



2019 – 2020
Shaklee Incentive Booklet
(US)

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The Statement of Privileges and Responsibilities of Shaklee Family Members (P&R) is the legal document that outlines the privileges you, as a Shaklee Family Member, can expect from the Company, and the responsibilities the Company expects you to assume. Except as indicated for the Five-Year Rule and the Qualified Distributor Fee, in the event of a conflict between this document and the P&R, the P&R governs. Shaklee reserves the right to modify all or part of this document on notice to distributors by posting in the Member Center as provided in the P&R.

Definitions

All capitalized terms have the meanings set forth in the Statement of Privileges and Responsibilities of Shaklee Family Members (P&R) unless otherwise specified in this document.

Join Options – Preferred Members and Distributors

When someone joins our Shaklee Family they can become a Preferred Member (a customer who wants to receive a 15% discount on products and enjoy other Preferred Member benefits) or become a Distributor (someone who wants to share Shaklee with others and potentially build a business and earn bonuses).

Preferred Members

All Members are now Preferred Members and can enjoy the Preferred Member Benefits (regardless of the date they joined Shaklee).

Preferred Member Benefits:

- FREE Standard Shipping on all orders of \$150 or more OR enjoy \$8 flat-rate shipping on order less than \$150¹ —excluding 5- and 30- gallon supplies of Classic Basic-H®. The \$150 consists of total product value minus all discounts (before tax, shipping or handling charges).
- Access to Loyalty Rewards - Earn up to an additional 15% back in redeemable points for qualifying orders plus other rewards in our new loyalty program.

A new Preferred Member can get started today in one of following ways:

- Accept the Prove It Challenge™. Includes Free Preferred Membership, Free Standard Shipping and a Free 7-Day Healthy Cleanse for \$159.
- Spend \$150 and get Free Preferred Membership which includes Free Standard Shipping on all orders of \$150 or more.
- Become a Preferred Member by paying \$19.95 for a Preferred Member Pack. The order will qualify for \$8 flat-rate shipping.



¹ Canada has different thresholds and pricing for Free and Flat-Rate Shipping.

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Distributors

All Distributors are eligible to earn bonuses. You no longer need to be a Qualified Distributor. A Distributor is someone who joins with a \$49.95 Distributor Welcome Pack (or upgrades from a Member to a Distributor with a \$29.95 upgrade fee).



Distributor Benefits:

- Eligible to earn all Shaklee rewards in the Dream Plan.
- Eligible to earn Prove It Bonuses.
- Three months Personal Website – Your Online Store. The three months of your online store included with your Distributor Welcome Pack begins the date you join or upgrade.
- Receive up to 30% off SRP on each Success Pack offered in the first 90 days of join or upgrade (with full PV). Each Success Pack can only be purchased one-time.
- Eligible to build your business internationally

A new Distributor can get started in one of the following ways:

- Start with the Prove It Challenge™. Includes Free Preferred Membership, Free Standard Shipping and a Free 7-Day Healthy Cleanse for \$159 + the purchase of a Distributor Welcome Pack for \$49.95 = \$208.95 (excluding tax).
- Start with the \$49.95 Distributor Welcome Pack.
 - Success Packs are offered during the join flow and a person joining with a Prove It Challenge will receive Free Standard Shipping on all Success Packs added to that purchase. Success packs are designed to allow new Distributors the chance to experience one or as many product categories as they choose with an up to 30% Discount in their first 90 days.

Shaklee Loyalty Rewards



STEP 1
Shop AutoShip

Set up a monthly AutoShip order of \$100+ and you're automatically in Loyalty Rewards.


+



STEP 2
Earn Points

Start earning points right away on your AutoShip purchases of \$100+.

+



STEP 3
Redeem Points

Use your reward points to get products for free.

MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6	MONTH 7+
Spend \$100 or more	Spend \$100 or more	Spend \$100 or more	Spend \$100 or more	Spend \$100 or more	Spend \$100 or more	Spend \$100 or more
5% BACK IN POINTS			10% BACK IN POINTS			15% BACK IN POINTS

Eligibility and Timing

- Loyalty Rewards is available to all Members, Preferred Members, Distributors, and Business Leaders.
- The Loyalty Rewards program and point accumulation on qualifying orders begins on August 1, 2019. Earned points can be redeemed starting in January 2020.



How to Earn Points

- Earn up to 15% back in points on your consecutive Autoship orders of \$100 or more.²
- A qualifying order is an Autoship order of \$100 or more at your price tier (exclusive of shipping & handling and applicable taxes).
- Make sure you place an order each month to keep your Loyalty Rewards points. If no Autoship order is placed, you will revert to 5% earning level.
- A minimum order of \$1 or more must be placed during the month to keep previously accrued points. Point balance will reduce to zero if no order is placed during a calendar month.
- Distributors and above can earn points on orders between the 1st and 15th of the month, while Members can earn points on qualifying orders the entire month.
- Loyalty points apply to the first \$1,000 in qualifying orders each month.

How to Redeem Points

- To redeem points, you must have the full amount of points needed for a product. 1 point = \$1 to redeem toward product.
- Any order of \$100 or more is required to redeem points.²
- Points can be redeemed on most Shaklee products, except for business tools, Shaklee Style, Shaklee Cares®, join kits, and accessories.
- Starting January 2020 a free birthday product will automatically be added to your order when you place a qualifying order during the birthday month of the primary account member.³
- New Members and Distributors must wait 30 days from joining to redeem points or receive a free birthday product.

Point Value and Expiration

- Points are nontransferable and have no cash or PV value.
- Points expire one year from the date earned.⁴
- Points are not applicable toward prior purchases or charges.

Product Returns and Resale

- If a product obtained with points is returned, the points are not returned to your account.

² Minimum Autoship order of \$150 is required for participants living in Canada.

³ Minimum order of \$150 is required to redeem for participants living in Canada.

⁴ See separate rule for Ontario, Canada.

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- If a product on which you earned points is returned, the corresponding points will be deducted from your balance.

For Distributors and Business Leaders only

- Shaklee Distributors and Business Leaders can earn up to 50 points per month based on dollars spent on shipping.
- 1 point for each \$1 spent on shipping.
- Products purchased with points are not for resale.



Shaklee reserves the right to cancel the Loyalty Rewards program at any time.

Prove It Challenge™

Begin with a Prove It Challenge™ and get the special price of \$159 – including two canisters of Life Shake™, a Vitalizer, a Free 7-Day Healthy Cleanse and Free Standard Shipping⁵.

- Any new Preferred Member or Distributor can purchase the Prove It Challenge #89526 for \$159 (one-time per Shaklee User ID).
- When a Prove It Challenge is purchased by someone as part of a join order, a \$25 Prove It Bonus will be paid to the Original Sponsor.
- All existing Members and Distributors will have the same one-time opportunity through August 31, 2019 to purchase the Prove It Challenge for \$159, regardless of price tier.



Prove It Bonus Program

How to Qualify

Distributors and above are eligible to earn Prove It Bonuses. Prove It Bonuses are paid to the Original Sponsor for personally sponsoring Preferred Members or Distributors with the purchase a Prove It Challenge™.

- You will earn a \$25 Prove It Bonus—every time you personally sponsor a new Preferred Member or Distributor with a Prove It Challenge⁶.
- There is no limit to the number of Prove It Bonuses you can earn monthly or in your lifetime.
- When you earn three \$25 Prove It Bonuses in a calendar month, we will double it for a total of \$150.

⁵ Prove It Challenge orders that include either the 5-gallon and/or 30-gallon size of Classic Basic-H® are not eligible for Free shipping.

⁶ Each Shaklee ID can only trigger one Prove It Challenge Bonus. If two people in one household would like to be on the challenge, they should each sign-up using their own member account, with their own challenge purchases. If two people in one household would like to be on the challenge and be a Distributor, one person should sign-up as a Distributor and the other should sign-up as a Member underneath them. Please note that the Statement of Privileges and Responsibilities (P&R) only allows one sponsorship position, including spouses. The second Shaklee ID will be cancelled within 60 days.

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- The timing starts over with each calendar month so try to complete at least three \$25 Prove It Bonuses each month.
- The month you join or upgrade you are given the remainder of that month, plus a full calendar month to complete your first three Prove It Bonuses and earn the extra \$75 Prove It Bonus (for a total of \$150).



+ \$75 Upline Matching Bonus to Upline Original Sponsor

- Through December 31, 2019 get an Upline Matching Bonus of \$75 when someone you've personally sponsored has had three new people accept the Prove It Challenge in one month. The Upline Matching Bonus is paid to the Upline Original Sponsor of the person that received the extra \$75 Bonus.

[Existing Members, Distributors and Business Leaders \(through August 31, 2019\)](#)

All existing Members, Distributors and Business Leaders will have the same one-time opportunity to purchase the Prove It Challenge for \$159, regardless of price tier, and trigger a \$25 Prove It Bonus to their Original Sponsor. These Prove It Bonuses will be paid monthly. The additional \$75 Prove It and Upline Matching Bonuses are reserved for new Members and Distributors joining Shaklee.

Prove It Bonus Payments

Prove It Bonuses are paid daily on regular business days. Prove It Bonuses are paid the next business day as long as a Distributor joins by 4:00 pm (PST). Orders received after 4:00 pm (PST) will be paid on the second business day.

Shaklee generally pays bonuses monthly, however Prove It Bonuses are paid daily, on regular business days, when you meet all of the following criteria:

- You are registered for direct deposit⁷ of your bonuses.
- You are registered for online bonus statements.
- You have an email address on file with Shaklee.

⁷ If you wish to sign up for direct deposit, go to My Business, under the 'Me' tab and in the Income section.

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The Prove It Bonus Pay Schedule is as follows:

DAYS AND TIMES SPONSORED	DAY PAYMENT DEPOSITED*
FRIDAY 4:01 PM THROUGH MONDAY 4:00 PM	TUESDAY MORNING
MONDAY 4:01 PM THROUGH TUESDAY 4:00 PM	WEDNESDAY MORNING
TUESDAY 4:01 PM THROUGH WEDNESDAY 4:00 PM	THURSDAY MORNING
WEDNESDAY 4:01 PM THROUGH THURSDAY 4:00 PM	FRIDAY MORNING
THURSDAY 4:01 PM THROUGH FRIDAY 4:00 PM	MONDAY MORNING

Who can earn

Prove It Bonus

To earn a Prove It Bonus, you must be a Distributor and be the Original Sponsor of the Member or Distributor that joined with a Prove It Challenge. You do not have to be bonus eligible (with a 100PV personal order) to earn a Prove It Bonus.

In the event that the Original Sponsor has closed their account, the Prove It Bonus will be paid to the Original Sponsor of the Original Sponsor if they are an active Distributor (or to the Original Sponsor of the Original Sponsor of the Original Sponsor and so forth until an active Original Sponsor is reached). If this is the case, the Prove It Bonus will be monthly, instead of daily on regular business days.

The Original Sponsor is the first sponsor of a Shaklee Family Member. In the event of a change in sponsor due to Unjust Enrichment, Survivorship, a Purchase/Sale Transaction, or formation of a Combined Distributorship, Shaklee will also change the Original Sponsor of the affected Shaklee Family Members if the former sponsor was also the Original Sponsor. Shaklee reserves the right to review and adjust the Original Sponsor of affected Shaklee Family Members in the case of a reorganization, divorce, dissolution of a Combined Distributorship, resignation, or termination.

\$75 Upline Matching Bonus

Through December 31, 2019 the \$75 Upline Matching Bonus will be paid to the Upline Original Sponsor of the person that received the extra \$75 Bonus. The Upline Original Sponsor must be active with at least a 100 PV to be eligible for the Upline Matching Bonus.

In the event that the Upline Original Sponsor is not eligible to be paid, the Prove It Matching Bonus will be paid to the Placement Sponsor of the Upline Original Sponsor if they meet the requirements (or to the Original Sponsor of the Placement Sponsor of the Upline Original Sponsor and so forth until a Sponsor is reached who meets the requirements). If this is the case, the Prove It Bonus will be monthly, instead of daily on regular business days.

Trip Qualification Period

January 1, 2019 – December 31, 2019

Trip Dates: May 4 – 9, 2020

The Shaklee Family is going to Costa Rica! You will be in awe of the magnificent wildlife and patches of untouched nature. Dreams Las Mareas Costa Rica is a vibrant beach getaway to enjoy an escape on an expansive palm-studded beach surrounded by lush green mountains and jungles. We want you to join us!

Points Required

Qualification Type	Required Points
Incentive Trip for One Person/One Room	200
Incentive Trip for Two People/One Room	300
Incentive Trip for Two People/ One Room + \$1,500 in Cash	600

You don't have worry about keeping track of your own points. Visit your Incentive trackers to see your point total, your targets, and your breakdown of points toward earning this amazing trip!

How to Qualify

In addition to accumulating the required points:

- You must have at least 50 points in the Sponsoring Category, at least 10 of which are for Personal Sponsoring.
- You must be a Paid As Coordinator or higher for at least four consecutive months within the Qualification Period.
- Once that requirement is met, your Paid As Rank may not fall below Senior Director in any month (except that you may have one Volume Grace Month or waiver) for the remainder of the Qualification Period and all succeeding months through March 2020.



A maximum of 100 Sponsoring Category Points may be counted toward trip qualification. Any Sponsoring Points carried over from the prior Qualification Period are included in the total Sponsoring Points in determining the 100-point limit.

How to Earn Points

You can earn points in four different categories tied to the growth and development of your business: Sponsoring, Rank Advancement, PGV+ Growth and Developing Depth (QOV Growth).

Sponsoring Category

Earn points for new people you sponsor with a qualifying product purchase. The more you sponsor new Preferred Members and Distributors – and the more you work with and motivate them to reach the purchase levels below – the more points you can earn⁸:

Sponsoring Points	Points
Sponsor a New Distributor with 3 Success Packs or the "I Want It All" Pack	15
Sponsor a New Distributor with 2 Success Packs	10
Sponsor a New Distributor with 1 Success Pack	5
Sponsor A New Preferred Member or Distributor with a Prove It Challenge	4
Sponsor a New Preferred Member or Distributor with 100PV or more	2
Sponsor a New Preferred Member or Distributor with 50 - 99PV or more	1

Preferred Member or Distributor Sponsoring

Sponsoring Points will be awarded for Member and Distributor sponsoring as each purchase level is reached before the end of their first full calendar month from their join date. The total points awarded will be for the highest purchase levels reached. Points must be earned by December 31, 2019 in order to count for the January 1, 2019 – December 31, 2019 Qualification Period.

Example 1: Business Leader Ellen sponsors new Preferred Member Mary on September 1, 2019. Mary places a 50 PV order on her join order. Ellen earns 1 point. Mary places another order of 100 PV on October 1, 2019. Ellen earns an additional 1 point, for a total of 2 points.

Example 2: Business Leader Frank sponsors a new Preferred Member Murray on September 15, 2019. Murray joins with a 200 PV order on September 15, 2019. Frank earns 2 points. Murray decides to upgrade to a Distributor with a Distributor Welcome Pack and purchases one Success Pack on October 1, 2019. Frank earns 5 more points.

Example 3: Raquel joins as a Preferred Member on January 2, 2019 with the purchase of \$150 order. Her Original Sponsor Tommy earns 2 Sponsoring points. On February 28, 2019 Raquel realizes that she wants to share Shaklee products with others so she upgrades to a Distributor by paying the \$29.95 upgrade fee and purchases 2 discounted Success Packs. Tommy earns an additional 10 Sponsoring points for a total of 12 Sponsoring points for Raquel's purchases.

Example 4: Alena becomes a Distributor by joining with a Distributor Welcome Pack and two Success Packs. Her Original Sponsor Sarah earns 10 Sponsoring points. Alena purchases one additional Success Pack a month later. Sarah earns another 5 Sponsoring Points, for a total of 15 points.

Example 5: Janine purchases a Prove It Challenge™ and the Distributor Welcome Pack. Her Original Sponsor Michele earns 4 Sponsoring points. Janine purchases one Success Pack 60 days after her join date. No additional points will be rewarded.

Personal and Group Sponsoring Points

The Original Sponsor of the new Preferred Member or Distributor is awarded the Personal Sponsoring points. If the Original Sponsor is not a Business Leader at the time the points are awarded, then Group Sponsoring Points will be

⁸ A maximum of 100 Sponsoring Category Points, including Sponsoring Carryover Points, counts toward the Dream Trip.

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awarded to each Preferred Member or Distributor upline until a Business Leader is reached⁹. For purposes of awarding points upline, the chain of Original Sponsors will be used (i.e., Original Sponsor of Original Sponsor, Original Sponsor of Original Sponsor of Original Sponsor, and so forth as applicable).

Example 1: Business Leader Matt sponsors Distributor Drew, who sponsors Distributor Kevin. (Matt is the Original Sponsor of Drew and Drew is the Original Sponsor of Kevin.) Kevin purchases one Success Pack when he joins Shaklee. Drew receives 5 Personal Sponsoring Points and Matt receives 5 Group Sponsoring Points.

Example 2: Continuing the example above, Business Leader Matt sponsors Distributor Chris, who purchases two Success Packs, and places him under Kevin. Chris's Original Sponsor is Matt. Matt receives 10 Personal Sponsoring Points. Neither Drew nor Kevin receives Sponsoring Points for Chris.

Sponsoring Point Carryover

For those who became Distributors during the January 1, 2019 – December 31, 2019 Qualification Period and who did not fully qualify for the 2020 Dream Incentive Trip, Sponsoring Points earned from September 1, 2019 through December 31, 2019 may be carried over to the January 1, 2020 – December 31, 2020 Qualification Period if we have similar qualifications.

Rank Advancement Category

To earn Rank Advancement Points, you must achieve the new Paid As Rank and maintain for 3 additional consecutive months (for a total of four consecutive months)¹⁰, without personal use of Volume Grace Months or waivers.

Five-Year Rule¹¹

New rank is determined according to the Five-Year Rule, meaning that the rank achieved must meet one of the following criteria:

- A first-time, never before achieved rank, or
- A Paid As Rank that was held only prior to January 2014 PV month, or
- A Paid As Rank that was held for less than four consecutive months from January 2014 through December 2018. (A month in which a Volume Grace Month or waiver was used does not count as a month in which Director rank was held.)

Example 1: Associate Alan promoted to Director in January 2014 and met all requirements of rank in February and March 2014. In April and May of 2014, Alan took Volume Grace Months and in June 2014, Alan was retitled to Associate. Alan's base rank is Distributor. When he achieves and holds the rank of Director he will earn Rank Advancement Points.

Example 2: Associate Annie promoted to Director in March 2014 and promoted to Senior Director in April. She maintained as a Senior Director in April, May, and June, but lost her First Generation Leader in July, when she also took

⁹ Although a Preferred Member may accumulate points, they must become a Distributor or higher in order to earn incentive trips or recognition as specified in the requirements for each of those programs.

¹⁰ For the ranks of Key Coordinator and higher, you must meet the requirements of the rank and hold for two additional consecutive months (total of three consecutive months) before promotion to the appointed title occurs. For purposes of this section and the Car Program section, the first month that you meet the requirements to be paid at that rank is the month that your qualification begins. For example, you meet all requirements for the Key Coordinator rank and are paid as a Key Coordinator in March 2019 PV month. You continue to meet the requirements for the Key Coordinator rank in April, May and June PV months. You are promoted to Key Coordinator in May PV month. You earn your Rank Advancement Points for Key Coordinator in June PV month.

¹¹ The Five-Year Rule as defined here supersedes the definition in the P&R.

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a Volume Grace Month. After taking Volume Grace Months in July and August, she was retitled to Associate in September 2014. Annie’s base rank is Director. (She was a Paid As Senior Director for only three consecutive months but was a Paid As Director or higher for four consecutive months – March, April, May and June.) When Annie achieves and holds the rank of Senior Director she will earn Rank Advancement Points.

Rank Advancement Points

New Rank Achieved	Points
Director	30
Senior Director	50
Coordinator	75
Senior Coordinator	90
Executive Coordinator	110
Senior Executive Coordinator	145
Key Coordinator	180
Senior Key Coordinator	210
Master Coordinator	250
Senior Master Coordinator	275
Presidential Master Coordinator	300

Rank Advancement Points will be awarded only once for any given rank, and will be awarded at the conclusion of the maintenance period. Points must be earned by December 2019 PV month in order to count for the January 1, 2019 – December 31, 2019 Qualification Period. New Rank Points expire at the end of the Qualification Period and cannot be carried over to the next Qualification Period or incentive trip.

Example 1: Business Leader Karen promotes to Senior Coordinator in May 2019 PV month. She must maintain as a Paid As Senior Coordinator or higher in each of June 2019, July 2019 and August 2019 PV months and then will be awarded 90 points. The 90 points count for the January 1, 2019 – December 31, 2019 Qualification Period.

Example 2: Business Leader Kevin achieves Paid As Key Coordinator in December 2018 PV month. He must maintain as a Paid As Key Coordinator or higher in each of January, February and March 2019 PV months and then will be awarded 180 points. The 180 points count for the January 1, 2019 – December 31, 2019 Qualification Period.

PGV+ Growth Category

Grow your PGV+ over your base by at least 12,000 to begin qualifying for points in this category. PGV+ is the total of your Personal Group Volume (PGV) during the Qualification Period, plus the PGV of each of your First Generation Leaders during the Qualification Period. PGV includes your PGV and the PGV of all new Business Leaders in the month of breakout. Only the PGV of First Generation Leaders within the US and Canada will count. First Generation Leaders who roll up to you during the Qualification Period do not count unless they were a First Generation Leader of yours in at least one month during the Base Period.

You earn PGV+ Points according to the increase over your Base:

Increase Over Base	Points Awarded	Total Cumulative Points
12,000	25	25
24,000	+50	75
36,000	+75	150
48,000	+100	250

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Increase Over Base	Points Awarded	Total Cumulative Points
60,000	+150	400
72,000	+200	600

Points are cumulative, so if you increase 72,000 PGV+ over your Base you will accumulate 600 total points in this category. Points will be awarded in the PV month in which they are earned along the way.

Your personalized adjusted monthly PGV+ targets for each point threshold can be found on your Dream Tracker.

Base

Your cumulative PGV+ Base is the greater of:

1. The total of your PGV for each month from January 2018 through December 2018 PV Months, plus the PGV for each month from January 2018 through December 2018 PV Months for each First Generation Leader you held (if any), or
2. 24,000.

Example 1: Business Leader Alan had 3000 PGV each month during the Base Period. He had no First Generation Leaders in December. His PGV+ Base is 36,000.

Example 2: Business Leader Charlie had 5000 PGV each month during the Base Period. He had one First Generation Leader, Betty, in 2018. Betty promoted in July 2018 and had 2000 PGV each month from July – November 2018, but she took a VGM in December 2018 with 1000 PGV. She had no volume prior to July.

- Charlie's PGV+ Base is 71,000
- Betty's PGV+ Base is 24,000

First Generation Leaders Who Count for PGV+

During the Qualification Period, the PGV of any First Generation Leader who meets any of the following criteria will count toward your PGV+:

- 1) The First Generation Leader was a First Generation Leader of yours in any PV month during the Base Period (January – December 2018).
- 2) The First Generation Leader is a new Business Leader who promoted during the Qualification Period.
- 3) The First Generation Leader is a reinstated Business Leader who promoted during the Qualification Period and who was not a Business Leader in any month during the Base Period.

See Appendix for PGV+ Examples

Depth Development Category (QOV Growth)

Depth Development (QOV Growth) points are available every month you hold the Paid As rank of Coordinator or above. You can earn points by achieving a set QOV growth target of 2000 QOV, 4000 QOV or 6000+ QOV above your average 2018 monthly QOV base (January – December 2018).

You earn Depth Development (QOV Growth) Points each month you increase over your base:

Monthly Points	Monthly QOV Above Base
5 Points	2000 QOV
15 Points	4000 QOV
25 Points	6000 QOV

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Points are earned monthly, so if you increase your monthly QOV by 4000 each month you will accumulate 180 points in this category.

Your personalized monthly QOV targets can be found on your Dream Tracker.

Base

Your base is the greater of:

1. Your average monthly QOV between January – December 2018, or
2. 5000 QOV

Example 1: Business Leader Heather had a cumulative QOV total between January – December 2018 of 72,000. Her average monthly QOV base is 6000. Every month she has at least 8,000 QOV she will earn points in this category.

Example 2: Susan hit the rank of Coordinator for the first time in August of 2019. Her QOV monthly base will be set at 5000. She is eligible to earn points in this category every month that she holds the Paid As rank of Coordinator or above.

What is QOV?

QOV¹² is Qualified Organizational Volume and it consists of all Organizational Volume outside your largest leg.

Miscellaneous Category

Points may be earned from Promotions or Incentives offered during the Qualification Period (such as a PGV+ Challenge). The Promotion rules will specify how these points will be earned and how they will be displayed on your tracker in this category.

Purchase/Sale, Survivorship, Combined Distributorships

If a business is transferred due to Survivorship or to a Purchase/Sale transaction, the Company will adjust the transferee's base Rank, base PGV+ and QOV Growth base, so that they are the same as those held by the transferor. Points earned by the transferor in those categories prior to the transfer will be reassigned to the transferee. The transferee will forfeit any prior points earned.

In the case of the formation or dissolution of a Combined Distributorship, the Company will adjust bases and points on a case by case basis.

Additional Requirements (for ALL Qualifiers)

- If you achieve enough trip points to qualify, but the remaining maintenance requirements are not fully met, Shaklee reserves the right to cancel your participation in the Trip and/or to charge your account for costs incurred on your behalf.
- In all cases, at least one attendee must be on Shaklee records as a member of the qualifying distributorship. As long as one attendee is on Shaklee records as a member of the qualifying distributorship, they may bring whomever they would like as an additional attendee(s) to accompany them on the trip. If for any reason

¹² QOV (Qualified Organizational Volume) consists of all your Organizational Volume minus the entire Organization Volume of your largest leg in a given month. Your largest leg can change from one month to the next depending on each leg's OV at the business close of the month.

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nobody from the qualifying distributorship attends, Shaklee reserves the right to charge back any nonrefundable trip expenses incurred by Shaklee on behalf of the distributorship.

- Trip awards are non-transferrable and must be taken in the year earned. Qualifiers will be emailed registration information at the end of the Qualification Period that includes event registration deadlines. If you are unable to register and book your airfare by the deadline, you may incur additional costs and/or be unable to attend this event.
- Shaklee provides round-trip coach air transportation from an airport near your hometown (the mailing address on file with Shaklee). Attendees are responsible for paying any additional airfare if they embark from another location.
- A Business Leader who qualifies for the trip will be rewarded with the highest milestone earned. The highest reward you can earn is a trip for two in one room + \$1,500 Cash. If you qualified for the \$1,500 and maintain the rank of SRDIR or above (except that you may have one Volume Grace Month or waiver) through March PV month the \$1,500 will be added to your March PV month bonus check. There are no restrictions on how the \$1,500 is spent but you are required to have at least one person from your distributorship register and attend the Dream Incentive Trip.
- The 2020 Dream Incentive trip includes roundtrip air transportation, group transfers to/from the airport in Costa Rica on set arrival and departure dates, 5 nights at the Dreams Las Mareas Costa Rica all-inclusive property (including meals & beverages) and hotel gratuities.

Leadership Qualification for Keys and Above

Eligible Key Coordinators and higher may qualify for the Dream Trip under the alternate Leadership Qualifications in lieu of qualifying by points.

Eligible Key Coordinators and Higher

To be eligible to qualify using the Leadership Qualifications, you must have been a Paid As Key Coordinator or higher in at least four PV months from January – December 2018, not necessarily consecutive.

In addition, you must be a Paid As Key Coordinator or higher for 4 months during the Qualification Period (January – December 2019). Once that requirement is met, your Paid As Rank may not fall below Executive Coordinator for the remainder of the Qualification Period and all succeeding months through the month prior to the trip.

Leadership Qualifications

You must meet all of the following criteria to qualify:

- 1) Have at least three Business Leaders in your downline (within six generations), down to and including the next eligible Key Coordinator or higher (but not their downline), who have fully qualified for the Dream Trip.
 - a) Fully qualified means that they have at least 200 incentive points, including at least 50 Sponsoring Points of which at least 10 are for Personal Sponsoring, and have been a Paid As Coordinator or higher for at least four consecutive months during the Qualification Period. Remember, once those qualifications have been met they cannot fall below Senior Director through March 2020.
- 2) You must have 50 Sponsoring Points, at least 10 of which are for Personal Sponsoring.

Keep in mind the highest reward you can earn for the Dream Incentive Trip is 2 people in one room. If you qualify via the Leadership Category and you qualify with 600+ points you will receive the highest reward possible which is 2 people in one room + \$1,500. One member of the distributorship must register for and attend the Dream Trip in order for the distributorship to receive the \$1,500 cash.



Presidential & Senior Master Coordinators

A Presidential or Senior Master Coordinator who maintains Paid As Presidential or Senior Master Coordinator qualifications for at least nine months during the Qualification Period, and in the month prior to the Dream Trip, automatically qualifies for the Dream Trip.

A Presidential or Senior Master who qualifies in this way automatically earns the trip at the 300 point level, which includes two people in one room. No points are awarded as a result of this path to qualification, and points earned during the qualification period do not increase the award (i.e., additional room or cabin), except that at 600+ incentive points, they qualify for \$1,500 in cash. At least one attendee must be on Shaklee records as a member of the qualifying distributorship.

Share the Dream Challenge

Exclusive Incentive for Conference Attendees - Level Up to Costa Rica

Level up to the next highest Paid As Rank by December 2019 and earn the Dream Trip to Costa Rica for one!

Business Leaders as of June 2019	Non-Business Leaders as of June 2019	All Qualifiers
Advance to the next highest rank by December 2019.	Advance to the rank of Senior Director or higher by December 2019.	Maintain or exceed your new rank through the month of the 2020 Dream Trip.

- All 2019 Shaklee Global Conference attendees have the opportunity to earn a trip for one (at the 200 point qualification tier) to the 2020 Dream Trip in Costa Rica by advancing to a higher Paid As Rank than June 2019 and maintaining that new higher Rank through the month of the 2020 Dream trip.
- Already a Paid As Director or above in June 2019? Advance to a higher Rank by December 2019 to qualify.
- Not yet a Business Leader? Get to the rank of Senior Director by December 2019 to qualify.
- Qualifiers must achieve their higher Paid As Rank by December 2019 and maintain that Paid As Rank or above through the month of the 2020 Dream Trip.

Rules

- This is an exclusive incentive for 2019 Shaklee Global Conference attendees to earn a trip for one person to the 2020 Dream Trip in Costa Rica (at the 200 point qualification level).
- Attendees who are a Paid As Director or above in June 2019 can qualify by advancing to their next Paid As Rank by December 2019 PV Month. The December 2019 Paid As Rank must be higher than their June 2019 Paid As Rank and the qualifier must continue to maintain that new higher Rank through the month of the 2020 Dream Trip.
 - Example: In June 2019 Chris is the Paid As Rank of Coordinator (so this is his base rank for this incentive). Chris advances to Executive Coordinator in November (a month before the deadline to achieve a higher rank). He holds this rank in November, December and January. He falls to the Paid As Rank of Senior Coordinator in February and holds it in March and April of 2020. Chris continues to be a higher Paid As Rank compared to June 2019 through the month of trip, May 2020, so he qualifies.

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- Attendees who are not a Paid As Director or above in the month of June 2019 will need to advance to the rank of Senior Director or above by December 2019 and hold the rank of Senior Director or above through the month of the 2020 Dream Trip.
- The Level Up qualification does not automatically give you 200 Incentive Points, but you do automatically qualify for the 200 Point Dream Incentive qualification level (without any sponsoring requirements). Qualifiers who achieve the trip both based on the Level Up qualification and by earning 200 trip points will only be awarded a trip for one person. Level Up qualifiers must achieve the full 300 points to earn the trip for two or the full 600 points (including sponsoring and rank requirements) to earn a trip for two and an additional \$1500.
- The company will not permit any reorganization or sponsorship line movement to aide in the 2020 Dream Trip incentive qualification.
- Dream Trip attendee must be on record with Shaklee as a member of the qualifying distributorship.
- This incentive trip is non-transferrable and is only valid for the 2020 Dream Trip to Costa Rica. No exceptions.
- Buy-ins for a second person in your room will be offered. Pricing information for buy-ins will be provided to the qualifiers after the incentive completion.



Incentive Trip Qualification: January 1, 2019 – December 31, 2019

Trip Location: French Alps and Riviera

Trip Dates: March 18 – 24, 2020

How to Qualify

Achieve the new Paid As rank of Key Coordinator or higher for 4 consecutive months during the 2019 – 2020 Incentive period (based on the Five-Year Rule on page 11) to qualify for the Top Achievers International Trip.

First time Paid As Rank Advancements at the following ranks (when held for 4 consecutive months) will qualify you for this trip:

- Key Coordinator
- Senior Key Coordinator
- Master Coordinator
- Senior Master Coordinator
- Presidential Master Coordinator

Example 1: Business Leader Bobbie had a base rank of Executive Coordinator. She advanced to the Paid As rank of Key Coordinator for the first time in July 2019. She held the Paid As rank of Key Coordinator in July, August, September and October. She completed 4 consecutive months at the new Paid As rank of Key Coordinator and has qualified for the trip. Her only other requirement is to stay above the rank of Executive Coordinator through the month of the trip.

Example 2: Business Leader Tiye has the base rank of Master Coordinator (because she had held it more than 4 consecutive months in the last 5 years), but she is currently a Senior Key Coordinator. Then in October 2019 she advanced to the Paid As rank of Senior Master Coordinator for the first time. She held the Paid As rank of Senior Master Coordinator in October, November, December and January. She completed 4 consecutive months at the

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new Paid As rank of Senior Master Coordinator and has qualified for the trip. Congrats to Tiye for jumping two ranks to meet the qualification.

Qualifications

- First time Rank Advancement is based on the Five-Year Rule (as defined on Page 11).
- You must hold the new rank for at least 4 consecutive months.
- Those who start their new rank qualifications in either October or November of 2019 and maintain for the 4 consecutive months (through February 2020) will qualify for the 2020 Top Achievers trip.
- Once the Rank Advancement requirement is met your Paid As Rank may NOT fall below Executive Coordinator through the month of the trip.
- The highest reward you can qualify for is 2 people in one room for this International Trip, even if you advance more than one of these ranks during the Qualification Period.

Leadership Qualification for Keys and Above

Eligible Key Coordinators and higher may qualify for the Top Achievers Trip under the alternate Leadership Qualifications in lieu of qualifying via Rank Advancement.

Eligible Key Coordinators and Higher

To be eligible to qualify using the Leadership Qualifications, you must have been a Paid As Key Coordinator or higher in at least four PV months from January – December 2018, not necessarily consecutive.

Leadership Qualifications

Eligible Key Coordinators and above who increase their total cumulative QOV by 60,000 over their 2018 base will earn the 2019 Top Achievers Trip.

Rank	Cumulative QOV Increase
Key Coordinator - Presidential Master Coordinator	60,000+ QOV

In addition, you must be a Paid As Key Coordinator or higher for 4 months during the Qualification Period (January – December 2019). Once that requirement is met, your Paid As Rank may not fall below Executive Coordinator for the remainder of the Qualification Period and all succeeding months through the month of the trip.

Base

Your cumulative QOV Base is the greater of:

1. The total of your cumulative QOV for each month from January 2018 to December 2018 PV, or
2. 300,000

Example 1: Business Leader Tony is a Key Coordinator who had a QOV of 30,000 every month during 2018. His cumulative QOV is 360,000. If his cumulative QOV total in 2019 is 420,000 QOV or more (an increase of 60,000 QOV or more over his base) he will qualify for the Top Achievers Trip.

Example 2: Business Leader Laura hit Key Coordinator for the first time in September 2018. She held Key Coordinator for the remainder of the year but her monthly average QOV for 2018 was only 15,000. Her QOV cumulative base will be set at the minimum of 300,000.



2019 SHAKLEE NEW DIRECTORS CONFERENCE

2019 New Director Conference Dates: **September 18 - 21, 2019**

Conference Location: San Francisco Bay Area

Eligibility

Business Leaders in the Dream Plan who are first time Directors, or who meet the requirements of the Five-Year Rule (as defined on page 11 of this booklet), are eligible to qualify for the New Director Conference.

How to Qualify

- Earn a total of 18,000 Car Volume (CV)¹³ in any six-consecutive month period within your first 12 months as a Director (*The entire qualification must be completed by the end of the 12th month*)¹⁴.
- You must be a Director or higher, with no Volume Grace Months or waivers, during the six-consecutive month period.
- Once the qualifications are completed, you must maintain Director rank or higher through the month prior to the event, with no more than one Volume Grace Month or waiver.
- The qualifications must be completed two full PV months prior to the calendar month of the conference.

Example: To attend the September 2019 New Director Conference, a Business Leader must complete the 18,000 CV no later than June 2019 PV month. Once the CV qualification is completed, the Business Leader must maintain Director rank or higher, with no more than one Volume Grace Month or waiver, each month through August 2019 PV month.

Need a “Second Chance”?

Were you eligible for the New Directors Conference but you didn’t qualify in your first year? If so, keep reading to confirm your eligibility and to find out what you need to do to join us at our next New Directors Conference.

¹³ **CV:** A Business Leader’s Unencumbered Group Volume (as defined in the Statement of Privileges and Responsibilities of Shaklee Family Members), plus the Personal Group Volume of each First Generation Leader, up to a maximum of 2000 per First Generation Leader. (Same as Car Volume). CV does not include volume from outside the U.S. and Canada.

Unencumbered Group Volume: A Business Leader’s Personal Group Volume, excluding the Personal Group Volume of a First Generation Director in the month the First Generation Director promotes.

¹⁴ A Business Leader may qualify by accumulating 18,000 CV in as few as three consecutive months. All other requirements listed above apply.

“Second Chance” Eligibility

You must be a Dream Plan Business Leader who was eligible to qualify for the New Director Conference at one time (meaning you were a first-time Director or met the requirements of the Five-Year Rule) but you did not accumulate sufficient CV to qualify within your first 12 months as a Business Leader.

“Second Chance” – How to Qualify

- Earn a total of 48,000 Car Volume (CV) within any 12-consecutive month period beginning in 2018 or later¹⁵.
- You must be a Director or higher, with no Volume Grace Months or waivers, during each month of the Qualification Period.
- Once the qualifications are completed, you must maintain Director rank or higher through the month prior to the event, with no more than one Volume Grace Month or waiver.
- The qualifications must be completed two full PV months prior to the calendar month of the conference.

Example: To attend the September 2019 New Director Conference, a Business Leader must complete the 48,000 CV no later than June 2019 PV month. Once the CV qualification is completed, the Business Leader must maintain Director rank or higher, with no more than one Volume Grace Month or waiver, each month through August 2019 PV month.

Additional Requirements (For ALL Qualifiers)

- If you qualify for the New Directors Conference but the remaining rank requirements are not fully met, Shaklee reserves the right to cancel your participation in the Trip and/or to charge your account for costs incurred on your behalf.
- Training and recognition are the key components of the event. Qualification is for up to two people, each of whom must be on record with Shaklee as a member of the qualifying Shaklee ID number, and includes airfare, hotel, local transportation, and some meals. Each attendee is required to attend all meetings, events and activities that are a part of the New Director Conference.
- Qualified Business Leaders must attend the first scheduled conference for which they are eligible. If you have a reason that you cannot attend this New Directors Conference we will consider written exception requests to this rule but they must be received by August 31, 2019.
- Qualifiers will be emailed registration information at the end of the Qualification Period that includes event registration deadlines. If you are unable to register and book your airfare by the deadline, you may incur additional costs and/or be unable to attend this event.
- Shaklee provides round-trip coach air transportation from an airport near your hometown (the mailing address on file with Shaklee). Attendees are responsible for paying any additional airfare if they embark from another location.

¹⁵ A Business Leader may qualify by accumulating 48,000 CV in as few as eight consecutive months. All other requirements listed above apply.

Recognition

Qualification Period: June 1, 2019 – May 31, 2020

One of the best things we do at Shaklee is celebrate and recognize each other's successes and we can't wait to recognize you at the 2020 Shaklee Global Conference! Here are some things you can expect to earn as a Shaklee Star:



- VIP Registration
- VIP Gifts and Recognition
- VIP Seating during General Sessions
- Shaklee Star Recognition Event

There are three ways you can qualify to be a Shaklee Star and enjoy the VIP experience at the 2020 Shaklee Global Conference!

New Rank Achievement

Anyone who promotes to their highest rank (per the 5 year rule) will qualify as a Shaklee Star and receive special on-stage recognition at the 2020 Shaklee Global Conference!

o Please note: All New Rank Achievers must qualify for their new rank during the Qualification Period. For Director-Sr. Executive Coordinator, there is no maintenance required to be recognized at the 2020 Shaklee Global Conference. However, you must be Paid As that new rank in either the May 2020 or the June 2020 PV month. To be recognized at a new rank of Key Coordinator or higher, you must complete the full three months' maintenance to be appointed to the rank and additionally you must be Paid As that new rank in the May 2020 or the June 2020 PV month.

OV Increase

Increase your cumulative OV during the Qualification Period by at least 25,000 OV over your base during the qualification period. Your base is calculated by adding your OV for the PV months of June 2018 – May 2019. In the occasion that you do not hold the paid as title of Director or above, no OV will be calculated. This is true for your Qualification Period as well as the base period. You can locate your OV base on the Recognition Tracker at shaklee.com.

Wall of Honor Achievement

Shaklee Business Leader teams in each of the following categories will be recognized as a 2020 Wall of Honor Achiever. In addition to Shaklee Star Recognition, they will be treated to an incredible experience during the 2020 Global Conference! To fully qualify, the achiever **must** also register for 2020 Global Conference no later than April 1, 2020. Recognition and rewards will be forfeited if the achiever does not personally attend the 2020 Global Conference.

Fortune

- The top Business Leader teams that have earned the highest income during the Qualification Period.
- The Business Leader team that has earned the highest income during the Qualification Period will receive the **2020 Shaklee FORTUNE Award**.

Income

- The top Business Leader team in each Region that has the greatest increase in income over the prior Qualification Period (June 1, 2018 – May 31, 2019).

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- The Business Leader team that has the greatest increase in income over the prior Qualification Period will receive the **2020 Shaklee INCOME Award**.

Growth

- The top Business Leader team in each Region that has the greatest NEW PV during the Qualification Period. NEW PV includes PGV for all NEW personally sponsored Members and Distributors as well as OV for all NEW Business Leaders personally sponsored during the Qualification Period (June 1, 2019 – May 31, 2020).
- The Business Leader team that has the greatest NEW PV during the Qualification Period will receive the **2020 Shaklee GROWTH Award**.

Rising Stars

- The top fastest growing New (anyone who joined Shaklee after May 31, 2017) Business Leader team in each Region that has the greatest cumulative Organizational Volume during the Qualification Period.
- The top fastest growing NEW (anyone who joined Shaklee after May 31, 2017) Business Leader team that has the greatest cumulative Organizational Volume during the Qualification Period will receive the **2020 Shaklee RISING STAR Award**.



New Key Coordinator Hometown Celebration

We are coming to your hometown to host a reception in your honor! We want to celebrate you with your friends and family and make it known that you are earning cars, money and trips while living the Shaklee dream.

Eligibility

New (first time) Key Coordinators who are in the Dream Plan are eligible for the New Key Coordinator Hometown Celebration.

Qualifications

You must be a fully qualified, Paid As Key Coordinator for three consecutive months and promote to Key Coordinator as per the P&R. Once qualified, your Paid As Rank may not fall below Senior Executive Coordinator in any month up to and including the month prior to the Celebration.

Hometown Celebration Details

Food, fun and friendship with a private guest list selected by the Key Coordinator, with recognition on site by a member of the Shaklee Sales Team. The date and time for the Celebration will be jointly determined by the new Key Coordinator and Shaklee Sales Representative and will be held in the Key Coordinator's city in Shaklee's records, unless an alternate location is approved by Shaklee.



New Master Coordinator Ceremony

Time to pack your bags and head to Shaklee Global Headquarters for a green carpet celebration and ceremony, including an invitation to a once-in-a-lifetime dinner – all in your honor!

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Eligibility

New (first time) Master Coordinators are eligible for the New Master Coordinator Ceremony.

Qualifications

You must be a fully qualified, Paid As Master Coordinator for three consecutive months and promote to Master Coordinator as per the P&R. In addition, you must be a Paid As Master Coordinator in the month prior to the trip.

Master Coordinator Ceremony Details

The trip includes airfare for up to two people who are on record with the qualifying Shaklee ID number to San Francisco, VIP transfers, two nights' hotel, official ceremony at Shaklee Global Headquarters and a very special dinner with Roger and Sloan Barnett. Qualification is for up to two people, each of whom must be on record with Shaklee as a member of the qualifying Shaklee ID number.

Car Bonus Program



Are you driving the car of your dreams? It's possible with Shaklee! When you build a Shaklee business and grow to higher levels of Leadership while accumulating higher volumes of product sales, Shaklee will reward you with progressively larger car payments toward your very own new car!

Eligibility

Business Leaders in the Dream Plan are eligible for the Car Bonus Program. Business Leaders must first complete a three-month Qualification Period, and are then eligible to earn the car bonus for their program when monthly requirements for their program are met. Business Leaders may participate in the Car Bonus Program for each rank only once.

Registration

Once a Business Leader has completed the required three-month Qualification Period described below, Shaklee will mail a Car Bonus Program packet that includes the options available and next steps.

Business Leaders wishing to participate in the Car Bonus Program must send to Shaklee the completed Car Program Registration Form, along with documentation of car lease or purchase, and a picture of the Business Leader with their car, within six months after the Qualification Period is completed¹⁶. The car may be either a new car or certified pre-owned car with model year within the last three years (e.g., If the registration is submitted in 2019, then the model year can be 2016, 2017, 2018 or 2019).

Drive-Off or Down Payment Assistance

Business Leaders may request to have Shaklee reserve up to six months of Car Bonuses for them, which they may use to pay the "drive-off" charges on a car lease or the down payment on the purchase of a car. Business Leaders who wish to request this option will indicate that on the Car Program Registration form. The remaining period during which monthly car bonuses can be earned will be reduced by the number of months that bonuses have been placed on reserve, and will start in the month after Shaklee receives documentation of the purchase or lease of a car. Once the reserve period has elapsed, a request to receive these funds must be made within 90 days.

¹⁶ Note that a Business Leader may choose not to register within six months of initially completing the qualifications. So long as the Business Leader registers within six months of the most recently completed three-consecutive month period in which all qualifications are met, the requirements of this section are deemed to have been met.

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Once the check has been issued for the reserved funds, a copy of a purchase or lease agreement must be received by Shaklee within 60 days of the date of the check. If Shaklee does not receive a copy of the Purchase or Lease agreement within the 60-day period, Shaklee may debit your Shaklee account for the amount of the check issued for these reserved funds.

Senior Director Car Program

Qualification Period: Hold Paid As Senior Director rank or higher, and have a minimum of 5000 Car Volume¹⁷ for each of 3 consecutive months.

Monthly Car Bonus: Once registration in the program has been accepted by Shaklee, the Business Leader will earn \$225 per month for a non-hybrid car or \$250 per month for a hybrid car for up to 36 months, in each month in which the Business Leader has at least 5000 Car Volume.

If the Business Leader has less than 5000 Car Volume, or uses a Volume Grace Month or waiver, in any given month, no Car Bonus will be paid for that month.

Rank Increases Beyond Senior Director: Senior Directors who achieve the rank of Senior Coordinator or higher during the 36 months they are in the Senior Director Car Program, will earn the Car Bonus amount for the Senior Coordinator (or applicable) Car Program in any month in which they are a fully qualified, Paid As Senior Coordinator or higher and meet the Car Volume requirement for the Car Program corresponding to that rank. This does not impact the Business Leader's eligibility to then participate in the Senior Coordinator Car Program, once the 36 months in the Senior Director Program have passed.

Senior Coordinator Car Program

Qualification Period: Hold Paid As Senior Coordinator rank or higher, and have a minimum of 7000 Car Volume for each of 3 consecutive months.

Monthly Car Bonus: Once registration in the program has been accepted by Shaklee, the Business Leader will earn \$325 per month for a non-hybrid car and \$375 per month for a hybrid car for up to 36 months, in each month in which the following qualifications are met:

- 1) The Business Leader is a fully qualified, Paid As Senior Coordinator or higher, and
- 2) The Business Leader has 7000 Car Volume.

If the Business Leader's Paid As Title falls below Senior Coordinator in any given month, the Business Leader will earn a Car Bonus of \$225 for a non-hybrid car or \$250 for a hybrid if the Business Leader has at least 7000 Car Volume that month.

If the Business Leader's Car Volume falls below 7000, or if a Volume Grace Month or waiver is used, in any given month, no Car Bonus will be paid for that month.

Rank Increases Beyond Senior Coordinator: Senior Coordinators who achieve the rank of Senior Executive Coordinator or higher during the 36 months they are in the Senior Coordinator Car Program, will earn the car bonus amount for the Senior Executive Coordinator (or applicable) Car Program in any month in which they are a fully qualified, Paid As Senior Executive Coordinator or higher and meet the Car Volume requirement for the Car Program

¹⁷**Car Volume:** A Business Leader's Unencumbered Group Volume (as defined in the Statement of Privileges and Responsibilities of Shaklee Family Members), plus the Personal Group Volume of each First Generation Leader, up to a maximum of 2000 per First Generation Leader. Car Volume does not include volume from outside the U.S. and Canada.

Unencumbered Group Volume: A Business Leader's Personal Group Volume, excluding the Personal Group Volume of a First Generation Director in the month the First Generation Director promotes.

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corresponding to that rank. This does not impact the Business Leader's eligibility to then participate in the Senior Executive Coordinator Car Program, once the 36 months in the Senior Coordinator Program have passed.

Senior Executive Coordinator Car Program

Qualification Period: Hold Paid As Senior Executive Coordinator rank or higher, and have a minimum of 9000 Car Volume for each of 3 consecutive months.

Monthly Car Bonus: Once registration in the program has been accepted by Shaklee, the Business Leader will earn \$400 per month for a non-hybrid car or \$450 per month for a hybrid car for up to 36 months, in each month in which the following qualifications are met:

- 1) The Business Leader is a fully qualified, Paid As Senior Executive Coordinator or higher, and
- 2) The Business Leader has 9000 Car Volume.

If the Business Leader's Paid As Title falls below Senior Executive Coordinator in any given month, the Business Leader will earn \$325 for a non-hybrid car or \$375 for a hybrid if the Business Leader has at least 9000 Car Volume.

If the Business Leader's Car Volume falls below 9000, or if a Volume Grace Month or waiver is used, in any given month, no Car Bonus will be paid for that month.

Rank Increases Beyond Senior Executive Coordinator: Senior Executive Coordinators who achieve the rank of Senior Key Coordinator or higher during the 36 months they are in the Senior Executive Coordinator Car Program, will earn the Car Bonus amount for the Senior Key Coordinator (or applicable) Car Program in any month in which they are a fully qualified, Paid As Senior Key Coordinator or higher and meet the Car Volume requirement for the Car Program corresponding to that rank. This does not impact the Business Leader's eligibility to then participate in the Senior Key Coordinator Car Program, once the 36 months in the Senior Executive Coordinator Program have passed.

Senior Key Coordinator Car Program

Qualification Period: Hold Paid As Senior Key Coordinator rank or higher, and have a minimum of 13000 Car Volume for each of 3 consecutive months.

Monthly Car Bonus: Once registration in the program has been accepted by Shaklee, the Business Leader will earn \$450 per month for a non-hybrid car or \$500 per month for a hybrid car for up to 36 months, in each month in which the following qualifications are met:

- 1) The Business Leader is a fully qualified, Paid As Senior Key Coordinator or higher, and
- 2) The Business Leader has 13000 Car Volume.

If the Business Leader's Paid As Title falls below Senior Key Coordinator in any given month, the Business Leader will earn a Car Bonus of \$400 for a non-hybrid or \$450 for a hybrid if the Business Leader has at least 13000 Car Volume for the month.

If the Business Leader's Car Volume falls below 13000, or if a Volume Grace Month or waiver is used, in any given month, no Car Bonus will be paid for that month.

Rank Increases Beyond Senior Key Coordinator: Senior Key Coordinators who achieve the rank of Master Coordinator or higher during the 36 months they are in the Senior Key Coordinator Car Program, will earn the Car Bonus amount for the Master Coordinator Car Program in any month in which they are a fully qualified, Paid As Master Coordinator or higher and have at least 15000 Car Volume. This does not impact the Business Leader's eligibility to then participate in the Master Coordinator Car Program, once the 36 months in the Senior Key Coordinator Program have passed.

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Master Coordinator Car Program

Qualification Period: Hold Paid As Master Coordinator rank or higher, and have a minimum of 15000 Car Volume for each of 3 consecutive months.

Monthly Car Bonus: Once registration in the program has been accepted by Shaklee, the Business Leader will earn \$500 per month for a non-hybrid car or \$600 per month for a hybrid car for up to 36 months, in each month in which the following qualifications are met:

- 1) The Business Leader is a fully qualified, Paid As Master Coordinator or higher, and
- 2) The Business Leader has 15000 Car Volume.

If the Business Leader's Paid As Title falls below Master Coordinator in any given month, the Business Leader will earn a Car Bonus of \$450 for a non-hybrid or \$500 for a hybrid if the Business Leader has at least 15000 Car Volume for the month.

If the Business Leader's Car Volume falls below 15000, or if a Volume Grace Month or waiver is used, in any given month, no Car Bonus will be paid for that month.

Presidential Master Coordinator Car

Eligibility: Business Leaders in the Dream Plan.

Qualification Period: Hold Paid As Presidential Master Coordinator title for three consecutive months and promote to the appointed title of Presidential Master Coordinator, then continue to hold as a Paid As Presidential Master Coordinator for an additional three consecutive months (total of six consecutive months).

Presidential Master Coordinators who meet the qualification will be awarded the keys to a luxury car (with a maximum value of \$100,000). At that time, participation in and/or eligibility for the Senior Director, Senior Coordinator, Senior Executive, Senior Key or Master Car Program, if any, will end.

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Appendix

PGV+ Examples

In the example below, Diane is the sponsor of Edward and Henry. Edward is the sponsor of Fred and Georgia.

Base Period:

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
0 Diane	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
1 Edward	2000	2000	Reverted	Reverted	2000	2000	2000	2000	2000	2000	2000	2000
2 Fred	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
2 Georgia	2000	2000	Reverted	Reverted	Reverted	2000	2000	2000	2000	2000	2000	2000
1 Henry	0	0	0	0	0	0	2000	2000	2000	2000	2000	2000

Diane's PGV+ Base is 68,000 (her own 36,000 plus 20,000 from Edward and 12,000 from Henry).

Edward's PGV+ Base is 74,000 (his own 20,000 plus 36,000 from Fred and 18,000 from Georgia).

Fred's PGV+ Base is 36,000.

Georgia and Henry each have a PGV+ Base of 24,000.

Qualification Period:

The table below shows the PGV of each of the Business Leaders for each month of the Qualification Period. Henry promotes a new Director, Irene, in June. Edward and Henry are assumed to have 0 PGV in the month(s) that they are reverted.

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
0 Diane	4000	4000	4000	4000	4000	4000	5000	5000	5000	5000	5000	5000
1 Edward	2000	2000	2000	2000	Reverted	2000	Reverted	Reverted	2000	2000	2000	2000
2 Fred	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000
2 Georgia	2000	2000	2000	3000	3000	3000	3000	3000	4000	4000	4000	4000
1 Henry	2000	2000	2000	2000	2000	3000	2000	2000	0	Reverted	2000	2000
2 Irene	0	0	0	0	0	2000	2000	2000	3000	3000	3000	3000

Calculation of Diane's PGV+ and Points:

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
PGV+	8000	8000	8000	8000	10000	11000	11000	11000	7000	7000	9000	9000
Cum PGV +	8000	16000	24000	32000	42000	53000	64000	75000	82000	89000	98000	107000
Incr Over Base	-60000	-52000	-44000	-36000	-26000	-15000	-4000	7000	14000	21000	30000	39000
Points									25		50	75

Diane's PGV+ comes from her own PGV+ the PGV of Edward and Henry, except during the three months that Edward was not a Business Leader. In those three months, her PGV+ comes from her own PGV+ the PGV of Fred and Henry. She cannot count Georgia's PGV because Georgia is a roll-up and was not First Generation to Diane at any time during 2016. Similarly, Diane cannot count Irene's PGV in the month that Henry was not a Business Leader because Irene is a roll-up and Diane was not the Business Leader who promoted her.

Diane is awarded a total of 150 PGV+ points during the Qualification Period – 25 in September, when her cumulative PGV+ exceeds her Base by at least 12,000; 50 in November when her cumulative PGV+ exceeds her Base by at least 24,000 and 75 in December when her cumulative PGV+ exceeds her Base by at least 36,000.

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Calculation of Edward's PGV+ and Points:

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
PGV	8000	8000	8000	9000	0	9000	0	0	10000	10000	10000	10000
Cum PGV +	8000	16000	24000	33000	33000	42000	42000	42000	52000	62000	72000	82000
Incr Over Base	-66000	-58000	-50000	-41000	-41000	-32000	-32000	-32000	-22000	-12000	-2000	8000

Edward's PGV+ comes from his own PGV+ that of Fred and Georgia, except in the months he is not a Business Leader. In the month's he is not a Business Leader he can count only his own PGV, which in this example is zero. Edward's cumulative PGV+ by the end of the Qualification Period exceeds his Base by 8000, less than the 12,000 required to earn points.

Calculation of Fred's PGV+ and Points:

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
PGV+												
Fred	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000
Cum PGV +	4000	8000	12000	16000	20000	24000	28000	32000	36000	40000	44000	48000
Incr Over Base	-32000	-28000	-24000	-20000	-16000	-12000	-8000	-4000	0	4000	8000	12000
Points												25

Since Fred does not have any Business Leaders below him, his PGV+ come from his own PGV. By the end of the Qualification Period his cumulative PGV+ exceeds his Base by 12,000 and he is awarded 25 points.

Calculation of Georgia's PGV+ and Points:

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
PGV+												
Georgia	2000	2000	2000	3000	3000	3000	3000	3000	4000	4000	4000	4000
Cum PGV +	2000	4000	6000	9000	12000	15000	18000	21000	25000	29000	33000	37000
Incr Over Base	-22000	-20000	-18000	-15000	-12000	-9000	-6000	-3000	1000	5000	9000	13000
Points												25

Georgia also does not have any Business Leaders below her, so her PGV+ comes from her own PGV. By the end of the Qualification Period her cumulative PGV+ exceeds her Base by 13,000 and she earns 25 points.

Calculation of Henry's PGV+ and Points:

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
PGV+												
Henry	2000	2000	2000	2000	2000	5000	4000	4000	3000	0	5000	5000
Cum PGV +	2000	4000	6000	8000	10000	15000	19000	23000	26000	26000	31000	36000
Incr Over Base	-22000	-20000	-18000	-16000	-14000	-9000	-5000	-1000	2000	2000	7000	12000
Points												25

Henry's PGV+ includes his PGV and Irene's PGV except in the month he is reverted. By the end of the Qualification Period his cumulative PGV+ exceeds his Base by 12,000 and he is awarded 25 points.

Calculation of Irene's PGV+ and Points:

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
PGV+												
Irene	0	0	0	0	0	2000	2000	2000	3000	3000	3000	3000
Cum PGV +	0	0	0	0	0	2000	4000	6000	9000	12000	15000	18000
Incr Over Base	-24000	-24000	-24000	-24000	-24000	-22000	-20000	-18000	-15000	-12000	-9000	-6000

Since Irene has no Business Leaders below her, her PGV+ is her own PGV. By the end of the Qualification Period her cumulative PGV+ is 18,000 which is below her Base of 24,000. She does not receive any points.