

Compensation Plan

PROVEN RESULTS. UNLIMITED POTENTIAL.

Our marketing opportunity has been designed to help Consultants achieve financial well-being and freedom on their road to total wellness. As a Nikken Consultant, you can choose your lifestyle and make your dreams come true.

Our generous compensation plan permits you to rise to the top while encouraging others to rise with you. The income opportunity is literally unlimited and makes each step along the way financially rewarding.

The Nikken marketing opportunity has opened the doors to a new world of self-fulfillment and prosperity for hundreds of thousands of Consultants worldwide. It can do the same for you. The financial opportunity and compensation plan we are about to describe can be your key to the life you and your loved ones have always wanted to live.

NETWORK MARKETING: A DYNAMIC FORCE

Network marketing is an opportunity for success that is open to anyone. It requires neither a large investment nor a college degree — just the desire and the willingness to get out and make things happen.

It provides an individual with the chance to climb to the peak of success based on his or her own merit and effort. There are no supervisors or managers to evaluate performance; your desire and your dedication are what determine your rewards, not the opinions of others.

It allows you to work according to your own rules regarding hours or scheduling. You are free to contribute as much as you desire toward your success.

And in network marketing, the results of your efforts accrue to you. In other businesses, sales revenues are used to cover high operating costs — advertising agencies, distribution companies, retailers, layers of corporate management. With network marketing, you are the company. You pay yourself, instead of trading someone else your hours for dollars.

THE MULTIPLICATION PRINCIPLE AT WORK

By bringing new Consultants into the Nikken network, you can qualify to earn income on their sales volumes, as well as on the sales volumes of the people they bring in, and so on.

The individuals you sign up as Consultants become the first level of your sales organization. They are called your first-level Consultants. The people these first-level Consultants enroll in turn become your second-level Consultants. Eventually, as you continue to sign up new Consultants, and they do the same, there will be many levels, in many branches of your "downline" organization. This is where an explosively powerful principle comes into play. We call it the "multiplication principle."

LEVERAGE YOUR TIME

The multiplication principle is a powerful force working for you. It magnifies the amount of time you invest, to provide almost unimaginable returns. Suppose that you launch your Nikken Distributorship with an investment of 10 hours per week. This moderate beginning allows you to get started without sacrificing a lot of time from your other interests or current livelihood, while you build toward future success.

As you grow your business, you sign up, for example, seven people as Consultants, who also each invest 10 hours. Now you've already expanded your Nikken business network to an organization operating 70 hours per week. You help each of these Consultants in turn sign up seven others. Your Nikken network has increased to 57 persons — and 570 hours per week!

How hard would you have to work on your own, to reap the benefit of 570 hours every seven days? It's not possible. But the multiplication principle has transformed your 10 hours into an amount of weekly activity equal to a single individual working full time for more than three months. What a tremendous return on 10 hours! This is the multiplication principle, and the power of leveraging. **These projections are for evaluation purposes only and do not constitute a guarantee or an indicator of performance.**

SEVEN WAYS TO EARN

Through its generous compensation plan, Nikken offers six different ways to earn. Your success and the income you earn from your Nikken business is determined by the number of customers you have, the amount that each customer purchases and your effectiveness in building a sales organization that includes other Consultants that help you expand your customer base as they build their sales organization. This is available to Nikken Consultants and Nikken Internationally Certified Consultants.

1. Retail Sales Profits

As a Consultant, you order products directly from Nikken at the wholesale price. Your retail profit is the difference between the retail and the wholesale price. For example, if your retail customer orders a product worth \$1,250 retail (\$1,000 wholesale price to you, as a Consultant), you can make a retail profit of \$250, which is 25% of the wholesale price.

A retail sale can take place through the following ways:

- Consultant may purchase products for resale and sell directly to the retail customer;
- Consultant may place order for retail customer and order to drop ship to the customer;
- A retail customer may order directly from the Internet at (www.nikken.com), phone, mail, or fax, and enter the Consultant's ID number.
- The Nikken Member Customer Program allows a Consultant's customer to place orders directly with Nikken through the Internet (at MyProduct area of the Consultant's personal website or www.nikken.com), phone, mail or fax and have their orders shipped directly to them. This program is designed to make customer direct marketing easier than ever for the Consultant and more convenient for the retail customer. Any Consultant's retail customer who enrolls in the Member Program shall be able to register directly with Nikken at the annual cost of US \$12.95 / CN \$15.50* to purchase products at a defined discount off of the suggested retail price. The Consultant's commission volume from any sale through the Member program and any bonuses earned through the Member program are automatically added to your bonus check.

The retail customer that participates in the Member Program will periodically receive communications from Nikken (ie. welcome letter, quarterly newsletter, targeted email campaigns, etc.).

*Canada pricing is periodically adjusted to reflect variations in currency exchange rates. For prices in Canada refer to nikken.com or myNikken.com.

2. Member Retail Sales Commission

Consultants earn 5% retail sales commission on all product purchases made by customers they sponsor as a Nikken Member.

Individuals may elect to become a Nikken Member by completing the enrollment process with Nikken and paying an annual fee. Nikken Members are entitled to purchase products from Nikken at a discount on the retail price and receive special communications, promotions and other special offers and privileges directly from the company. A Member may become a Nikken Independent Consultant at anytime.

3. Personal Volume Rebate

As you progress through the Consultant ranks, you will qualify for progressively larger Personal Volume Rebates, ranging from 5% to 20% of the amount of products you order from Nikken at wholesale.

4. Personal Group Volume Override

This is an override, or bonus, that you may earn on the sales volume of your Personal Group, which includes all the Direct, Senior, Executive and Bronze Consultants in your organization, depending on your rank and the ranks of those you have directly sponsored.

5. Leadership Bonus

This powerful bonus is based on a percentage of the Personal Group Volumes of the Silver Consultants (or above) in your organization. Nikken allows you to earn 6% bonuses on each descending line (leg) down through as many as six qualified leadership organization (Silver or above) levels.

6. Leadership Auto and Home Incentive Programs

It's great to receive special rewards for a job well done. These motivating programs take the concept of reward-giving to breathtaking new heights. If you qualify, Nikken will pay all or part of the payments for your dream car and home! These generous programs are made available to qualifying Gold Consultants (or above). The Auto/Home Incentive Program is available to Consultants who are building a network organization exclusively with Nikken.

7. Power Launch Bonus

To help you grow your Nikken business, we have created the Power Launch Bonus. When any frontline Consultant accumulates purchases of two or more Business Packs within the same calendar month, you earn the Power Launch Bonus. For your new Consultants, it's a way to become familiar with Nikken products and get a jump-start on building a solid business network. And when four or more frontline Consultants purchase Business Packs within the same month, we match your bonus for double the earnings. There is no limit to the number of Power Launch Bonuses you can earn—it's a great way to build momentum and growth in your Nikken business!

THE PATH TO FINANCIAL WELLNESS

Success with Nikken takes dedication, but the criteria for moving up in the organization are simple and straightforward. The levels you attain in Nikken are based on your Personal Volume, Personal Group Volume, and the success of the Consultants in your downline. Your Personal Volume and Personal Group Volume are measured in ¥ (Nikken Points). ¥ is used to calculate the qualifications in the Nikken compensation plan. Additionally, each point has a corresponding commission volume, the basis upon which commissions are paid.

Independent Nikken Consultants shall be paid in their home country currency calculated at the current volume month's exchange rate according to Oanda on the last business day of the month.

For a definition of Personal Volume, Personal Group Volume, and the other terms used in this section, see the Nikken Policies and Procedures.

Direct Consultant

How to Qualify

- Read, understand, and accept Nikken Policies, and Procedures, and Compensation Plan.
- Complete a Consultant Application & Agreement and send it to headquarters. (Corporate approval is necessary before you officially become a Direct Consultant.)
- Purchase a Business Kit (which contains everything you need to start your distributorship), except where mandatory purchase is prohibited by law, by sending \$35 (US), \$37.65* (CN), plus shipping and tax.

Benefits

- Order products directly from Nikken at wholesale price.
- Order through myNikken.com and Autoship for efficient, economical order processing.
- Sell to customers for a 25% retail markup profit.
- Begin to build a personal sales group by sponsoring other Consultants into the Nikken opportunity.

Senior Consultant

How to Qualify

- First, be a Direct Consultant.
- Achieve one-time ¥500 PV in a calendar month.
- Accumulate additional ¥1,000 from PGV within the same calendar month or ¥1,500 from PGV any following calendar month.

Ongoing Monthly Qualification Requirement

- Achieve ¥100 PV.

Benefits

- 25% retail markup profit on personal sales (when sold at suggested retail prices).
- A rebate equal to 5% of all your Personal CV. This is called a Personal CV Rebate.
- An override equal to up to 5% of your Personal Group CV. This is called a Personal Group CV Override.

Executive Consultant

How to Qualify

- First, be a Senior Consultant.
- Achieve ¥5,000 PGV in a calendar month.

Ongoing Monthly Qualification Requirement

- Achieve ¥100 PV.

Benefits

- 25% retail markup profit on personal sales (when sold at suggested retail prices).
- 10% Personal CV Rebate.
- Up to 10% Personal Group CV Override.

Bronze Consultant

How to Qualify

- First, be an Executive Consultant.
- Achieve ¥10,000 PGV in a calendar month.

Ongoing Monthly Qualification Requirement

- Achieve ¥100 PV.

Benefits

- 25% retail markup profit on personal sales (when sold at suggested retail prices).
- 15% Personal CV Rebate.
- Up to 15% Personal Group CV Override.

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LEADERSHIP POSITION	REQUIREMENTS				LEADERSHIP BONUS					
	Retail Sales Profit	Number Retail Sales Commission	PV Rebate	PGV Override	1	2	3	4	5	6
ROYAL DIAMOND Develop 3 first-level Directors or 6 first-level Platinums	25%	5%	20%	5% 10% 15% 20%	6%	6%	6%	6%	6%	6%
DIAMOND Develop 3 first-level Platinums or 6 first-level Golds	25%	5%	20%	5% 10% 15% 20%	6%	6%	6%	6%	6%	
PLATINUM Develop 3 first-level Golds or 6 first-level Silvers	25%	5%	20%	5% 10% 15% 20%	6%	6%	6%	6%		
GOLD Develop 3 first-level Silvers; attend Advanced Leadership & Communication	25%	5%	20%	5% 10% 15% 20%	6%	6%	6%			
SILVER ¥20,000 PGV / month and develop 3 first-level Seniors and above attend Humans Being More & Business Fundamentals training	25%	5%	20%	5% 10% 15% 20%	6%	6%				
BRONZE ¥10,000 PGV in a single month	25%	5%	15%	5% 10% 15%						
EXECUTIVE ¥3,000 PGV in a single month	25%	5%	10%	5% 10%						
SENIOR ¥500 PV / ¥1,500 PGV in a single month	25%	5%	5%	5%						
DIRECT US \$15 / CN \$16.99* (plus shipping) Business Success Kit	25%	5%								

Consultants may also qualify for pin and/or pay rank under the alternative qualification method for Silver, Platinum, Diamond and Royal Diamond rank.

LEAP INTO THE LIMITLESS REALM OF THE LEADERSHIP BONUS!

When you attain the rank of Silver Consultant, you jump into an exciting new area of income potential. In this and all higher ranks, you qualify to earn the highly rewarding Leadership Bonus. This bonus is based on the productivity of the Silver Consultants (or above) in your downline and their Personal Groups. As Consultants in your Personal Group rise to the Silver rank, they take their own Personal Groups with them and they receive Personal Group Volume credit for their efforts. You will earn something even better: the Leadership Bonus! This bonus equals 6% of the Personal Group CV down through as many as two levels of qualified Silvers and above.

Silver Consultant

How to Qualify (see Note 1 on p. 22)

- Achieve ¥20,000 PGV in a single month.
- Develop and retain three directly sponsored Senior (or above) legs.
- Attend a Humans Being More & Business Fundamentals training (see note 3 on p. 22).

OR

- Achieve ¥25,000 Personal Group Volume over a period of two (2) to four (4) consecutive months.
- Achieve at least ¥100 PV each month during multi-month qualification period.
- Develop a minimum of three (3) first level Seniors (or above) and have at least six (6) Seniors (or above) in the personal group of which at least three (3) must achieve Senior rank within the multi-month qualification period.
- Attend a Humans Being More & Business Fundamentals training (see Note 3 on p. 22).
- At Nikken's discretion, certain activities (e.g. Seniors (up to three),

Humans Being More & Business Fundamentals training, etc.) may roll forward for qualification purposes.

Ongoing Monthly Qualification Requirements

- Achieve ¥100 PV.
- Maintain a PGV of ¥2,000 each month to be eligible for a Leadership Bonus.

Benefits

- 25% retail markup profit on personal sales (when sold at suggested retail prices).
- 20% Personal CV Rebate.
- Up to 20% Personal Group CV Override.
- 6% Leadership Bonus on Personal Group CV down through two levels of qualified Silvers (or above).

Gold Consultant

How to Qualify (see Note 1 on p. 22)

- Develop and retain three first-level Silvers or above.
- Attend Advanced Leadership & Communication (see Note 4 on p. 22).

Ongoing Monthly Qualification Requirements

- Achieve ¥100 PV.
- Maintain a PGV of ¥1,500 each month to be eligible for a Leadership Bonus.
- Maintain three qualified Silver (or above) legs.

Benefits

- 25% retail markup profits on personal sales (when sold at suggested retail prices).
- 20% Personal CV Rebate.
- Up to 20% Personal Group CV Override.

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- 6% Leadership Bonus on Personal Group CV down through three levels of qualified Silvers (or above).

Platinum Consultant

How to Qualify (see Note 1 on p. 22)

- Develop and retain three first-level Golds (or above), or six first-level Silvers (or above).

OR

- Achieve a minimum ¥75,000 organizational volume within six (6) uncompressed levels of leadership with at least ¥37,500 of the minimum volume requirement being met by legs other than the primary leg.
- Develop and retain three (3) legs of Gold (or above) or six (6) legs of Silver (or above) within six (6) uncompressed levels of leadership.

Ongoing Monthly Qualification Requirements

- Achieve ¥100 PV
- Maintain a PGV of ¥1,000 each month to be eligible for a Leadership Bonus.
- Maintain three qualified Gold (or above) legs, or six qualified Silver (or above) legs.

OR

- Achieve ¥100 PV.
- Maintain a PGV of ¥1,000 each month to be eligible for a Leadership Bonus.
- Achieve a minimum ¥75,000 organizational volume within six (6) uncompressed levels of leadership with at least ¥37,500 of the minimum volume requirement being met by legs other than the primary leg.
- Maintain three (3) legs with qualified Gold (or above) or six (6) legs with qualified Silver (or above) within six (6) uncompressed levels of leadership.

Benefits

- 25% retail markup profits on personal sales (when sold at suggested retail prices).
- 20% Personal CV Rebate.
- Up to 20% Personal Group CV Override.
- 6% Leadership Bonus on Personal Group CV down through four levels of qualified Silvers (or above).

Diamond Consultant

How to Qualify (see Note 1 on p. 22)

- Develop and retain three first-level Platinums (or above) or six first-level Golds (or above).

OR

- Achieve a minimum ¥175,000 organizational volume within six (6) uncompressed levels leadership with at least ¥87,500 of the minimum volume requirement being met by legs other than the primary leg.
- Develop and retain three (3) legs of Platinum (or above) or six (6) legs of Gold (or above) within six (6) uncompressed levels of leadership

Ongoing Monthly Qualification Requirements

- Achieve ¥100 PV.
- Maintain a PGV of ¥500 each month to be eligible for a Leadership Bonus.
- Maintain three qualified Platinum (or above) legs or six qualified Gold (or above) legs.

OR

- Achieve ¥100 PV.
- Maintain a PGV of ¥500 each month to be eligible for a Leadership Bonus.
- Achieve a minimum ¥175,000 organizational volume within six (6)

uncompressed levels of leadership with at least ¥87,500 of the minimum volume requirement being met by legs other than the primary leg.

- Maintain three (3) legs with qualified Platinum (or above) or six (6) legs with qualified Gold (or above) within six (6) uncompressed levels of leadership.

Benefits

- 25% retail markup profits on personal sales (when sold at suggested retail prices).
- 20% Personal CV Rebate.
- Up to 20% Personal Group CV Override.
- 6% Leadership Bonus on Personal Group CV down through five levels of qualified Silvers (or above).

Royal Diamond Consultant

When you stand on the pedestal of the Royal Diamond Consultant rank, you become a legend in your own time. This position is available to all, but achieved only by those with the ability to help others attain their own personal best. Here, you become a leader whose attitude, skills, and earnings stand as motivating examples to Nikken Consultants throughout the world.

How to Qualify (see Note 1 on p. 22)

- Develop and retain three first-level Diamonds (or above) or six first-level Platinums (or above).

OR

- Achieve a minimum ¥350,000 organizational volume within six (6) uncompressed levels of leadership with at least ¥175,000 of the minimum volume requirement being met by legs other than the primary leg.
- Develop and retain three (3) legs of Diamond (or above) or six (6) legs of Platinum (or above) within six (6) uncompressed levels of leadership.

Ongoing Monthly Qualification Requirements

- Achieve ¥100 PV.
- Maintain a PGV of ¥100 each month to be eligible for a Leadership Bonus.
- Maintain three qualified Diamond (or above) legs, or six qualified Platinum (or above) legs.

OR

- Achieve ¥100 PV.
- Maintain a PGV of ¥100 each month to be eligible for a Leadership Bonus.
- Achieve a minimum ¥350,000 organizational volume within six (6) uncompressed levels of leadership with at least ¥175,000 of the minimum volume requirement being met by legs other than the primary leg.
- Maintain three (3) legs of qualified Diamond (or above) or six (6) legs of qualified Platinum (or above) within six (6) uncompressed levels of leadership.

Benefits

- 25% retail markup profits on personal sales (when sold at suggested retail prices).
- 20% Personal CV Rebate.
- Up to 20% Personal Group CV Override.
- 6% Leadership Bonus on Personal Group CV down through six levels of qualified Silvers (or above).

Royal Ambassador

In recognition of sterling achievement, Nikken has established the Royal Ambassador position — a level without precedent in network marketing. Those who achieve this position of leadership are compensated for past and current accomplishments — and for working with all Nikken Consultants, regardless of rank, level or line of

sponsorship. The compensation includes a **\$1 million check** and other very special rewards, making this achievement one that is simply unmatched in the industry.

How to Qualify (see Note 1)

- Be a qualified Royal Diamond Consultant.
- Have four qualified Diamond legs.
- Accumulate a minimum of ¥100,000,000 total downline Personal Group Volume from worldwide market units (maximum of ¥25,000,000 from each leg), within a 24-month rolling period, beginning the month a new Royal Diamond rank is achieved.

Benefits

- Same as Royal Diamond, plus...
- A one-time award of a million-dollar check.
- One special auto per distributorship of lease (24-month) value up to \$100,000.
- Exclusive dinner meeting with Nikken Chairman, Mr. T. Watanabe.
- Royal Ambassador diamond pin.
- Invitations to world convention. Airfare and hotel accommodations established and paid for by the Consultant's home market unit.

Duties

Royal Ambassadors represent the pinnacle of achievement with Nikken. In their new role, these industry leaders will work very much like ambassadors representing nations. They will be charged with helping all Nikken Consultants, so that they and their customers may fully enjoy the benefits of the 5 Pillars of Health. And Royal Ambassadors will work diligently to spread the Nikken philosophy throughout the world. The qualifications for this impressive rank are demanding — and the rewards are impressive, once again proving Nikken is the leader in network marketing.

Double Royal Ambassador

A Double Royal Ambassador represents an unprecedented level of success and achievement as a leader in the Nikken global market as well as in the network marketing industry. Those who achieve this leadership position are further compensated for past and current accomplishments — and for working with all Nikken Consultants, regardless of rank, level or line of sponsorship.

How to Qualify:

- Be a qualified Royal Ambassador Rank.
- Maintain qualification in the Watanabe Leadership program
- Have six qualified Diamond legs.
- Accumulate a minimum of ¥150,000,000 total worldwide downline Personal Group Volume from Nikken worldwide market units (maximum of ¥25,000,000 from each leg) within a 24-month rolling period, beginning the month after the Royal Ambassador rank is achieved.

Benefits:

- Same as Royal Diamond, plus...
- A one-time award of a \$1 million check (see Note 2).
- Exclusive dinner meeting with Nikken Chairman, Mr. Watanabe.
- Invitations to world convention. Airfare and hotel accommodations established and paid for by the Consultant's home market unit.

Duties:

The Double Royal Ambassador, in this new and prestigious role, will serve in the same manner as the Royal Ambassador. He or she will continue to help all Nikken Consultants and their customers, and will work diligently to spread the Nikken philosophy throughout the world by visiting Nikken subsidiaries.

The Double Royal Ambassador will represent the successful

Nikken Consultants at all Nikken's major events, on an as-needed basis. Travel agenda will be designated and paid for by the Consultant's Nikken home market unit.

Note 1: Worldwide volumes may be used by those who have been through the international business certification program for PGV volume and rank qualification.

Note 2: Following receipt of a Royal Ambassador rank and a one-million-dollar benefit check, a second one-million-dollar benefit check for attaining Double Royal Ambassador rank shall be issued no sooner than 24 months subsequent to the first benefit check. During this 24-month period, a Royal Ambassador shall comply with all duties particular to the position of Royal Ambassador.

Note 3: If the Consultant has not attended Humans Being & Business Fundamentals training by the completion of the Silver qualification timeframe, the following will be in effect until such time the Consultant attends Humans Being More & Business Fundamentals training:

1. Consultant will be eligible to receive Overrides at 20%, but will not be eligible to be paid on Leadership Bonus;
2. Consultant will count as a Silver leg for upline pin rank;
3. Consultant will not count as qualified leg towards upline's pay rank; and
4. Consultant will not be recognized as a Silver pin rank in the Living Well magazine or any conventions or recognition events.

Note 4: If the Consultant has not attended Advanced Leadership & Communication by the completion of the Gold qualification, the following will be in effect until such time the Consultant attends Advanced Leadership & Communication:

1. Consultant will be eligible to receive Overrides at 20%, and will be eligible to be paid on Leadership Bonus as Silver rank.
2. Consultant will count as a Gold leg for upline pin rank;
3. Consultant will not count as qualified Gold leg towards upline's pay rank but will be counted as a qualified Silver rank; and
4. Consultant will not be recognized as a Gold pin rank in the Living Well magazine or any conventions or recognition events.

SPECIAL FEATURES OF THE NIKKEN COMPENSATION PLAN

Permanent Ranks

Once you have achieved a pin rank, you cannot fall back to a lower rank in the future.

Compression of Downline Silver Consultants (or above)

In order to maximize the Leadership Bonuses for all active, productive Silver Consultants (or above), the Nikken Compensation Plan has a compression feature.

Because of this feature, if a Silver Consultant (or above) fails to qualify in a given month, and if he or she occupies a position on any downline level for which you qualify for a Leadership Bonus, then the next downline qualifying Consultants (if one exists) will be moved up into the place of the non-qualifying Consultants.

Each Silver or above who is qualified for Leadership Bonuses is paid through the qualified levels for that pay level, and is paid on any unqualified Silvers or above in between.

Note: A Consultant's distributorship may fall back to a lower rank for various reasons such as the return of products purchased for the purpose of rank advancement, Policies and Procedures violation, and any other inappropriate rank advancement.

