



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. As an Associate, you can:

- Purchase USANA products at a discount for your personal or household use;
- 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 \$29.95, which contains helpful business information.
- People become Associates for various reasons. Most Associates join simply to improve their health and purchase products at a discount. 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. Consequently, in 2017, 53 percent of U.S. Associates did not earn compensation from USANA.**
- Associates do not earn compensation simply 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 earn up to an 18% profit on retail sales of USANA products (before shipping and tax).

HOW MUCH COULD I EARN FROM PRODUCT SALES BY OTHER ASSOCIATES IN MY SALES ORGANIZATION (NOT INCLUDING RETAIL)?

In the United States in 2017, there were a total of 38,239 active* USANA Associates.

2017 Yearly Compensation	Percent of U.S. Associates
\$0	53.45%
\$1 to \$250	24.57%
\$251 to \$500	6.39%
\$501 to \$1,000	5.31%
\$1,001 to \$2,000	3.90%
\$2,001 to \$5,000	3.24%
\$5,001 to \$20,000	2.23%
\$20,001 to \$50,000	0.52%
\$50,001 to \$100,000	0.21%
\$100,001 to \$200,000	0.12%
\$200,001 to \$1,000,000	0.07%

*For purposes of this chart, an "Active USANA Associate" is an Associate who placed an order for products or renewed an Associate Application in 2017.