort. As such, the compensation earned by our Associates varies significantly.**
- Associates do not earn compensation for recruiting or sponsoring other Associates or Preferred Customers—they only earn compensation when products are sold.

HOW MUCH COULD I EARN IF I SELL USANA PRODUCTS (RETAIL)?

As a USANA business owner, you set your own selling prices. USANA's published retail prices suggest a 10% mark-up over the "Preferred Price" received by Associates and Preferred Customers. Associates (and Preferred Customers) receive an additional 10% discount off the Preferred Price for products purchased through our Auto Order program. With this additional discount, Associates can purchase product for up to 20% below published retail prices.

HOW MUCH COULD I EARN FROM PARTICIPATING IN THE USANA BUSINESS OPPORTUNITY?

In the United States in 2019, there were a total of 35,259 active* USANA Associates.

2019 Yearly Compensation	Percent of U.S. Associates
Less than \$0	45.1%
\$0 to \$250	32.0%
\$251 to \$500	6.8%
\$501 to \$1,000	5.7%
\$1,001 to \$2,000	4.1%
\$2,001 to \$5,000	3.3%
\$5,001 to \$20,000	2.1%
\$20,001 to \$50,000	0.5%
\$50,001 to \$100,000	0.2%
\$100,001 to \$200,000	0.1%
\$200,001 to \$1,000,000	0.1%

*Includes all Associates who made at least one purchase in 2019.

- The first \$118 in Associate spending each month is deemed personal consumption and is determined from purchases of Preferred Customers who bought in 6 or more distinct months from July 2018-June 2019.
- Net Profit = Commissions & Bonuses + Retail Profit + Refunds - Non-Commissionable Purchases - Shipping & Taxes for non-personal consumption purposes.
- Retail Profit = (Products Purchased for Resale) * 10%.