

STATEMENT OF AVERAGE GROSS COMPENSATION 2020

Canada



HOW TO ENROLL:

NHT Global members enroll for the following reasons:

- To buy products at a discounted rate for personal consumption
- To sell products for retail profit
- To build a network and sponsor others who plan to personally use or sell product

Most members enroll in our network for personal consumption and receive only a discounted rate on their product purchases. These members, which consists of 43% of our Canadian Active membership*, did not receive any commissions from NHT Global, nor did they participate in any business building activities.

EARNINGS OPPORTUNITIES:

- Through retail sales by purchasing NHT Global products at a discounted rate and selling product from your inventory
- Through retail sales captured via your NHT Global replicating website retail cart (product is shipped direct from NHT Global to your retail customer or preferred customer)
- By building a network and enrolling others who purchase NHT Global products to either sell via retail or use personally

Note: Money cannot be earned solely through sponsorship – sales are required.

MORE ABOUT THE BUSINESS:

- Most people start their NHT Global business by selling to their personal network of friends and family because they believe in the value and benefits of the products. By referring these people to NHT Global products, they themselves are able to make a little extra money.
- Members appreciate the freedom and flexibility of choosing how and when to work.
- Building a successful NHT Global network takes hard work and time.
- Like all businesses, some members will succeed, while some will not.
- Members enjoy free initial enrollment and there are no ongoing required product purchases.
- Through NHT Global's Preferred Customer Program, preferred customers can purchase products at a 25% discount. Preferred Customers are not eligible to participate in the NHT Global Compensation Plan and are not permitted to sell NHT Global products, earn commissions, or build a team.

RETAIL SALES INFORMATION:

- Members are eligible to buy NHT Global products at a discount.
- Members earn the difference between the retail price/ wholesale price of the product and the discount the members are able to purchase the product for based on their rank.
- Discounts are offered for members who attain certain ranks based on the volume of product they purchase:

	RANK	DISCOUNT
	PLATINUM / GOLD	30%
	SILVER	10%
	BRONZE	5%

EARNINGS INFORMATION:

- Most members enroll to receive a discount on NHT Global product purchases, however, NHT Global does pay one of the highest commission rates in the industry.
- During 2020, 86% of our active CA members who worked on building a business with NHT Global earned a commission and 14% did not earn any form of compensation.
- In addition to any retail profit, of those who received commissions from NHT Global, approximately:
 - 73% earned an average of \$217 in annual commissions
 - 10% earned between \$1,000 and \$5000 in annual commissions with the average commission greater than \$2,100
 - 1.5% earned between \$5,000 and \$10,000 in annual commissions with the average commission greater than \$6,300
 - 3 people earned between \$10,000 and \$25,000 in annual commissions
 - Less than 1%, or 2 people, earned more than \$100,000 in annual commissions

Note: The earning amounts listed above do not include expenses incurred by a distributor to operate and promote his/her NHT Global business, which can vary widely. When calculating net earnings, a distributor should factor in business-related expenses such as product samples, travel costs, training, business/office supplies, advertising expenses, communication services such as internet and phone, event related costs, commission related expenses, and miscellaneous expenses.

ADDITIONAL INFORMATION:

- If you have unopened products, you can return them within a year of the purchase date for a refund and cancel your membership. If an order is cancelled within 30 (thirty) days of the initial order date, NHT Global will issue a full refund for the order minus any freight charges and commissions paid to the distributor. For order cancellations outside of 30 (thirty) days, and up to 12 (twelve) months from the time of order, NHT Global shall repurchase all product in a current, reusable and resalable condition at a price of no less than 90% (ninety percent) of the original net cost to the participant minus any freight charges and commissions paid to the distributor as a result of the sale of the returned product.
- Please contact member.compliance@nhtglobal.com for more information.

* Natural Health Trends defines Active Members as those that have placed at least one product order with the Company during the preceding twelve-month period.