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HELEN JIA, SARAH SORMILLON  
AND ALL THOSE SIMILARLY  
SITUATED

**UNITED STATES DISTRICT COURT**  
**CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

HELEN JIA, an individual; SARAH  
SORMILLON, an individual; and all those  
similarly situated,

Plaintiffs,

v.

NERIUM INTERNATIONAL, LLC, a  
Texas Limited Liability Company;  
NERIUM SKIN CARE, INC., a Texas  
Corporation, NATURAL  
TECHNOLOGY, INC dba  
NATURTECH; JEFF OLSON, an  
individual; RENEE OLSON, an  
individual; AMBER OLSON ROURKE,  
an individual; MICHAEL SHOUHED, an  
individual; KELLY HEFERNAN; and  
DOES 1-10,

Defendants.

Case No. \_\_\_\_\_

**ORIGINAL COMPLAINT –  
CLASS ACTION**

**[DEMAND FOR JURY TRIAL]**

1 **I. INTRODUCTION TO THE CASE**

2 1. Nerium International, LLC (“Nerium”) and their conspirators  
3 represented to plaintiffs Helen Jia and Sarah Sormillon (collectively, the  
4 “Plaintiffs”) that Nerium provides a business opportunity that can build “a dream  
5 lifestyle” and that Plaintiffs could be financially independent by virtue of selling  
6 Nerium’s “age-defying” creams. But in reality, these promises of riches, wealth,  
7 and gifts couldn’t be further from the truth. Characterized by some of its former  
8 employees as a scam and a cult, Nerium touts that it has generated one billion  
9 dollars in cumulative sales after just four years. These sales are based on the  
10 recruitment of new brand partners into the pyramid scheme that Nerium has  
11 amassed.

12 2. Plaintiffs did not make money as promised. As with the case of  
13 thousands of Nerium distributors before and after them, the Plaintiffs failed.  
14 Plaintiffs and those similarly situated, failed even though they were committed and  
15 put in the time and effort. They failed because they were doomed from the start by a  
16 Nerium marketing plan that systematically rewards recruiting distributors over the  
17 sale of products.

18 3. A significant percentage of Nerium distributors (otherwise  
19 characterized by Nerium as brand partners) average net losses. In 2014 for example,  
20 only 1.4% of Nerium Brand partners made gross sales of over \$10,000 which did  
21 not even factor in all the expenses (and purchase of products) in the Nerium  
22 opportunity. Thus, nearly all Nerium Brand Partners do not earn net profit.

23 4. Defendants run an illegal pyramid scheme. Defendants take money in  
24 return for the right to sell products that are falsely advertised and do not provide the  
25 health benefits promised, and reward the select few for recruiting other participants  
26 into the pyramid.

27 5. Accordingly, Plaintiffs, for themselves, all others similarly situated,  
28 and the general public, allege:

1     **II. TYPE OF ACTION**

2           6.     Plaintiffs sue for themselves and for all persons who were Nerium  
3 participants from 2010 until the present under California's Endless Chain Scheme  
4 Law (California's Penal Code § 327 and California Civil Code § 1689.2),  
5 California's Unfair Competition Law (Business and Professions Code §17200 et  
6 seq.), False Advertising Law (Business and Professions Code §17500), and  
7 Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. § 1961 *et seq.*  
8 against all defendants for the operation and promotion of an inherently fraudulent  
9 endless chain scheme.

10    **III. PARTIES**

11           7.     Plaintiff Helen Jia ("Jia"), is and at all relevant times, has resided in the  
12 County of Los Angeles, State of California.

13           8.     Plaintiff Sarah Sormillon ("Sormillon"), is and at all relevant times, has  
14 resided in the County of Los Angeles, State of California.

15           9.     Defendant Nerium International, LLC ("Nerium") is a Texas limited  
16 liability company that does business in the State of California and at 4004 Belt Line  
17 Road, Suite 112, Addison, TX 75001.

18           10.    Defendant Nerium Skincare, Inc. ("Skincare") is a Texas corporation  
19 that does business in the State of California and at 4004 Belt Line Road, Suite 112,  
20 Addison, TX 75001.

21           11.    Defendant Jeff Olson ("Jeff") is the Chief Executive Officer of Nerium.  
22 Jeff is the founder of Nerium and Marketing, Chairman, and CEO. He is at or near  
23 the top of the pyramid operated and promoted by the Defendants, and he actively  
24 participates in, promotes, and profits from Nerium's pyramid scheme.

25           12.    Defendant Renee Olson ("Renee") is the Chief Leadership Officer of  
26 Nerium. She is at or near the top of the pyramid operated and promoted by the  
27 Defendants, and she actively participates in, promotes, and profits from Nerium's  
28 pyramid scheme.

1           13. Defendant Amber Olson Rourke (“Amber”) is the Chief Marketing  
2 Officer of Nerium. She is at or near the top of the pyramid operated and promoted  
3 by the Defendants, and she actively participates in, promotes, and profits from  
4 Nerium’s pyramid scheme.

5           14. Defendant Michael Shouhed (“Shouhed”) is an individual and a  
6 resident of Los Angeles County, California. He actively participates in, promotes,  
7 and profits from Nerium’s pyramid scheme.

8           15. Defendant Kelly Hefernan (“Hefernan”) is an individual and a resident  
9 of Los Angeles County, California. She actively participates in, promotes, and  
10 profits from Nerium’s pyramid scheme.

11           16. Shouhed and Hefernan were involved in promoting the Nerium  
12 opportunity using the likeness of celebrities, including without limitation, Ray  
13 Liotta.

14           17. Jeff, Renee, Amber, Shouhed, and Heffernan, are referred to  
15 collectively hereinafter, as the “Individual Defendants.”

16 **IV. JURISDICTION AND VENUE**

17           18. Jurisdiction is conferred upon this Court because Defendants do business  
18 in this judicial district, they hold themselves out and market their business opportunity  
19 and products to this jurisdiction, and they actually conduct significant transactions in  
20 this jurisdiction. Under Plaintiff’s California state law claims, more than 75% of those  
21 affected in the class (and perhaps more persons) are residents of the State of  
22 California. Jurisdiction exists over the RICO causes of action and Federal Securities  
23 claim, pled in the alternative.

24           19. Venue is proper in this Court because a substantial part of the events or  
25 omissions giving rise to Plaintiffs’ claims occurred here, a substantial part of the  
26 property that is the subject of this action is situated here, and Defendants are subject  
27 to personal jurisdiction, in this District.  
28



1           20. Defendant Nerium is subject to the jurisdiction of this Court. Nerium  
2 has been engaged in continuous and systematic business in California. In fact, many  
3 of Nerium's representative business activities originate from California.

4           21. Nerium has committed tortious acts in this State.

5           22. Each of the Defendants named herein acted as a co-conspirator, single  
6 enterprise, joint venture, co-conspirator, or alter ego of, or for, the other Defendants  
7 with respect to the acts, omissions, violations, representations, and common course  
8 of conduct alleged herein, and ratified said conduct, aided and abetted, or is other  
9 liable. Defendants have agreements with each other, and other unnamed Director  
10 co-conspirators and have reached agreements to market and promote the Nerium  
11 pyramid as alleged herein.

12           23. Defendants, along with unnamed Director co-conspirators, were part of  
13 the leadership team that participated with Nerium, and made decisions regarding:  
14 products, services, marketing strategy, compensation plans (both public and secret),  
15 incentives, contests and other matters. In addition, Defendants and unnamed co-  
16 conspirators were directly and actively involved in decisions to develop and amend  
17 the compensation plans.

18           24. Plaintiffs are presently unaware of the true identities and capacities of  
19 fictitiously named Defendants designated as DOES 1 through 10, but will amend this  
20 complaint or any subsequent pleading when their identities and capacities have been  
21 ascertained according to proof. On information and belief, each and every DOE  
22 defendant is in some manner responsible for the acts and conduct of the other  
23 Defendants herein, and each DOE was, and is, responsible for the injuries, damages,  
24 and harm incurred by Plaintiffs. Each reference in this complaint to "defendant,"  
25 "defendants," or a specifically named defendant, refers also to all of the named  
26 defendants and those unknown parties sued under fictitious names.

27           25. Plaintiffs are informed and believe, and thereon allege that, at all times  
28 relevant hereto, all of the defendants together were members of a single association,

1 with each member exercising control over the operations of the association. Each  
2 reference in this complaint to “defendant,” “defendants,” or a specifically named  
3 defendant, refers also to the above-referenced unincorporated association as a jural  
4 entity and each defendant herein is sued in its additional capacity as an active and  
5 participating member thereof. Based upon the allegations set forth in this Complaint,  
6 fairness requires the association of defendants to be recognized as a legal entity, as  
7 the association has violated Plaintiff and Class Members’ legal rights.

8         26. Plaintiffs are further informed and believe and thereon allege that each  
9 and all of the acts herein alleged as to each defendant was authorized and directed by  
10 the remaining defendants, who ratified, adopted, condoned and approved said acts  
11 with full knowledge of the consequences thereof, and memorialized the authority of  
12 the agent in a writing subscribed by the principal.

13         27. Plaintiffs are informed and believe and thereon allege, that each of the  
14 defendants herein agreed among each other to commit the unlawful acts (or acts by  
15 unlawful means) described in this Complaint.

16         28. The desired effect of the conspiracy was to defraud and otherwise  
17 deprive Plaintiffs and Class Members (as hereinafter defined) of their constitutionally  
18 protected rights to property, and of their rights under other laws as set forth herein.  
19 Each of the defendants herein committed an act in furtherance of the agreement.  
20 Injury was caused to the Plaintiffs and Class Members by the defendants as a  
21 consequence.

## 22 **V. FACTS**

### 23 **A. Nerium Operates A Pyramid Scheme**

24         29. Nerium was founded back in 2011 by co-defendant Jeff Olson  
25 (“Olson”). Olson previously created and operated the People’s Network, another  
26 MLM Company that has since cratered.

27         30. Nerium has stated gross revenues of 516 million dollars in 2015.  
28

1           31.    Nerium is involved in manufacturing so-called “age-defying” creams  
2 and pills.

3           32.    Brand Partners, who serve the role of distribution for Nerium  
4 (heretofore referred to as “Brand Partners” or “Distributors”) have complained that  
5 because there are so many distributors selling Nerium’s products, the market is  
6 flooded with too much product. Many Brand Partners have also reported that they  
7 have had a hard time selling the products because the Products smelled bad and did  
8 not provide the health benefits marketed. Other Brand Partners have stated that  
9 there are much better products out there for a fraction of the price.

10          33.    Nerium admits in its seminars that it is loading inventory, but  
11 misrepresents that its loading is “free” even though there is nothing free about  
12 shipping fees, product fees, and handling fees.

13          34.    Defendant Nerium generates revenue using a product-based pyramid  
14 scheme. Nerium sells its products to Nerium Partners who recruit multiple, new  
15 Nerium Partners. They, in turn, purchase Nerium products and recruit yet more  
16 Nerium Partners in an ever-growing pyramid.

17          35.    Nerium uses the lure of potential future bonuses, commissions, prizes  
18 (like iPads and Lexus cars) and “limitless opportunities” to motivate active  
19 participation of Nerium Partners.

20          36.    Defendant Nerium sells a skin care product in the form of a skin cream  
21 named “Nerium AD.”

22          37.    Nerium claims the key active ingredient in Nerium AD is an extract of  
23 the Nerium Oleander plant.

24          38.    Nerium claims oleander possesses “remarkable properties” for  
25 improving the appearance of damaged skin and that it produces “remarkable age-  
26 defying results when applied to the skin.” Nerium purports to have “stumbled upon”  
27 those properties in a “true accidental discovery” and then scientifically “harnessed  
28 the power of oleander” in Nerium AD skin cream.

1           39. Nerium claims that the use of Nerium AD skin cream produces  
2 dramatic improvements in the look of a person's skin, and that it is "proven" to  
3 dramatically reduce the appearance of wrinkles, skin discoloration, poor skin  
4 texture, poor skin tone, enlarged pores and aging loose skin.

5           40. Nerium markets Nerium AD as purportedly being backed by "Real  
6 Science" and as producing "Real Results."

7           41. Specifically, the actual labeling of the product falsely claims "age-  
8 defying supplement," "helps protect against common age-related mental decline  
9 with a groundbreaking formula that includes our exclusive, patented EHT extract, a  
10 natural mixture of bioactive molecules isolated from coffee, promotes better  
11 cognitive function and overall brain health, improves memory and recall, fortifies  
12 and strengthens natural brain functions, increases focus and mental alertness,  
13 protects and supports neuronal networking, enhances the body's natural energy  
14 stores, and boosts the body's immune system.

15           42. Nerium claims the purported results achieved by using Nerium AD are  
16 "based on proven science and actual customer success."

17           43. On information and belief, Nerium's principle marketing strategy is to  
18 present "before and after" photographs showing purported dramatic results achieved  
19 by people who have allegedly used Nerium AD skin cream.

20           44. On information and belief, Nerium, by and through its agents, provides  
21 those "before-and-after" photographs and related marketing materials to Nerium  
22 Partners for marketing, inter alia, on web sites and social networking platforms such  
23 as Facebook, Twitter, Pinterest, Instagram, Google+ and others.

24           45. On information and belief, the purported "real results" and "actual  
25 customer success" of using Nerium AD shown in those "before and after"  
26 photographs are fabricated – that is, they are not real results.

1           46. On information and belief, Nerium's claims of dramatic skin  
2 improvements achieved by using Nerium AD skin cream have not been validated or  
3 confirmed by any recognized or peer reviewed scientific studies.

4           47. On information and belief, Nerium uses "before and after" photos with  
5 fabricated results to fraudulently induce Brand Partners and consumers to purchase  
6 Nerium AD skin cream and to entice them to become Nerium Partners.

7           48. On information and belief, Defendant Nerium and the Defendant  
8 Nerium Partners, themselves and/or by and through their respective agents, have  
9 used, the name, likeness, image, identity and persona of certain star personalities  
10 like Ray Liotta to advertise, market and promote the sale of Nerium AD and to  
11 recruit new Nerium Partners, for Defendants' commercial benefit and gain.

12           49. One former marketing employee of Nerium claimed on the website,  
13 Glassdoor.com on May 28, 2016, that "[Nerium] preaches these great values and  
14 even print cards. Its a joke among staff that they are never followed. Its a multi-  
15 level MARKETING company remember. Its [sic] all propaganda. Spend tens of  
16 thousands (literally) on redo-ing signs and bags for products because the color is  
17 wrong (not close enough to Tiffany blue ... sorry, Nerium blue) but cut staff  
18 benefits."

19           50. On March 25, 2015, another former employee of Nerium claimed as to  
20 the "cons" of the organization to Glassdoor.com: "Too many to list. They brainwash  
21 everyone in their organization into thinking that they own their own business. Or  
22 that if you want it you can attain it, you just have to believe. Well believe me, it['s] a  
23 SCAM. There is 0 future. **Advice to Management.** ... You're taking advantage of  
24 people every step of the way."

25           51. On October 24, 2014, another former employee of Nerium posted on  
26 Glassdoor.com, "do NOT NOT NOT get sucked into this MLM cult."

27           52. Another Brand Partner of Nerium complained on Glassdoor.com as to  
28 the cons of Nerium: "Where do I start? The product is very expensive and it's hard

1 to get people to keep buying it, you have to convince them to come on board to sell  
2 it so they can get theirs cheaper or free, etc. Not everyone wants to sell and you get a  
3 lot of no's. Someone can get botox and juvederm cheaper than they can get a few  
4 months of this. The before/after pics always seem to be in different light so it's hard  
5 to say if it's still working. It didn't work for me or the 3 people I sold it to. The ones  
6 that are really into it, it seems like a cult almost, like the church of Nerium. Glory be  
7 to God and Nerium is what they say. It's laughable. You get a "free" Lexus that they  
8 pay 500.00 towards. But if your sales go down, membership goes down, etc you are  
9 stuck with a lease. I'd rather have the money. Just don't do it. These people are  
10 borderline nuts.”

11 53. Another former employee commented on Glassdoor.com: “[not] just a  
12 pyramid scheme...Some of the training techniques are about the same as  
13 brainwashing...”

14 54. The starter pack for Nerium is approximately \$600, which includes  
15 supplements, mind enhancement, firming body contour, and AD night cream.  
16 Difference variants of the starter pack are offered.

17 55. Ordinary customers can purchase the products on websites like Ebay or  
18 Amazon, for considerably less than a brand partner pays for the products.

19 56. By signing persons up, Nerium is frontloading “Brand Partners” with  
20 significant product.

21 57. A Brand Partner is required to bring in 200 points for customers, or 80  
22 points if a person purchase the products himself/herself. The main driver is for  
23 Brand Partners to recruit other Brand Partners.

24 58. Only through recruiting, does a Brand Partner receive “team  
25 commissions,” which is where a Brand Partner obtains residual income paid out up  
26 to 10 levels. In other words, team commissions pay 10 levels above the pyramid  
27 when new brand partners are signed up.  
28

1           59.    Nerium falsely and misleadingly claimed the following to Plaintiffs and  
2 the Class:

- 3                   • You can receive a “live better bonus of \$150,000.”
- 4                   • “With Nerium International, you can have everything.” Further,  
5                   “[o]ur program allows you the life-changing career to tailor your  
6                   career to unlimited success, your way... They incentivize you to  
7                   become the best person you can be... I quickly earned my  
8                   Lexus... I got an i-pad bonus... You can pay off your student  
9                   loans... I wanted to retire my parents.”
- 10                  • You “get paid to party.” The representation “[i]f you want your  
11                  future on your terms, get with your referring brand partner for  
12                  more information.”
- 13                  • CEO Jeff Olson claims, “[w]e have people who’ve earned their  
14                  iPads, they’ve earned their cars, earned dream vacations, great  
15                  incomes, six figure incomes, people making adult incomes,  
16                  people making incomes that put them in the top 5 percentile of  
17                  the United States.”
- 18                  • While Nerium’s website professes that it provides its distributors  
19                  with financial freedom, its outdated, hard-to-find, U.S. 2013  
20                  Income Declaration is misleading affirmatively, and by  
21                  omission.
- 22                  • “I wanted to be able to get out there and retire my parents. I  
23                  wanted to be able to go out there and make an impact in their  
24                  life, and Nerium gave me that opportunity.”
- 25                  • “When you don’t worry about money anymore, you don’t have  
26                  to stress out over the bills, you know it’s about the choices you  
27                  have – the freedom you have.”

- “Nerium has just completely changed my life; everything about my life has gotten completely 100% better. We recently purchased our dream home and it’s absolutely gorgeous.”

60. Nerium constitutes an exploitive money transfer scheme. Contrary to Nerium’s representation that it is “a proven system for people to make significant amount of money,” the average income of Nerium Brand Partners reflects that nearly every brand partner in Nerium makes minimum wage to nothing.

61. If Nerium’s products were so effective, partners would not be marketing benefits from people who are not even using the product.

62. Nerium asserts it has a return policy of 30 days, but Brand Partners have to pay for shipping and handling fees.

63. The Wyoming Attorney General has asserted distributors used prohibited income representations, the SEC has asserted Nerium has marked payments to salespeople as assets instead of expenses, and Nerium settled 400 lawsuits in just the State of Missouri.

64. TINA.org, a non-profit organization, conducted an investigation into Nerium. The investigation revealed that Nerium and its high-level Brand Partners were engaged in a deceptive marketing campaign for both the Nerium business opportunity and Nerium’s products.

65. First, TINA.org found that Nerium, through its distributors, is using a plethora of deceptive and unsubstantiated health and disease-treatment claims to sell its products. In fact, TINA.org compiled over 100 examples of unsubstantiated health and disease treatment claims made about Nerium products, such as being able to treat, cure, or alleviate the symptoms of autism, post-traumatic stress disorder, Alzheimer’s disease, Parkinson’s disease, psoriasis, eczema, acne, and rosacea. The examples are available at <https://www.truthinadvertising.org/nerium-health-claims-database/>.



1           66.    Though the company tries to give the illusion that it has robust  
2 scientific support for the health claims made about its products, none of it satisfies  
3 the required substantiation to make such health and disease-treatment claims.

4           67.    In short, Nerium does not have competent and reliable scientific  
5 evidence in the form of clinical trials that are placebo controlled, randomized, and  
6 double-blind to substantiate the claims at issue.

7           68.    Second, TINA.org's investigation revealed that Nerium and its  
8 distributors are using deceptive, atypical, and unsubstantiated income claims  
9 regarding the financial gains consumers will achieve by becoming distributors. For  
10 example, Nerium advertises that its distributors can become millionaires and earn  
11 incomes that can put them in the top 5% of U.S. income earners. Not only are such  
12 results not typical, but marketing claims that boast atypical results are made without  
13 clearly and conspicuously providing appropriate income disclosures. TINA.org  
14 compiled over 100 instances of these types of income claims, which are all available  
15 at <https://www.truthinadvertising.org/nerium-incomeclaims-database/>.

16           69.    The focus of Nerium is getting Brand Partners to purchase a starter  
17 pack and get them to sign up new brand partners to purchase a starter pack to  
18 endless scheme.

19           70.    Nerium represents "[l]iving life on your own terms," "enjoying  
20 financial freedom," "having fun and helping others to have fun," "you can take  
21 control of your destiny with this opportunity," "[w]e have a simple proven system,"  
22 and "what a better way to earn part time to full time income with products you  
23 love."

24           71.    Rewards paid in the form of cash bonuses, where primarily earned for  
25 recruitment, as opposed to merchandise sales to consumers, constitute a fraudulent  
26 business model. *See F.T.C. v. BurnLounge, Inc.*, 753 F.3d 878 (9<sup>th</sup> Cir. 2014).

27           **B.    Distributors Are Unable To Sell Nerium Products For A Profit**  
28

1           72. Brand Partners are unable to consistently sell Nerium products for a  
2 profit for many reasons. First, the products are overpriced. Interchangeable products  
3 are available online or in brick-and-mortar stores for amounts far less than Nerium's  
4 suggested retail price, and even lower than its wholesale prices.

5           73. Second, Nerium's products themselves are available online for the  
6 wholesale price or less. That these products are sold below the wholesale price  
7 makes it difficult for Brand Partners to sell the products for a profit. Moreover,  
8 many of these sales are likely made by current or former Brand Partners desperately  
9 trying to offload excess product at whatever price they can get, which further  
10 supports the proposition that Brand Partners Inventory Load and that the Nerium  
11 products are overpriced.

12           74. Third, Nerium prohibits Brand Partners from selling the products in the  
13 only forum for a where Brand Partners could reasonably expect to sell enough  
14 product to make a meaningful profit: the internet. Some examples of these  
15 prohibited websites include, but are not limited to: eBay, Amazon or Craigslist. In  
16 addition, Nerium forbids its Brand Partners from selling Nerium products at almost  
17 all brick-and-mortar establishments. Nerium seeks to limit the Distributors to one-  
18 on-one situations in private locations (such as the Brand Partner's or a friend's  
19 home), but achieving significant, profitable retail sales by this method is extremely  
20 difficult.

21           75. Plaintiffs do not contend that Brand Partners make no retail sales at all.  
22 But Plaintiffs do allege that relatively little of the revenues received by Brand  
23 Partners—including both money paid them by Nerium and proceeds from retail  
24 sales—comes from retail sales, and the vast majority comes from Brand Partners'  
25 payments to Nerium. Thus, the Brand Partners are primarily feeding off each other.

26           76. Nerium also makes false and/or inadequate income disclosures in that  
27 in many instances, it does not disclose income of those who are distributors, or  
28 provides statements of income that are false, and/or misleading, that affirmatively

1 represent a profitable business opportunity, when there is no profit to be made, and  
2 nearly all participants in fact, lose money.

3 77. Because Nerium pays the executives at the top of the pyramid exorbitant  
4 incomes and because little non-Distributor money comes into the scheme to pay  
5 Brand Partners, the Brand Partners at the bottom of the pyramid must lose money.  
6 These losses are borne out by Nerium's own financial disclosures and the experiences  
7 of the Plaintiffs and multiple other Brand Partners.

8 **C. The Individual Defendants and Nerium Promote the Pyramid**

9 78. The Individual Defendants are persons at the top of Nerium's pyramid.  
10 All of the Individual Defendants achieved ranks of top executive. They are in the top  
11 1% of Distributors who make the most lucrative bonuses. They actively participate in  
12 the Nerium pyramid scheme, and they profit from the compensation plan at the  
13 expense of the vast majority of Brand Partners.

14 79. Nerium and the Individual Defendants promote the pyramid scheme and  
15 make misleading claims of financial success.

16 80. In coordination with Nerium, the Individual Defendants have flooded the  
17 internet with promotional materials designed to lure in new Brand Partners. Nerium  
18 and the Individual Defendants promote the scheme as a lawful program that, with  
19 sufficient hard work, virtually guarantees financial success. Nerium and the  
20 Individual Defendants promote Nerium as a reliable source of significant income.

21 81. Jeff is the Chief Executive Officer of Nerium. Jeff contrived, prepared,  
22 set up, and developed the structure and parameters of the Brand Partners' program,  
23 and the Brand Partners' endless chain scheme alleged herein above. As a top  
24 executive, visionary leader, and member of the Board for Nerium, Jeff has been, and  
25 is currently responsible for operating the Nerium endless chain scheme and directing  
26 others on the operation of the Nerium endless chain scheme. Jeff is also the very  
27 public face of Nerium. Promotional materials describe Jeff as the leader of the  
28 Nerium opportunity. Jeff's photograph and biography are prominently placed on

1 Nerium's website and Nerium's product brochures, promotional materials, and  
2 documents with Jeff's information is provided to recruits. Jeff travels extensively on  
3 behalf of Nerium to regularly give speeches and make appearances at seminars and  
4 other events for Nerium affiliates and recruits, all the while touting the benefits and  
5 opportunities for affiliates under the Nerium program.

6 82. Renee is the Chief Leadership Officer of Nerium. Renee contrived,  
7 prepared, set up, and developed the structure and parameters of the Brand Partners'  
8 program, and the Brand Partners' endless chain scheme alleged herein above. As a  
9 top executive, visionary leader, and member of the Board for Nerium, Renee has  
10 been, and is currently responsible for operating the Nerium endless chain scheme  
11 and directing others on the operation of the Nerium endless chain scheme. Renee's  
12 photograph and biography are prominently placed on Nerium's website and  
13 Nerium's product brochures, promotional materials, and documents with Renee's  
14 information is provided to recruits. Renee travels extensively on behalf of Nerium to  
15 regularly give speeches and make appearances at seminars and other events for  
16 Nerium affiliates and recruits, all the while touting the benefits and opportunities for  
17 affiliates under the Nerium program.

18 83. Amber is the Chief Marketing Officer of Nerium. Amber contrived,  
19 prepared, set up, and developed the structure and parameters of the Brand Partners'  
20 program, and the Brand Partners' endless chain scheme alleged herein above. As a  
21 top executive, visionary leader, and member of the Board for Nerium, Amber has  
22 been, and is currently responsible for operating the Nerium endless chain scheme  
23 and directing others on the operation of the Nerium endless chain scheme. Amber's  
24 photograph and biography are prominently placed on Nerium's website and  
25 Nerium's product brochures, promotional materials, and documents with Renee's  
26 information is provided to recruits. Amber travels extensively on behalf of Nerium  
27 to regularly give speeches and make appearances at seminars and other events for  
28

1 Nerium affiliates and recruits, all the while touting the benefits and opportunities for  
2 affiliates under the Nerium program.

3 84. To sell the financial-success promise, Nerium and the Individual  
4 Defendants flaunt the wealth of the highest-ranked Brand Partners and those few  
5 insiders at the top of the pyramid, as examples of the riches that await new  
6 participants, if only they will work hard enough (i.e., tirelessly recruit new  
7 Distributors).

8 85. The Individual Defendants have produced videos and made statements  
9 via the internet knowingly promoting Nerium's pyramid scheme and touting the  
10 financial rewards supposedly available to participants. Each of these statements  
11 furthered the pyramid scheme by encouraging persons to become Brand Partners and  
12 by encouraging Distributors to remain Brand Partners and pursue the Nerium business  
13 opportunity.

14 86. The Individual Defendants aided and abetted the torts listed in this  
15 Complaint because they knew that Nerium and Skincare's conduct constitutes a  
16 breach of duty and gives substantial assistance or encouragement to the other to so  
17 act.

18 87. Each of the individual defendants reviewed the business plan, the  
19 website of Nerium, the financials, and recognized that the business plan constitutes a  
20 pyramid scheme.

21 88. The Individual Defendants were also facilitating orders for an unlawful  
22 pyramid scheme and that Nerium's website made false, misleading, and deceptive  
23 claims and engaged in unfair business practices.

24 89. Finally, the Individual Defendants knew that the money being paid by  
25 the consumers was for the purposes of participation in the endless chain.

26 90. Each of the Individual Defendants authorized Nerium and Skincare to  
27 configure their site and marketing materials so consumers would rely on their  
28 representations.

1           91. Each of the Individual Defendants did this with the knowledge and  
2 specific intent of aiding and abetting and facilitating Nerium's endless chaing  
3 pyramid scheme, Nerium had hoped and believed that by allowing Nerium to take  
4 credit card orders, more persons would be able to participate in the illegal pyramid,  
5 resulting in more revenue for themselves. The Individual Defendants also realized  
6 that by providing their services to Nerium, this would lend an aura of respectability  
7 and further encourage participation.

8           92. Each of the Individual Defendants had the specific intent to facilitate  
9 the wrongful conduct of Nerium. The Individual Defendants had a conscious  
10 decision to participate in tortious activity for the purpose of assisting another in  
11 performing a wrongful act.

12           93. The Individual Defendants each acted with specific intent of aiding and  
13 abetting and facilitating Nerium's illegal pyramid business practices.

14           94. The similarity of the statements made by the Individual Defendants  
15 indicates a collusive effort to promote the Nerium scheme. The following paragraphs  
16 set forth just a small subset of publicly broadcast statements made by the Individual  
17 Defendants to promote the Nerium "business opportunity."

18           **D. Plaintiffs Are Victims Of The Pyramid Scheme**

19           95. Plaintiff Jia first became an Nerium Brand Partner on or about 2012 to  
20 2013 by making purchases and buying the starter pack. Plaintiff Jia continued to  
21 renew Nerium and pay monies toward the endless chain account years thereafter,  
22 and the endless chain account continues to be maintained and paid for. Plaintiff Jia  
23 paid between \$1200-\$1500 towards the opportunity, which did not include out of  
24 pocket expenses for the opportunity. Plaintiff Jia was deceived by Nerium's  
25 misleading opportunity believing, the opportunity was a legitimate way to earn  
26 money (even though that representation by Nerium and those representations made  
27 by the Individual Defendants were false), and Plaintiff Jia did in fact lose money as  
28 a result of Defendants' unfair, unlawful, and fraudulent business practice.

1           96. Plaintiff Sarah Sormillon became a Nerium Brand Partner in 2016 by  
2 making purchases and buying the starter pack. Plaintiff Sormillon paid  
3 approximately \$600 towards the business opportunity, which did not include out of  
4 pocket expenses.

5           97. Plaintiffs Jia and Sormillon were unable to make any retail sales, and  
6 they lost money in the Nerium scheme despite putting in effort.

7           98. Nerium through itself and the Defendants, and Jia's upline actually  
8 made the representations (or in similar form) to Plaintiffs as reflected in ¶¶ 31, 35,  
9 37, 38, 39-43, and 58 in written presentations, disclosures, online materials, online,  
10 orally, at various times for Jia in 2013, 2014, 2015, 2016 and as for Sormillon, 2016.  
11 Nerium also made income and other business representations to Sormillon, as  
12 reflected in exhibit A attached to this Complaint, and as to Jia, as reflected in exhibit  
13 B attached to this Complaint. Representations (or ones similar thereto) were made  
14 by Plaintiffs to both Defendants, attached hereto as Exhibits A through D.

15           99. Plaintiffs Jia and Sormillon were deceived by Nerium's misleading  
16 opportunity believing, the opportunity was a legitimate way to earn money (even  
17 though that representation by Nerium and the Individual Defendants was false), and  
18 Plaintiff Jia and Sormillon did in fact lose money as a result of Defendants' unfair,  
19 unlawful, and fraudulent business practices.

20           100. The official policies in the Application and the Policies Manual (as later  
21 defined), and as conveyed through Plaintiff Jia's upline in the Nerium pyramid  
22 enterprise, discourage practices associated with pyramid schemes, such as inventory  
23 loading, and instead, have stated for several years to Jia, that the Defendants are a  
24 legitimate direct selling company.

25           101. Plaintiff Jia discovered on or about March of 2017, that the Defendants  
26 were operating a pyramid scheme.

27           102. That the Nerium opportunity was a pyramid scheme, was a fact  
28 concealed by the Defendants through their Application, their Policies Manual (as

1 later defined), through their training manuals, distribution materials, marketing  
2 materials, seminars, and the dissemination of presentation materials.

3 103. Through March of 2017, the Defendants never intended to actually pay  
4 Jia or make her a success in the pyramid scheme of the Defendants, because Jia was  
5 not an insider or a conspirator in the pyramid scheme.

6 104. Plaintiff Jia was ignorant of the fact that the Defendants were operating  
7 a pyramid scheme. Plaintiff Jia relied on the fact that the Defendants had financial  
8 superiority, wealth, experience, and supposed acumen in the community, and  
9 particularly in consideration of Plaintiff's financial position. Plaintiff had not  
10 discovered Nerium was operating a pyramid scheme until on or about March of  
11 2017 when Plaintiff had learned about the various lawsuits against Nerium, and her  
12 efforts to sell or Nerium were exhausted.

13 100. Plaintiff Jia lacked the ability to discover the facts that the Defendants  
14 were operating a pyramid scheme based on the Defendants' stature as a major  
15 company touting to be a billion dollar international company, and the promises of  
16 Nerium and Plaintiff's upline.

17 101. From on or about 2012 to 2017, the Defendants engaged in a pattern of  
18 reasonably frequent and similar acts in not paying Plaintiff Jia any amount owed on  
19 account of their endless chain distributor account with Plaintiffs including points,  
20 credits, and charges, through 2017, all the time representing that the business was a  
21 legitimate direct selling company.

22 **E. Nerium's Documents Of Adhesion**

23 105. At some times during Nerium's history, it has apparently maintained a  
24 document labeled, "Independent Brand Partner Application" (the "Application").

25 106. Upon recent investigation of the Application, it has been determined that  
26 the Application has at certain times, included a provision that provides as follows:  
27 "[a]ny and all disputes regarding or related to this Agreement, and all other  
28 documents incorporated herein, shall be resolved by binding arbitration administered



1 by the American Arbitration Association (“AAA”) and conducted under its rules, and  
2 the arbitration proceeding shall be held in Dallas, Texas, as is more particularly set  
3 forth in Section 11.06 of the Nerium International Policies and Procedures Manual”  
4 (“Policies Manual”).

5 107. However, § 11.06 of the Policies Manual does not even discuss  
6 arbitration.

7 108. Upon further investigation, § 11.09 of the Policies Manual provides:

- 8
- 9 a) Except as expressly set forth herein, all disputes, claims and  
10 controversies between Brand Partner and the Company relating to or  
11 arising out of the Agreement, the Compensation Plan, this Policy  
12 Manual, other documents produced by the Company, or the  
13 Company’s products, the rights and obligations of Brand Partner  
14 and the Company or any other claims or causes of action relating to  
15 the performance of any Brand Partner under the Agreement and this  
16 Policy Manual shall be settled totally finally and exclusively by  
17 arbitration through the Company’s Alternative Dispute Resolution  
18 Procedure (“ADR Procedure”). A copy of the Company’s ADR  
19 Procedure has been delivered to Brand Partner and can be obtained  
20 from the Company by written request. No legal action can be filed  
21 in any court concerning a Dispute as defined in the ADR Procedure.  
22 The Disputes subject to arbitration include claims that Brand  
23 Partner’s termination was illegal or unlawful.
- 24 b) Arbitration is commonly used and accepted technique for resolving  
25 Disputes in a timely, cost-efficient manner. Any Brand Partner who  
26 feels that his or her termination was unlawful may file a claim and  
27 initiate the arbitration process directly, or through an attorney,  
28 within six months of the termination decision.
- c) Notwithstanding the foregoing, the arbitrator shall have no  
jurisdiction over disputes relating to the ownership, validity or  
registration of any mark or other intellectual property or proprietary  
or confidential information of the Company without the Company’s  
prior written consent. The Company may seek any applicable  
remedy in any applicable forum with respect to these disputes and  
with respect to money owing to the Company. In addition to  
monetary damages, the Company may obtain injunctive relief

against Brand Partner for any violation of the Agreement or misuse of the Company's trademark, copyright or confidential information policies.

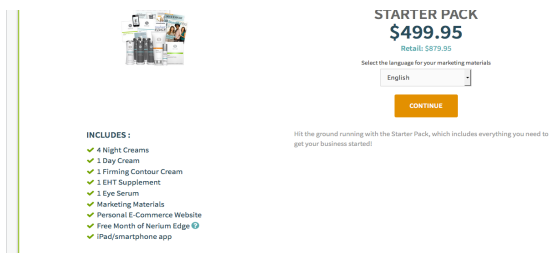
- d) Nothing in this rule shall prevent the Company from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction and/or other injunctive or emergency relief available to safeguard and protect the Company's interests prior to the filing of or during or following any arbitration or other proceeding or pending the handing down of a decision or award in connection with any arbitration or other proceeding.
- e) Nothing contained herein shall be deemed to give the arbitrator any authority, power or right to alter, change, amend, modify, add to, or to subtract from any of the provisions of this Agreement.

(Policies Manual, § 11.09).

109. According to Nerium, a person becomes a brand partner Nerium when he or she buys a "starter pack."

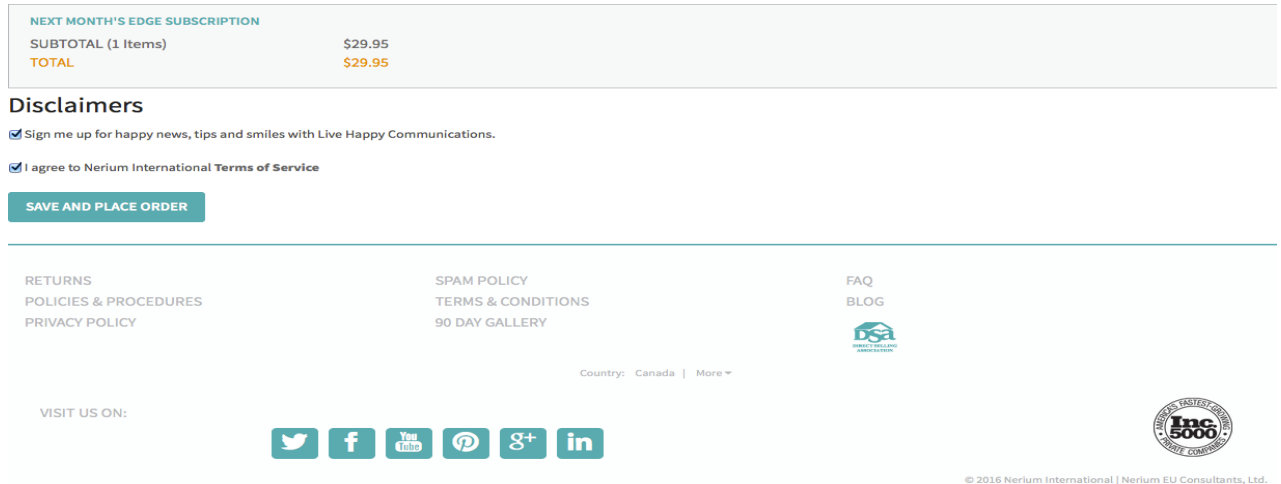
110. As for Plaintiff Sormillon, like other class members who signed up online, Sormillon did not have to sign or agree to the Application, nor Policies Manual prior to purchasing a starter pack to become a Brand Partner. (See Figure No. 1).

FIGURE NO. 1



111. Several screens prior to Figure No. 1, the screen on Nerium's website provides "I agree to Nerium International Terms of Service" next to a check box so that an individual could sign up for an "Edge Subscription." (See Figure No. 2 below).

FIGURE NO. 2



112. However, “Terms of Service” is not one of the documents on the Nerium site, nor any document presented to Sormillon and/or other class members online.

113. The arbitration policy of Nerium is unenforceable and unconscionable for several reasons based on law and fact.

114. Plaintiffs’ and the Class Members’ participation in Nerium’s endless chain is embodied through invoices, receipts, and open account statements (among other documents).

## VI. CLASS ACTION ALLEGATIONS

115. Plaintiffs seek to represent a nationwide class defined as follows:

116. Plaintiffs bring this action as a class action under Federal Rule of Civil Procedure 23.

117. Plaintiffs seek to certify a class pursuant to Fed. R. Civ. Proc. 23(a), 23(b), 23(c)(4), and 23(c)(5), if necessary.

118. Plaintiffs seek relief on behalf of themselves and the following class: persons who paid start-up fees, monthly fees, annual fees, seminar ticket fees, any other fees imposed by Nerium, and/or purchased products from Nerium between January 1, 2012, to the present date, whose gross amounts paid to Nerium exceeded income received from their participation in the Nerium scheme.

119. Subject to confirmation, clarification and/or modification based on discovery to be conducted in this action, Plaintiffs also seek to represent a sub-class

1 in California, defined as follows: persons residing in California who paid start-up  
2 fees, monthly fees, annual fees, seminar ticket fees, any other fees imposed by  
3 Nerium, and/or purchased products from Nerium between January 1, 2012, to the  
4 present date, whose gross amounts paid to Nerium exceeded income received from  
5 their participation in the Nerium scheme.

6 120. Subject to confirmation, clarification and/or modification based on  
7 discovery to be conducted in this action, Plaintiffs also seeks to represent a sub-class  
8 of all worldwide participants of Nerium, defined as follows: persons residing  
9 anywhere in the World who paid start-up fees, monthly fees, annual fees, seminar  
10 ticket fees, any other fees imposed by Nerium, and/or purchased products from  
11 Nerium between January 1, 2012, to the present date, whose gross amounts paid to  
12 Nerium exceeded income received from their participation in the Nerium scheme.

13 121. Pursuant to the previous paragraph of this complaint, the damage to any  
14 person living anywhere else other than the United States involved a domestic injury  
15 to business or property because all contracts of independent business owners were  
16 negotiated, executed, and stored on a server in the United States owned by Nerium,  
17 and are available on the worldwide web, involved a significant connection to  
18 domestic commerce in that the labeling, products, and other parts of the  
19 manufacturing and sales and marketing process were conducted from the United  
20 States, and for other reasons to be provided according to proof, and after the  
21 opportunity for discovery.

22 122. Excluded from the class are the Defendants, executives of Nerium,  
23 family members, this Court.

24 101. Plaintiffs seek to pursue a private attorney general action for injunctive  
25 relief for themselves and all members of the class, and they satisfy the standing and  
26 class action requirements.

27 102. While the exact number of members in the Class and Subclasses are  
28 unknown to Plaintiffs at this time, and can only be determined by appropriate

1 discovery, membership in the class and subclasses is ascertainable based upon the  
2 records maintained by Defendant. It is estimated that the members of the Class are  
3 greater than 100,000, nationwide.

4 103. Therefore, the Class and Subclasses are so numerous that individual  
5 joinder of all Class and Subclass members is impracticable.

6 104. There are questions of law and/or fact common to the class and  
7 subclasses, including but not limited to: (a) Whether Nerium is operating an endless  
8 chain; (b) Whether Distributors paid money to Nerium for (1) the right to sell a  
9 product and (2) the right to receive, in return for recruiting others, rewards which  
10 were unrelated to the sale of the product to retail consumers; (c) Whether Nerium's  
11 rules apply to Section 327 claims; (d) If the Nerium rules do apply, are Nerium's  
12 rules effective; (e) If the Nerium rules do apply, and Nerium's rules are effective,  
13 did Nerium enforce those rules; (f) Whether Nerium or the Individual Defendants  
14 omitted to inform the Plaintiffs and the plaintiff class that they were entering into an  
15 illegal scheme where an overwhelming number of participants lose money; (g)  
16 Whether Nerium's statements of compensation during the Class Period were  
17 deceptive and misleading; (h) Whether Nerium's conduct constitutes an unlawful,  
18 unfair and/or deceptive trade practice under California state law; (i) Whether  
19 Nerium's conduct constitutes unfair competition under California state law; and (j)  
20 Whether Nerium's conduct constitutes false advertising under California state law.

21 105. These and other questions of law and/or fact are common to the class  
22 and subclasses and predominate over any question affecting only individual class  
23 members.

24 106. Plaintiffs' claims are typical of the claims of the class and subclasses in  
25 that Plaintiffs were Brand Partners for Defendant Nerium and lost money because of  
26 the illegal scheme.

27 107. Plaintiffs will fairly and adequately represent the interests of the class  
28 and subclasses. Plaintiffs' claims are typical of those of the class and subclasses.

1 Plaintiffs' interests are fully aligned with those of the class and subclasses. Plaintiffs  
2 have retained counsel experienced and skilled in complex class action litigation.

3 108. Class action treatment is superior to the alternatives for the fair and  
4 efficient adjudication of the controversy alleged, because such treatment will allow  
5 many similarly-situated persons to pursue their common claims in a single forum  
6 simultaneously, efficiently and without unnecessary duplication of evidence, effort,  
7 and expense that numerous individual actions would engender.

8 109. Plaintiffs know of no difficulty likely to be encountered in the  
9 management that would preclude its maintenance as a class action.

10 **VII. CLASS ACTION COUNTS**

11 **COUNT I**

12 **Declaratory Judgment Declaring the Arbitration Provision Unenforceable**  
13 **(Plaintiffs on Behalf of Themselves And Those Similarly Situated, Against All**  
14 **Defendants, including DOES 1 through 10)**

15 110. Plaintiffs reallege all allegations as if fully set forth herein, and  
16 incorporate previous allegations by reference.

17 111. Neither Plaintiff assented to an arbitration policy of Nerium in  
18 becoming a Brand Partner.

19 112. In the alternative, the arbitration policy of Nerium is unconscionable.

20 113. The arbitration provision is alternatively, unenforceable as a matter of  
21 fact, and law.

22 114. For these reasons, and those legal reasons to be stated in connection  
23 with any motion practice initiated by the Defendants, the Court should declare that  
24 the arbitration provision is illusory, lacks consideration, is unenforceable, and that  
25 the Plaintiffs' claims and the Classes' claims are properly before this Court.

26 **COUNT II**

27 **ENDLESS CHAIN SCHEME; California Penal Code § 327 and Section 1689.2**  
28 **of the California Civil Code**

1 (Plaintiffs on behalf of themselves and the Class, Against All Defendants including  
2 DOES 1 through 10)

3 97. Plaintiffs reallege all allegations as if fully set forth herein, and  
4 incorporate previous allegations by reference.

5 98. Section 1689.2 of the California Civil Code provides: “[a] participant in  
6 an endless chain scheme, as defined in Section 327 of the Penal Code, may rescind  
7 the contract upon which the scheme is based, and may recover all consideration paid  
8 pursuant to the scheme, less any amounts paid or consideration provided to the  
9 participant pursuant to the scheme.”

10 99. The Defendants are operating an endless chain scheme under Section  
11 327 of the Penal Code because they have contrived, prepared, set up, and proposed  
12 an endless chain as pled in the factual section of this Complaint.

13 100. The Nerium operation constitute a scheme for the disposal or  
14 distribution of property whereby class members pay a valuable consideration for the  
15 chance to receive compensation for introducing one or more additional persons into  
16 participation in the scheme or for the chance to receive compensation when a person  
17 introduced by the participant introduces a new participant.

18 101. Independently, the Nerium operation constitute an endless chain  
19 because members pay an initial fee and then are required to purchase significant  
20 amounts of product, only to have a membership terminated (and points/commissions  
21 canceled), if he fails to pay.

22 102. Independently, the Nerium operations constitute an endless chain  
23 because defendants tell victims they earn commissions by recruiting other people to  
24 buy memberships and the members, were in turn, instructed to recruit more  
25 members. Revenues are made primarily from recruitments.

26 103. Independently, the Nerium operations constitute an endless chain  
27 because Defendants’ commissions, income, lottery gifts like vehicles, and free  
28

1 products were based on a current member's sales of memberships to new members  
2 and not the sale of products.

3 104. Plaintiffs and the class have suffered an injury in fact and have lost  
4 money or property because of Nerium and the Individual Defendants' operation of  
5 an endless chain, business acts, omissions, and practices.

6 105. Plaintiffs and the class are entitled to: (a) rescind all receipts,  
7 statements, invoices, and writings upon which the scheme is based and recover all  
8 consideration paid under the scheme, less any amounts paid or consideration  
9 provided to the participant under the scheme; (b) restitution, compensatory and  
10 consequential damages (where not inconsistent with their request for rescission or  
11 restitution); and (c) attorneys' fees, costs, pre and post-judgment interest.

12 **COUNT III**

13 **Unfair and Deceptive Practices Claims Under Cal. Bus. & Prof. Code § 17200,**  
14 ***et seq.***

15 (Plaintiffs on behalf of themselves and the Class Against All Defendants including  
16 DOES 1 through 10)

17 106. Plaintiffs reallege all allegations as if fully set forth herein, and  
18 incorporate previous allegations by reference.

19 107. All claims brought under this Third Cause of action that refer or relate  
20 to the unlawful, fraudulent or unfair "endless chain" of the Defendants are brought  
21 on behalf of Plaintiffs and the Class.

22 108. All claims brought under this Third Cause of Action that refer or relate  
23 to the unlawful, fraudulent or unfair the statements, the touted Nerium "business  
24 opportunity" are brought on behalf of Plaintiffs and the Class.

25 109. Nerium has engaged in constant and continuous unlawful, fraudulent  
26 and unfair business acts or practices, and unfair, deceptive, false and misleading  
27 advertising within the meaning of the California Business and Professions Code §  
28 17200, *et seq.* The acts or practices alleged constitute a pattern of behavior, pursued



1 as a wrongful business practice that has victimized and continues to victimize  
2 thousands of consumers for which Plaintiffs' seek to enjoin from further operation.  
3 The Nerium Sales and Marketing Plan Is Unlawful.

4 110. Under California Business and Professions Code § 17200, an  
5 "unlawful" business practice is one that violates California law.

6 111. Nerium's business practices are unlawful under § 17200 because they  
7 constitute an illegal "endless chain" as defined under, and prohibited by, California  
8 Penal Code § 327.

9 112. Nerium utilizes its illegal "endless chain" with the intent, directly or  
10 indirectly, to dispose of property in Nerium's products and to convince Distributors  
11 to recruit others to do the same.

12 113. Nerium's business practices are unlawful pursuant to § 17200 because  
13 they violate § 17500 *et seq.*, as alleged in the Fourth Count.

14 114. Under California Business and Professions Code § 17200, a  
15 "fraudulent" business practice is one that is likely to deceive the public.

16 115. Nerium's business practices are fraudulent in two separately actionable  
17 ways: (1) Nerium's business constitutes an illegal and deceptive "endless chain;" (2)  
18 the touted, yet non-existent, Nerium "business opportunity" is for everyone,  
19 including but not limited to Nerium's massive advertising campaign and the  
20 misleading statements of compensation.

21 116. First, as detailed herein, Defendants promoted participation in the  
22 Nerium endless chain, which has a compensation program based on payments to  
23 participants for the purchase of product by participants, not the retail sale of  
24 products or services.

25 117. Nerium has made numerous misleading representations to Plaintiffs  
26 about the business opportunity of Nerium and the income that a recruit or a  
27 distributor can realize by becoming a distributor, and participating in the scheme.  
28

1 118. Nerium knew, or should have known, that the representations about the  
2 business opportunity of Nerium were misleading in nature.

3 119. As a direct result of Nerium' fraudulent representations and omissions  
4 regarding the Nerium endless chain described herein, Nerium wrongly acquired  
5 money from Plaintiff and the members of the classes.

6 120. Second, Nerium touted, in numerous different ways as part of a  
7 massive advertising campaign, a "business opportunity," which Nerium also  
8 repeatedly and in many ways represented, among other things, as being "for  
9 everyone" and allowing "full time" or "part time" opportunities.

10 121. The massive advertising campaign included among other things, the  
11 website, emails, websites, presentations by Nerium, training, word of mouth among  
12 Distributors, and events.

13 122. As part of this campaign and a further inducement to potential  
14 Distributors, Nerium made and disseminated statements of compensation that  
15 further misled the public, among other things: (1) by using cryptic and technical  
16 terms known to Nerium but not to the general public or to those exploring the  
17 claimed "business opportunity," (2) by highlighting the successful persons, i.e.,  
18 those that received compensation from Nerium, and the average gross compensation  
19 paid by Nerium to those persons, (3) by failing to disclose the actual number of  
20 successful persons as compared to the number of Distributors who received no  
21 compensation from Nerium, and (4) by downplaying and omitting the risks and  
22 costs involved in starting an Nerium Distributorship and succeeding in such a  
23 Distributorship.

24 123. In reality, the touted "business opportunity" was only for a select few,  
25 and those that were recruited specially. And these numbers did not include expenses  
26 incurred by distributors in the operation or promotion of their businesses, meaning  
27 there were likely more net losers who made no profit at all.  
28

1           124. Nerium knew, or should have known, that the selective information  
2 presented to distributors in the compensation and its massive adverting campaign  
3 during that time frame touting its purported “business opportunity” was likely to  
4 mislead the public and did in fact mislead the public into believing that there was a  
5 legitimate “business opportunity” in which Distributors/Brand Partners, or a large  
6 portion of them, could make money in either a full or part time capacity. In fact,  
7 however, there was no such “business opportunity,” except for a very select few.

8           125. As a direct result of Nerium’ fraudulent representations and omissions  
9 regarding the Statement and the massive adverting campaign during that time frame  
10 and thereafter touting Nerium’s purported “business opportunity” described herein,  
11 Nerium wrongly acquired money from Plaintiffs and the members of the classes.

12           126. The named Plaintiffs have standing to bring these § 17200 claims under  
13 the fraudulent prong, and can demonstrate actual reliance on the alleged fraudulent  
14 conduct.

15           127. For instance, Plaintiffs have been in receipt of misleading and false  
16 financial statements and marketing materials/seminar papers, which promoted the  
17 Nerium scheme and claimed “business opportunity” and contained material false  
18 representations regarding the success Distributors could achieve through Nerium by  
19 purchasing products and recruiting others to do the same.

20           128. There were other representations made to Brand Partners as part of the  
21 massive advertising campaign regarding the claimed “business opportunity,” on  
22 which Plaintiff or some of the Class Members, reasonably believed the  
23 representations they could succeed in the “business opportunity,” did not return the  
24 refund, purchased Nerium products and did not immediately return them, signed up  
25 as Nerium Brand Partners, and attempted to and recruited others to do the same.  
26 These other representations include, but are not limited to the following: (a) emails  
27 from Nerium that promoted Nerium and contained material false representations  
28 regarding the success that a distributor could achieve through Nerium by purchasing

1 products and recruiting others to do the same; (b) websites, such as  
2 [www.nerium.com](http://www.nerium.com) and Neriumskin.com, which promoted the fraudulent scheme  
3 through videos of Individual Defendants containing material false representations  
4 regarding the “business opportunity” available to Distributors and the wealth that a  
5 distributor could get by agreeing to become an Nerium distributor; (c) presentations  
6 by Nerium Distributors which contained material false representations regarding the  
7 “business opportunity” and the success that a distributor could get through Nerium  
8 by purchasing products and recruiting others to do the same; (d) presentations by  
9 Nerium, including the presentations described in this complaint, which contained  
10 material false representations regarding the “business opportunity” and the success  
11 that a distributor could get through Nerium by purchasing products and recruiting  
12 others to do the same; (e) training and events where Nerium Brand Partners made  
13 material false representations regarding the “business opportunity” and the success  
14 that a distributor could get through Nerium by purchasing products and recruiting  
15 others to do the same.

16 129. To the extent proof of reliance is required of Plaintiffs, Nerium and the  
17 Individual Defendants knew that Plaintiffs and the class would reasonably rely on  
18 their representations and omissions, which would cause the Plaintiffs and the class  
19 joining the fraudulent endless chain scheme and purchasing the products, and  
20 Plaintiffs did in fact reasonably rely upon such representations and omissions.

21 130. Indeed, had Plaintiffs and the class known that Nerium and its  
22 Individual Defendants were promoting an endless chain, they would not have  
23 become Nerium Brand Partners in the first place and, if learned after becoming a  
24 distributor, they would not have purchased Nerium products thereafter.

25 131. Had Plaintiffs and the class known that Nerium was promoting a  
26 “business opportunity” that did not exist except for a select few, they would not  
27 have become Nerium Distributors in the first place and, if learned after becoming a  
28 distributor, they would not have purchased Nerium products thereafter.

1 132. Finally, the fraudulent acts, representations and omissions described  
2 herein were material not only to Plaintiffs and the class (as described in this  
3 complaint), but also to reasonable persons.

4 133. Under California Business and Professions Code § 17200, a business  
5 practice is “unfair” if it violates established public policy or if it is immoral,  
6 unethical, oppressive or unscrupulous and causes injury which outweighs its  
7 benefits.

8 134. For the reasons set forth herein and above, Nerium’s promotion and  
9 operation of an unlawful and fraudulent endless chain, and its fraudulent  
10 representations and omissions regarding its purported “business opportunity,” are  
11 also unethical, oppressive, and unscrupulous in that Nerium is and has been duping  
12 Plaintiff and the class out of billions, or at least hundreds of millions, of dollars.

13 135. Nerium’s actions have few, if any, benefits. Thus, the injury caused to  
14 Plaintiff and the class easily and dramatically outweigh the benefits, if any.

15 136. Defendants should be made to disgorge all ill-gotten gains and return to  
16 Plaintiff and the class all wrongfully taken amounts.

17 137. Finally, Defendants’ unlawful, fraudulent and unfair acts and omissions  
18 will not be completely and finally stopped without orders of an injunctive nature.  
19 Under California Business and Professions Code section 17203, Plaintiffs and the  
20 class seek a judicial order of an equitable nature against all Defendants, including,  
21 but not limited to, an order declaring such practices as complained of to be unlawful,  
22 fraudulent and unfair, and enjoining them from further undertaking any of the  
23 unlawful, fraudulent and unfair acts or omissions described herein.

24 **COUNT IV**

25 **False Advertising - California Business and Professions Code § 17500, et seq.**

26 (Plaintiffs on behalf of themselves and the Class Against All Defendants including

27 DOES 1 through 10)  
28

1           138. Plaintiffs reallege all allegations as if fully set forth herein, and  
2 incorporate previous allegations by reference.

3           139. All claims brought under this Fourth Count that refer or relate to the  
4 false, untrue, fraudulent or misleading endless chain of Defendants are brought on  
5 behalf of Plaintiffs and the Class.

6           140. All claims brought under this Fourth Count that refer or relate to the  
7 false, untrue, fraudulent or misleading statements of income are brought on behalf of  
8 Plaintiffs.

9           141. All claims brought under this Fourth Count that refer or relate to the  
10 false, untrue, fraudulent or misleading statements of income are brought on behalf of  
11 Plaintiffs and the Class.

12           142. Defendants' business acts, false advertisements and materially  
13 misleading omissions constitute false advertising, in violation of the California  
14 Business and Professions Code § 17500, *et seq.*

15           143. Defendants engaged in false, unfair and misleading business practices,  
16 consisting of false advertising and materially misleading omissions regarding the  
17 purported "business opportunity," and the "health benefits" likely to deceive the  
18 public and include, but are not limited to, the items set forth in the factual  
19 background of this Complaint. Nerium knew, or should have known, that the  
20 representations about the business opportunity of Nerium were misleading in nature.

21           144. Because of Defendants' untrue and/or misleading representations,  
22 Defendants wrongfully acquired money from Plaintiff and the class members to  
23 which they were not entitled. The Court should order Defendants to disgorge, for the  
24 benefit of Plaintiff and all other Nerium Distributors in the class who signed an  
25 agreement with Nerium governed by California law their profits and compensation  
26 and/or make restitution to Plaintiff and the Class.

27           145. Under California Business and Professions Code Section 17535,  
28 Plaintiffs and the class seek a judicial order directing Defendants to cease and desist

1 all false advertising related to the Defendants' illegal endless chain scheme, and  
2 such other injunctive relief as the Court finds just and appropriate.

3 146. Because of Defendants' untrue and/or misleading representations,  
4 Defendants wrongfully acquired money from Plaintiff and the class members to  
5 which they were not entitled. The Court should order Defendants to disgorge, for the  
6 benefit of Plaintiff and all other Nerium Distributors in the class who signed a  
7 Distributor Agreement with Nerium their profits and compensation and/or make  
8 restitution to Plaintiff and the class.

9 147. Under California Business and Professions Code Section 17535,  
10 Plaintiff and the class seek a judicial order directing Defendants to cease and desist  
11 from all false advertising related to the Defendants' illegal scheme, and such other  
12 injunctive relief as the Court finds just and appropriate.

13 **COUNT V**

14 **(RICO 18 U.S.C. § 1961(5), 1962(c))**

15 (Plaintiffs on behalf of themselves and the Class Against All Defendants including  
16 DOES 1 through 10)

17 148. Plaintiffs reallege all allegations as if fully set forth herein, and  
18 incorporate previous allegations by reference.

19 149. RICO prohibits the following conduct: It shall be unlawful for (1) any  
20 person (2) employed by or associated with (3) any enterprise (4) engaged in, or the  
21 activities of which affect, interstate or foreign commerce, (5) to conduct or  
22 participate, directly or indirectly, in the conduct of such enterprise's affairs (6)  
23 through a pattern of racketeering activity or collection of unlawful debt. 18 U.S.C. §  
24 1961.

25 150. Section 1962(c) makes it "unlawful for any person employed by or  
26 associated with any enterprise engaged in, or the activities of which affect,  
27 interstate . . . commerce, to conduct or participate, directly or indirectly, in the  
28 conduct of such enterprise's affairs through a pattern of racketeering activity."

151. RICO requires that a “person” violate its provisions.” 18 U.S.C. § 1962(c-d). A RICO “person” includes any individual or entity capable of holding a legal or beneficial interest in property.” 18 U.S.C. § 1961(3). A RICO person can be either an individual or a corporate entity. All Defendants named in this count are RICO persons.

152. Defendants Jeff, Renee, Amber, Shouhed, Hefernan have acted as an “association-in-fact” for a common purpose, have and maintained relationships between and among each other (and nonparties), and the association-in-fact has a longevity sufficient to permit those associates to pursue the enterprise’s purpose the establishment and perpetuation of an unlawful pyramid scheme in which hundreds of thousands of people have lost money. The operation and management of the association in fact was generally led, at various times, by Defendants Jeff, Renee, and Amber. The individual promoter defendants Shouhed and Hefernan generally operated certain field aspects of the enterprise, taking direction from Jeff, Renee, and Amber. Jeff, Renee, and Amber provided funds to enable the association to grow and management and strategic advice to grow and expand the pyramid scheme. Later, Jeff, Renee, and Amber provided financial incentives to certain recruiters.

153. The “association-in-fact” began in 2011 and has continued to today. Each of the Defendants charged in Count V has been a part of the association-in fact as follows: Jeff: 2011-present; Renee: 2012-present; Amber: 2012-present; Shouhed: 2012-present; Hefernan: 2012-present.

**A. Nerium and The Individual Defendants Make False Claims As To The Nerium Opportunity**

154. In 2011 Jeff formed Nerium, and shortly thereafter, named his wife Renee, and his daughter Amber, as key top executives of the company.

155. Nerium broadcasts that you can receive a “live better bonus of \$150,000.”



1           156. “With Nerium International, you can have everything.” Further, “[o]ur  
2 program allows you the life-changing career to tailor your career to unlimited  
3 success, your way... They incentivize you to become the best person you can be... I  
4 quickly earned my Lexus... I got an i-pad bonus.. You can pay off your student  
5 loans... I wanted to retire my parents.”

6           157. You “get paid to party.” The representation “[i]f you want your future  
7 on your terms, get with your referring brand partner for more information.”

8           158. CEO Jeff Olson claims, “We have people who’ve earned their iPads,  
9 they’ve earned their cars, earned dream vacations, great incomes, six figure  
10 incomes, people making adult incomes, people making incomes that put them in the  
11 top 5 percentile of the United States.”

12           159. While Nerium’s website professes that it provides its distributors with  
13 financial freedom, its outdated, hard-to-find, U.S. 2013 Income Declaration is  
14 misleading affirmatively, and by omission.

15           160. Nerium represents: “I wanted to be able to get out there and retire my  
16 parents. I wanted to be able to go out there and make an impact in their life, and  
17 Nerium gave me that opportunity.”

18           161. Nerium further represents: “[w]hen you don’t worry about  
19 money anymore, you don’t have to stress out over the bills, you know it’s about the  
20 choices you have – the freedom you have.”

21           162. “Nerium has just completely changed my life; everything about my life  
22 has gotten completely 100% better. We recently purchased our dream home and it’s  
23 absolutely gorgeous.”

24           163. Each of the statements made by Nerium in the preceding eight were  
25 false and misleading.

26           **B. Rico Enterprise**

27           164. A defendant can be both a RICO “person” and part of another RICO  
28 “enterprise.” Plaintiffs and the class allege the following:

1 (a) each Defendant is a RICO “person.”

2 (b) each individual defendant, i.e., each person, combination of  
3 persons or combination one or more person and an entity as defined  
4 above, is a RICO “person.”

5 (c) the Defendants named in this Count are an “enterprise,” (e.g., a de  
6 facto corporation acting as a single legal entity, or, alternatively, an  
7 association in fact).

8 165. There was an identifiable hierarchy and framework within the  
9 enterprise. It is directed by Jeff, Renee, and Amber, to whom the remaining  
10 Defendants named in this Count report.

11 **C. All Defendants Are “Employed By Or Associated With” The Rico**  
12 **“Enterprise”**

13 166. Under Section 1962(c), a defendant must be “employed by or  
14 associated with” the RICO enterprise. Section 1962(c) operates equally to both  
15 “insiders” and “outsiders” who participate directly or indirectly in the conduct of the  
16 enterprise’s affairs through a pattern of racketeering activity. All Defendants named  
17 in this Count are employed by or associated with the enterprise, as set forth in detail  
18 previously.

19 167. They conduct and participate in the operation or management of the  
20 pyramid scheme through a pattern of racketeering activity, by conducting the affairs  
21 and supporting the acts of the pyramid scheme. Jeff, Renee, and Amber use the  
22 assets of Nerium to direct, in whole or part, the affairs of the pyramid scheme,  
23 including the operation of the pyramid scheme and the distribution of unlawful  
24 profits to individuals associated with the scheme. Jeff, Renee, and Amber control  
25 and direct the websites, web presentations, events, sponsored conventions and  
26 speeches of each of them, and the dissemination of video of same, and the individual  
27 promoter Defendants named in this Count. Shouhed and Hefernan joined this part  
28

1 of the operation in approximately 2013. They then have an ascertainable structure  
2 separate and apart from the pattern of racketeering activity.

3 168. Olson has directed the Company to disburse over time more than \$3.5  
4 million in Company funds to an entity called FARC, LLC. In the spring of 2015,  
5 Nerium's CFO, Lori Jones, discovered a collection of these mysterious payments (in  
6 \$15k and \$150k increments) scattered and buried in a Company ledger of over  
7 100,000 entries.

8 169. After this discovery, Lori Jones and Joe Nester asked Jeff Branch (the  
9 Company's Chief Financial Officer) to explain who FARC was and what services or  
10 goods it was providing to the Company. Mr. Branch stated that the expenditures  
11 were not something Nerium should concern itself with. He directed further inquiry  
12 to the Company's General Counsel, Eric Haynes. When asked the same question,  
13 Mr. Haynes responded that FARC was engaged for "business development  
14 purposes," and refused to explain more. In fact, Olson bound the Company to a  
15 secret agreement with his long-time friend Steve Bright, to transfer enormous wealth  
16 from the Company to Bright, through FARC. FARC was created on August 26,  
17 2011 for the apparent purpose of receiving these payments. That same day, Bright's  
18 wife Vicki entered into the agreement whereby Olson purportedly (1) transferred  
19 3% ownership in the Company to FARC; (2) agreed to pay FARC 5% of the  
20 revenues Olson received from the sale of promotional items or sales tools under the  
21 Company Agreement; and (3) agreed to retroactively place a phony sales  
22 distributorship at the top of the Company's sales pyramid, whereby FARC would be  
23 paid commissions as one of the top earning sales distributors without actually  
24 performing services as a sales distributor for the Company. In exchange for these  
25 lucrative promises of Company cash, FARC tendered just "ten dollars and other  
26 good and valuable consideration."

27 170. The other promoters are also "employed by or associated with" each  
28 other and the remaining Defendants for purposes of RICO. They conduct and  
participate in the operation or management of the pyramid scheme through a pattern

1 of racketeering activity, by conducting the affairs and supporting the acts of the  
 2 pyramid scheme. They receive payments and benefits for operating at or near the  
 3 top of the “downline” pyramid, engage in wholesale recruiting at the direction of  
 4 Nerium. Jeff, Renee, Amber, communicate regularly with Nerium, regarding  
 5 personal appearances at recruiting conventions, operate websites that induce  
 6 innocent people to engage in the illegal pyramid, and cooperate with the other  
 7 Defendants to lend their names to promotional materials, make false statements, and  
 8 in some instances, appear in the internet reality series. While appearing as  
 9 ostensible “independent” distributors for purposes of convincing innocent recruits to  
 10 join the “business opportunity,” each of them takes direction from and is in contact  
 11 with each other and Jeff Renee, and Amber.

12 **D. All RICO Persons Are Distinct From The RICO Enterprise**

13 171. RICO requires the involvement of a RICO “enterprise.” 18 U.S.C. §  
 14 1964 (a-d). An “enterprise” includes any individual, partnership, corporation,  
 15 association, or other legal entity, and any union or group of individuals associated in  
 16 fact although not a legal entity.” 18 U.S.C. § 1961(5).

17 172. The enterprise itself is not the liable entity, rather it is the RICO person  
 18 who conducts the affairs of the enterprise through a pattern of racketeering activity.  
 19 Nerium and the individual Defendants described in this complaint are distinct from  
 20 each other. The individual Defendants are distinct from the corporate defendant. The  
 21 corporate Defendant is distinct from the RICO enterprise because it is functionally  
 22 separate, performs different roles within the enterprise and uses its separate legal  
 23 incorporation to facilitate racketeering activity. For example, Nerium operates  
 24 legally in part by selling its products to consumers without operating as a pyramid  
 25 scheme.

26 173. Besides paying the salaries of Amber and Renee, Jeff and Nerium also  
 27 created phony distributorship positions for them, placing them at the top of the  
 28 pyramid of brand partners where they could receive monthly “commission” checks

1 as leading distributors – without actually distributing anything. To hide these  
2 payments, phantom distributor names were entered into the Nerium accounting  
3 system – for Amber, the distributorship was called “Gator Marketing,” for Renee,  
4 the distributorship was called “Chill Development.” Secret payments to Gator  
5 Marketing exceeded \$1,000,000 per year and payments to Chill Development  
6 exceeded \$700,000 per year. Renee also received a payment of \$347,000 which was  
7 booked as a bridge loan for “Stone & Bruce.”

8       **E. The Defendants Engaged In Activities Which Affect Interstate**  
9       **Commerce**

10       174. Each of the Defendants named in this Count engaged in, and/or each  
11 others’ activities affect, interstate or foreign commerce. The pyramid scheme has  
12 operated in the United States, and originated domestic business contracts with  
13 people living in Japan, Columbia, and Hong Kong. Most recently Nerium is  
14 marketing and creating domestic business opportunities for those residing in  
15 Australia.

16       **F. The Defendants Participated In The Conduct of the Enterprise’s**  
17       **Affairs**

18       175. Each of the Defendants named in this Count conducted, or participated  
19 directly or indirectly, in the conduct of such enterprise’s affairs as set forth above.

20       **G. The Defendants Engaged In A “Pattern of Racketeering Activity”**  
21       **Over An Extended Period of Time With A Threat of Repetition**  
22       **Into The Future**

23       176. RICO requires a “pattern of racketeering activity.” A “pattern of  
24 racketeering activity” is one that is performed by at least two acts of racketeering  
25 activity, or violations of a “predicate” offense (an act “indictable under any of”  
26 certain provisions of” 18. U.S.C. § 1961(1)(D)). *See* 18 U.S.C. § 1961(5). A  
27 “pattern of racketeering activity” can be a past conduct that by its nature projects  
28 into the future with a threat of repetition. It can also be conduct over a closed period

1 through a series of related predicates extending over a substantial period. Both of  
2 these apply here.

3 177. The Defendants' pattern of racketeering activity is well-established and  
4 has continued from 2011 to the present and intends to continue into the future. The  
5 Defendants have taken every imaginable step to sell the pyramid program to  
6 Business Partners and potential Business Partners. They each also expect to  
7 continue to receive income from the pyramid scheme. With each new person  
8 recruited, the Defendants increase the value of their control of the pyramid scheme.  
9 The Defendants have stated their intentions to continue to grow the pyramid  
10 throughout the United States, and have expanded. They have announced an  
11 intention to market to other persons in 2017. It is certain that their conduct is a  
12 continuing threat due to their racketeering activities.

13 **H. Defendants Have Used And Caused To Be Used Fraudulent Mail**  
14 **and Wire Communications In Interstate Commerce, 18 U.S.C. §**  
15 **1341 AND 18 U.S.C. § 1343**

16 178. Mail and wire fraud are enumerated predicate acts that can constitute  
17 RICO "racketeering activity" under Section 1961(1)(D).

18 179. Mail fraud occurs when an individual devises a plot to defraud and  
19 subsequently uses the mail in furtherance of it. 18 U.S.C. § 1341.

20 180. The Defendants named in this Count have transmitted, caused to be  
21 transmitted or invited others to transmit marketing material and income disclosure  
22 materials, by mail or private or commercial carriers, such as UPS, for the purpose of  
23 executing their scheme or artifice to defraud in violation of RICO. Likewise, they  
24 have distributed promotional literature, statements, checks, and other mailings all  
25 between 2011 and the present by mail. Without limitation, each statement sent  
26 monthly to an Brand Partner distributor is a mailing and an act of mail fraud, and  
27 each promotional literature sent by U.S. Mail is a mailing and an act of mail fraud.  
28

1 181. Wire fraud occurs when an individual devises a plot to defraud and  
2 subsequently uses wire means in furtherance of it. 18 U.S.C. § 1343. The defendants  
3 have used the Internet since 2011 to disseminate, publish and spread the pyramid  
4 scheme throughout the United States and to Hong Kong, Japan and Columbia for the  
5 purpose of executing their scheme or artifice to defraud in violation of RICO. Thus,  
6 the Defendants have transmitted, caused to be transmitted and invited others to  
7 transmit, by means of wire in interstate commerce, writings, signs, signals, pictures,  
8 or sounds for the purpose of executing their scheme or artifice to defraud in  
9 violation of 18 U.S.C. §1343.

10 182. Without limitation, for example, each transmission of a video to be  
11 posted on YouTube, Vimeo, Facebook, Wechat, Google, Pinterest, Instagram,  
12 Linkedin, or through Twitter, or establishment of a website to disseminate  
13 information about the pyramid scheme or transmission of signals, pictures or  
14 information to such website is a separate act of wire fraud.

15 183. Defendants committed at least two predicate acts of mail and/or wire  
16 fraud relevant to this Count. These, along with factual allegations against other  
17 Defendants, are described throughout this Complaint.

18 184. Each of the Defendants named in this Count acted with requisite intent  
19 to establish, perpetuate and/or carry out the pyramid scheme to defraud. Each  
20 Defendant named in this Count acted with either specific intent to defraud or with  
21 such recklessness with respect to the false or misleading information mailed or  
22 wired in furtherance of the pyramid scheme as to constitute requisite scienter to  
23 commit mail and wire fraud.

24 185. Nerium represents you can earn “\$10,000 per month just for having  
25 fun.”

26 186. That scienter can be inferred from, among other things at least the  
27 following: (a) Various third parties and business partners of Nerium have asserted  
28 publicly and in litigation, that Nerium is a pyramid scheme during its short history,

(b) many consumers have complained to the FTC that Nerium constitutes an illegal pyramid scheme (c) promoters and marketers of Nerium, including Batchelorette star Michael Turnbull have stated in a “Current Affair” television show aired in Australia in 2016: “I certainly wouldn’t intentionally get into a pyramid scheme if that’s what this business [Nerium] is.” (d) Defendant Jeff was directly involved in the financing and active management of the Nerium company and individually knew and/or recklessly disregarded that that the operation of that entity was an illegal pyramid scheme; (e) Jeff Olson is a veteran of the network marketing industry and was involved in multiple allegations of their companies operating as a pyramid scheme; (f) There is a network industry awareness that the FTC has closed down similar operations for being an illegal pyramid (for example BurnLounge, Vemma, Equinox and others) and (g) an awareness on the part of each of these Defendants that recruiting others into a particular sales scheme has been deemed by the FTC and courts to be an illegal pyramid scheme.

187. A number of the Individual Promoter Defendants are also in the separate business of assisting new recruits on how to themselves recruit others. Some of the individual Promotor Defendants use fake testimonials to market the products of Nerium. These Defendants therefore have for years had an opportunity to understand that their participation in the Nerium scheme is an illegal pyramid and/or recklessly disregarded the notion and consciously participated in an illegal pyramid scheme.

**I. The Defendants’ Promotion of the Pyramid Is A Per Se Scheme To Defraud Under The Mail And Wire Fraud Statutes**

188. The Defendants named in this Count have used a false and fraudulent scheme, or a scheme to defraud within the meaning of federal law, to harm Plaintiffs and the class. In all respects, these Defendants have conducted their affairs unlawfully, intentionally, willfully and with intent to defraud, that is, knowingly and with such specific intent to deceive as is in violation of the mail and wire fraud



1 statutes. They have done so in order to cause financial gain for themselves and for  
2 others, all to the detriment of Plaintiffs and the class.

3 189. First, each Defendant named in this Count has promoted the pyramid  
4 scheme that, by its very nature, is a per se scheme and artifice to defraud to obtain  
5 money by false pretenses. As detailed in this complaint, all Defendants named in  
6 this Count have promoted and successfully expanded the pyramid scheme to  
7 victimize the named Plaintiffs and the class. Each of the enumerated acts of wire  
8 and mail fraud in furtherance of the pyramid scheme is an act of racketeering.  
9 Second, as part of the pyramid scheme, the Defendants named in this Count made  
10 numerous false statements in furtherance of the scheme.

11 190. Examples of the falsity of these statements include: (a) creating and  
12 disseminating the false impression that through the pyramid scheme, Business  
13 Partners like Plaintiffs and the class can get “free” Lexus’, and/or can get a sizeable  
14 monthly or “residual” income; (b) creating and disseminating the false impression  
15 that the Business Partners program has enormous or unlimited income potential and  
16 that the Business Partners can make enormous money as a result of participating as a  
17 promoter for the program; (c) creating and disseminating the false impression that  
18 the Business Partners’ is an opportunity that one can make money while partying.

19 191. Further, the Defendants created and disseminated the false impression  
20 that there are many available persons who will want to purchase the age-defying  
21 products and that the purchase of a Business Partner enrollment will enable the  
22 purchaser to make money from legitimate sales. In reality, the defendants know that  
23 sales of the age-defying products are made almost exclusively to people who are  
24 promoters.

25 192. Further, the Defendants created and disseminated the false impression  
26 that the success stories featured by Nerium are typical or, in some cases, even  
27 possible when defendants knew that the persons portrayed were falsely portrayed,  
28 persons portrayed were being paid (unreal) amounts of money for committing an

1 illegal activity and/or were assisted by the defendants in setting up a sufficiently  
 2 large “downline” that the income generated was in fact large.

3 193. Third, as part of the pyramid scheme the Defendants named in this  
 4 Count omitted material facts for the purpose of and with the intention of the  
 5 fraudulent pyramid scheme by obtaining money from the victims. Examples of  
 6 these omissions include: (a) failure to reveal that the multilevel marketing program  
 7 and its Business Partner program are illegal pyramid schemes but instead propagate  
 8 the statements and impression that it is a legal enterprise; (b) failure to reveal that  
 9 under compensation plan that the majority of the Brand Partners have and likely will  
 10 lose their money; (c) failure to disclose that many of the top Brand Partners earners  
 11 paraded by the company (at company-sponsored spectacles and through other  
 12 publicly disseminated events, videos, documents, and other media) as examples of  
 13 what Brand Partners can hope to attain through following the Nerium  
 14 compensation plan were in fact already well established salespeople for other  
 15 network companies who were recruited to bring large, preexisting “downlines” by  
 16 the company and were placed in their positions, aided in their attainment of their  
 17 Nerium ranks, and/or otherwise compensated beyond what is paid to ordinary  
 18 Brand Partners under the Compensation Plan; (d) failure to reveal that the company  
 19 knowingly spread unreal and misleading accounts and claims of the success of its  
 20 upper level executives, all in an effort to attract new Brand Partners, but avoid  
 21 disclosing a direct connection between the statements and Nerium.

22 **J. Plaintiffs and the Classes Have Proximately Suffered RICO Injury**  
 23 **To Business**

24 194. A “violation” of RICO is committed if “individuals and entities,” use  
 25 the mails or interstate wire facilities in the execution of “any scheme to defraud.” 18  
 26 U.S.C. §§ 1341, 1343, Sections 1961(1) (B), 1962. Sections 1964 (a), (c) and (d)  
 27 authorize persons “injured” in their “business or property,” “by reason of” RICO’s  
 28

1 “violation” to sue for appropriate redress, including equity relief, treble damages  
2 and attorneys’ fees.

3 195. Each of the Plaintiffs (and the class sought to be certified) suffered a  
4 loss of money composed of the cost they paid to become an IP, together with the  
5 website fees, administrative fees, and the cost of merchandise purchased as samples  
6 and for purposes of operating the alleged “business opportunity,” and the amount  
7 they recovered as commissions or other payments. Jia has lost over \$1,200, while  
8 Sormillon lost in excess of \$600. The losses were proximately caused by the actions  
9 described in this Count, and may be presumed from, among other things, the  
10 presumption that no one would knowingly join an illegal pyramid scheme.

11 196. The precise amount lost by the class sought to be certified has not yet  
12 been determined but is believed to be significant. It is believed that each of the  
13 unwitting participants in the pyramid scheme sought to be certified as a class has  
14 lost \$50 to well over \$5,000 as a result of purchasing their Brand Partner  
15 distribution rights. Upon information and belief, the precise amounts that each and  
16 every participant in the pyramid scheme has spent on (1) costs associated with the  
17 Brand Partner “business opportunity” and (2) has received in commissions or  
18 bonuses or other payments from Nerium as a result has been tracked, maintained  
19 and accounted for by Nerium through a proprietary software database. Thus, the  
20 precise loss of every class member is easily capable of being ascertained in this  
21 litigation, and the total business injury capable of being computed for the class.

22 197. The predicate acts set forth in this Count each were mailings and/or  
23 wire transmission of material in furtherance of the promotion of the pyramid  
24 scheme. Each of these predicate acts was intended to falsely convey the impression  
25 to people like Plaintiffs that participation as a Nerium Brand Partners was legal; that  
26 they had a reasonable opportunity to make money; that people just like them were  
27 able to make generous income; and that the commissions or bonuses they would  
28 receive would come from the sale of desirable product. The loss suffered by the

1 Plaintiffs and the class was foreseeable and a direct result of the establishment,  
2 promotion, and expansion of the pyramid scheme by the Defendants named in this  
3 Count. A pyramid scheme depends on continued expansion by continual recruiting  
4 of innocent people who do not realize that the only way in which they can achieve  
5 the benefits represented by the pyramid scheme's promoters is to recruit and  
6 victimize other innocent people into joining. In reality, like all pyramid schemes,  
7 the Compensation Plan and all aspects of the promotion of the pyramid scheme were  
8 based on recruiting over product sales, and depended on the known existence of  
9 money-losers (like the Plaintiffs and the class) to pay the small group of "winners"  
10 inherent in any pyramid scheme. There is a clear causal connection between the  
11 promotion and recruiting predicate acts alleged above and the injury suffered by the  
12 Plaintiffs and the class.

13 198. The predicate acts attributed to Nerium, Jeff, Renee, and Amber, also  
14 include the creation and dissemination of the Compensation Plan. Under the Nerium  
15 Compensation Plan, as set forth above, innocent participants could only make  
16 money by recruiting others who in turn would recruit others. This was a necessary  
17 feature of the Plan, understood as such by all of the Defendants named in this Count.  
18 It was the goal of each of these Defendants that Plaintiffs subscribe, by the payment  
19 of money to Nerium, to the Compensation Plan. The payment of bonuses and  
20 commissions to promoters who were recruiters of participants in the pyramid  
21 scheme, like the Plaintiffs and the class, was an intended part of the Nerium  
22 Compensation Plan. Each of the named Plaintiffs were placed by Nerium in a  
23 pyramid "downline" whose top slot was occupied by Jeff. Each of the payments  
24 made by the Plaintiffs to purchase Brand Partner distribution rights and product, as  
25 well as payments they made for website usage, resulted in payment of a bonus or  
26 commission payment that was made, directly or indirectly, to Nerium, Jeff, Renee,  
27 and Amber, directly authorized and/or approved of the dissemination of the Nerium  
28 compensation plan that was made a part of the Brand Partner distribution rights

1 purchased by the Plaintiffs. The dissemination of the Nerium compensation plan,  
2 together with predicate acts that purported to falsely emphasize the features of the  
3 compensation plan (for example, without revealing that under the plan there would  
4 be many more “losers” than “winners”) was in furtherance of the scheme. Plaintiffs  
5 lost money by participating in the compensation plan. But for the illegal nature of  
6 the bonus and commission payments set forth by the compensation plan, Plaintiffs  
7 and others would not have lost money. Plaintiffs’ losses thus were a direct and  
8 proximate cause of their intended participation in the compensation plan authored  
9 and/or approved by each of these Defendants.

10 199. A pyramid scheme depends on recruitment of innocent people. The  
11 predicate acts attributed to the promoter Defendants are primarily those that concern  
12 the promotion of the scheme and luring innocent people to join the business  
13 opportunity. The promoters had an incentive to spread the word. The payment of  
14 bonuses and commissions to promoters who were recruiters of more participants  
15 was part of the scheme. In 2013 to 2016, many of the other promoters were named  
16 a directors eligible to collect revenue from company-wide sales, including sales  
17 made to new recruits like Jia and Sormillon. It is believed that these individuals  
18 were also Plaintiffs’ “uplines,” and therefore these individuals also received a  
19 commission payment, either directly by virtue of being in Plaintiffs’ “upline” or  
20 indirectly, from the money paid by Plaintiffs. But for the illegal nature of the bonus  
21 and commission payments set forth by the “business opportunity” and the recruiting  
22 materials, ads or promotions made by these Defendants, directed to Plaintiffs and  
23 members of the class who were invited to meetings such as those attended by the  
24 Plaintiffs, Plaintiffs and others would not have lost money. The dissemination of the  
25 Nerium “business opportunity,” by these Defendants together with predicate acts  
26 that purported to spread the impression that joining the Nerium “business  
27 opportunity” or that resulted in the recruitment of Plaintiffs, directly or indirectly,  
28 proximately caused Plaintiffs’ and the class losses.

1           200. Jeff/Renee/Amber: (1) serving as the co-founders and principal creators  
2 of the pyramid scheme, (2) creating and/or approving the creation of the  
3 Compensation Plan which pays primarily for recruiting, (3) creating and  
4 disseminating countless promotional materials, videos, and public appearances  
5 designed to further and expand the pyramid scheme in the United States and abroad,  
6 (4) making contractual arrangements with third persons to provide capital to expand  
7 the pyramid scheme and to lend the scheme an air of legitimacy, (5) making deals  
8 with professional network marketers to pay them hidden inducements and/or assign  
9 them “downlines” as an inducement to further the expansion of the pyramid scheme,  
10 (6) acting as the “top” distributor and accepting tens of millions of dollars as gains  
11 from the pyramid scheme.

12           201. Shouhed/Hefernan: (1) accepting payments and/or other inducements,  
13 including being given or assigned a “downline” by Jeff/Renee/Amber upon  
14 becoming a Nerium distributor; (2) performing recruiting acts on behalf of Nerium  
15 and the enterprise when he knew or reasonably should have known that he was  
16 promoting a pyramid scheme, (3) appearing in print and electronic promotions to  
17 give legitimacy to the idea that anyone could achieve six- and seven- figure success  
18 in the “business opportunity” when they knew that their own success and financial  
19 payments were the result of hidden arrangements that would not be made available  
20 to persons who were being recruited.

21           202. The Defendants named in this Count used false and fraudulent means  
22 and conducted their affairs unlawfully, intentionally, willfully and with the intent to  
23 defraud, for their own financial gain and benefit and for the financial gain and  
24 benefit of others, all to the detriment of Jia, Sormillon, and others that purchased the  
25 Brand Partner program.

26           203. Each of the Defendants named in this Count has violated Section  
27 1962(c) and is liable, jointly and severally, for the business injury caused to the  
28 Plaintiffs and the class by his or her actions.

**COUNT VI**

**(RICO 18 U.S.C. § 1962(c) AND ARE IN VIOLATION OF 18 U.S.C. §§  
1961(5), 1962(d))**

(Plaintiffs on behalf of themselves and the Class Against All Defendants including  
DOES 1 through 10)

204. Section 1962(d) makes it “unlawful for any person to conspire to  
violate any of the provisions of subsection (a), (b), or (c) of this section.”

205. Plaintiffs re-state the previous paragraphs as if fully set forth here.

206. Each of the Defendants named in this Count have participated in a  
conspiracy to violate Count Five.

207. Each of the Defendants named in this Count has participated in the  
pyramid scheme and their participation is necessarily a combination of more than  
two individuals.

208. The roles of all of the Defendants named in this Count are set forth in  
Count V.

209. Defendants’ and nonparty entities’ creation, support or maintenance of  
the pyramid scheme is illegal.

210. The Defendants named in this Count had a meeting of the minds on the  
object or course of action, specifically to create, support and maintain the pyramid  
scheme for their financial benefit as evidenced by each Defendant’s voluntary and  
knowing participation in the pyramid scheme. These agreements and understandings  
are described in Count V.

211. Each of the Defendants named in this Count and others have committed  
one or more overt acts to achieve or further the unlawful objects and purposes of the  
pyramid scheme detailed herein. They include the following:

212. Jeff/Renee/Amber: (1) serving as the co-founders and principal creators  
of the pyramid scheme, (2) creating and/or approving the creation of the  
Compensation Plan which pays primarily for recruiting, (3) creating and

1 disseminating countless promotional materials, videos, and public appearances  
 2 designed to further and expand the pyramid scheme in the United States and abroad,  
 3 (4) making contractual arrangements with third persons to provide capital to expand  
 4 the pyramid scheme and to lend the scheme an air of legitimacy, (5) making deals  
 5 with professional network marketers to pay them hidden inducements and/or assign  
 6 them “downlines” as an inducement to further the expansion of the pyramid scheme,  
 7 (6) acting as the “top” distributor and accepting tens of millions of dollars as gains  
 8 from the pyramid scheme.

9       213. Shouhed/Hefernan: (1) accepting payments and/or other inducements,  
 10 including being given or assigned a “downline” by Jeff/Renee/Amber upon  
 11 becoming a Nerium distributor; (2) performing recruiting acts on behalf of Nerium  
 12 and the enterprise when he knew or reasonably should have known that he was  
 13 promoting a pyramid scheme, (3) appearing in print and electronic promotions to  
 14 give legitimacy to the idea that anyone could achieve six- and seven- figure success  
 15 in the “business opportunity” when they knew that their own success and financial  
 16 payments were the result of hidden arrangements that would not be made available  
 17 to persons who were being recruited.

18       214. The Defendants named in this Count used false and fraudulent means  
 19 and conducted their affairs unlawfully, intentionally, willfully and with the intent to  
 20 defraud, for their own financial gain and benefit and for the financial gain and  
 21 benefit of others, all to the detriment of Jia, Sormillon and others that purchased the  
 22 Brand Partners. These acts, intent and losses are set forth in Count V.

23       215. Each of the Defendants named in this Count has violated Section  
 24 1962(c) and is liable, jointly and severally, for the business injury caused to the  
 25 Plaintiffs and the class by his or her actions.

26                                   **COUNT VII**  
 27                                   **(Federal Securities Fraud)**  
 28



(Plaintiffs on behalf of themselves and the Class Against All Defendants including  
DOES 1 through 10)

149. Plaintiffs reallege all allegations as if fully set forth herein, and  
incorporate previous allegations by reference.

150. In the alternative to Counts Five and Six, and without prejudice to their  
position that Counts Five and Six are not preempted by the PSLRA, Plaintiffs in  
Count Seven allege violations of the securities laws.

151. Only to the extent Defendants contend that Plaintiffs' purchases of  
starter kits, payment of fees, and purchases of Nerium products constitute  
investments in unregistered securities (the sale of which would be a past and  
continuing violation of federal securities laws), and only if Defendants are  
successful in obtaining a dismissal for judgment against Plaintiffs' RICO claims on  
the grounds that the PSLRA preempts their RICO claims, Plaintiffs contend that  
their purchases of starter kits, payment of monthly fee, and purchases of Nerium  
products constitute investments in securities.

152. Nerium made numerous material omissions in its Policies regarding  
retail sales to the Plaintiffs. Nerium represented that retail sales were a significant  
part of Defendants' revenues. Also Nerium represented as follows:

- You can receive a "live better bonus of \$150,000."
- "With Nerium International, you can have everything." Further, "[o]ur program allows you the life-changing career to tailor your career to unlimited success, your way... They incentivize you to become the best person you can be... I quickly earned my Lexus... I got an i-pad bonus... You can pay off your student loans... I wanted to retire my parents."
- You "get paid to party." The representation "[i]f you want your future on your terms, get with your referring brand partner for more information."

- 1 • CEO Jeff Olson claims, “[w]e have people who’ve earned their iPads,  
2 they’ve earned their cars, earned dream vacations, great incomes, six  
3 figure incomes, people making adult incomes, people making incomes  
4 that put them in the top 5 percentile of the United States.”
- 5 • “When you don’t worry about money anymore, you don’t have to stress  
6 out over the bills, you know it’s about the choices you have – the  
7 freedom you have.”
- 8 • “Nerium has just completely changed my life; everything about my life  
9 has gotten completely 100% better. We recently purchased our dream  
10 home and it’s absolutely gorgeous.”

11 153. Further, Nerium made false income disclosures in 2013 that were  
12 misleading affirmatively, and by omission.

13 154. Nerium also made misrepresentations to Plaintiffs (affirmatively and by  
14 omission) in the Compensation plans attached hereto as Exhibit A and Exhibit B,  
15 respectively, as well as the guide attached hereto as Exhibit D.

16 155. These statements are misleading because they fail to inform  
17 Distributors that “retail sales,” particularly as defined in the Policies, are not a true  
18 viable way of earning income because Brand Partners are extremely unlikely to  
19 make significant “retail sales,” and because the only realistic way to make money in  
20 the Nerium scheme is through recruiting.

21 156. Nerium made material omissions in its Policies regarding Brand  
22 Partners’ ability to earn money. In the Policies, Nerium informed its Brand Partners  
23 that they do not even need to be good at sales, and they can still earn money.

24 157. This statement is misleading because it fails to inform Brand Partners  
25 that very few Brand Partners are likely to earn any profit from participating in  
26 Nerium, regardless of how much work they put in and regardless of what part of the  
27 country they live in.

28 158. By making affirmative statements regarding retail sales and the ability

1 of Brand Partners to earn income, Nerium undertook an affirmative obligation to  
2 make the disclosures necessary to make such statements not misleading.

3 159. Nerium made these omissions knowing that doing so was false and  
4 misleading. Nerium benefitted in a concrete and substantial way from the operation  
5 of the pyramid scheme, the recruitment of new Brand Partners, and new Brand  
6 Partner's reliance on Nerium's omissions.

7 160. Nerium made these omissions with the specific intent that Brand  
8 Partners rely on them.

9 161. Plaintiffs' and the Class Members' reliance on the omissions may be  
10 presumed.

## 11 **EIGHTH COUNT**

### 12 **Unjust Enrichment**

13 (Plaintiff on behalf of herself and the Classes Against Defendants Jeff, Renee,  
14 Amber, including DOES 1 through 10)

15 162. Plaintiff and the classes repeat and re-allege every allegation above as  
16 if set forth herein in full.

17 149. Unjust enrichment occurs when a Plaintiff confers a benefit to the  
18 defendant, the Defendant accepts and retains the benefit, and Defendant does not  
19 pay the Plaintiff the value of the benefit.

20 150. The Individual Defendants named in this Count have been unjustly  
21 enriched at the expense of, and to the detriment of, Plaintiff and the members of the  
22 class in that the financial benefits obtained by them came as a result of their  
23 promotion of the unlawful pyramid scheme. The financial benefits they obtained  
24 came from the Plaintiff and the members of the class, who unwittingly participated  
25 in the pyramid scheme and naturally and inevitably lost money in the process. The  
26 unjustly-obtained benefits are comprised of the following three categories of gains.

27 151. First, the Individuals Defendants named in this Count made contractual  
28 agreements with each other and with other third-parties that depended on the success

1 of the pyramid scheme. The Individual Defendants took active steps to expand the  
2 scope of the pyramid scheme, and increased the number of participants—and  
3 therefore the number of inevitable “losers” in order to maximize the amounts each  
4 would get. These Defendants were able to obtain payouts under the contracts on the  
5 backs of the Plaintiffs.

6 152. Second, the Individual Defendants, together with their controlled  
7 entities, their children, and other parties have each been enriched in significant  
8 amounts as a result of the performance of their various illegal duties. Regardless of  
9 in what year, each of the Individual Defendants were “upline” from the Plaintiff and  
10 the class, and thus, as a matter of the compensation plan implemented by Nerium,  
11 obtained bonuses and commissions, which were necessarily funded by a portion of  
12 the Plaintiff’s (and the classes) purchase of distributorships, and purchase of  
13 product. These payments were thus, directly funded by the Plaintiff by virtue of the  
14 compensation system paying commissions and bonuses “upline” to promoters at the  
15 top of the pyramid. The value of these benefits can be computed but is presently  
16 unknown. But for the illegal Compensation Plan and the commission of the illegal  
17 pyramid scheme, the Individual Defendants could not have obtained the funds that  
18 came to them via the Compensation Plan.

19 153. Third, in addition to the unjust benefits, Jeff, Renee, and Amber have  
20 obtained as a result of being upline at the top of the Nerium Pyramid, they have also  
21 received a compensation in an amount equaling in the millions based on their  
22 executive position in the pyramid scheme. The monies that they received, in part to  
23 pay these salaries, came from Plaintiff’s (or the class) payments for the same  
24 reasons as set forth above.

25 154. The revenue that resulted in these payments came directly from the  
26 payments made by Plaintiff and the class. It would be unjust to permit these  
27 Defendants to retain these ill-gotten gains.  
28

**PRAYER FOR RELIEF**

The named Plaintiffs and the Plaintiffs' class and subclasses request the following relief:

- a. Certification of the class and subclasses;
- b. A jury trial and judgment against Defendants;
- c. Rescission of the agreements, invoices, open accounts, receipts, and open book accounts, upon which the scheme is based, and recovery of all consideration paid pursuant to the scheme, less any amounts paid or consideration provided to the participant pursuant to the scheme;
- d. Damages for the financial losses incurred by Plaintiffs and by the class and subclasses because of the Nerium and the Individual Defendants' conduct and for injury to their business and property;
- e. Restitution and disgorgement of monies;
- f. Temporary and permanent injunctive relief enjoining Nerium from paying its Distributors recruiting rewards that are unrelated to retail sales to ultimate users and from further unfair, unlawful, fraudulent and/or deceptive acts;
- g. The cost of suit including reasonable attorneys' fees under California Code of Civil Procedure § 1021.5, Civil Code §1689.2, and otherwise by law;
- h. Punitive damages;
- i. Treble damages pursuant to RICO;
- j. For damages in an amount yet to be ascertained as allowed by law; and
- k. For such other damages, relief and pre- and post-judgment interest as the Court may deem just and proper.

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1 Dated: August 1, 2017 By: /s/ Blake J. Lindemann

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**DEMAND FOR JURY TRIAL**

Plaintiffs Helen Jia and Sarah Sormillon, on behalf of themselves, and those similarly situated, hereby request a jury trial on all matters so triable.

Dated: August 1, 2017

By: /s/ Blake J. Lindemann

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HELEN JIA, SARAH SORMILLON, AND ALL  
THOSE SIMILARLY SITUATED

# EXHIBIT A





NERIUM<sup>TM</sup>  
INTERNATIONAL

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# Compensation Plan

United States

# Welcome to the Nerium Family

Nerium International exists for a single purpose: to make people better. Since this translates into improving people's lives both inside and out, we are proud to reward you with a lucrative, innovative way to earn income.

## **YOUR INITIAL GOALS IN STARTING YOUR NERIUM BUSINESS ARE:**

1. Become 3UR Free Qualified: Sponsor and maintain three Preferred Customers and your next month's Nerium product ADO (Auto-Delivery Order) is free!
2. Fast Start Qualify in your first 30 days and earn an FSQ Bonus.

On an ongoing basis, you will build your Nerium business by sharing and selling Nerium's exclusive products and building a team of Brand Partners that do the same. Our Compensation Plan is based upon a business model that leverages relationship marketing.

# Relationship Marketing

Whether face-to-face or online, relationship marketing is how business is done in today's world. People work with those they know, like and trust, which makes word-of-mouth, or relationship marketing, the most effective business model available.

Rather than investing in traditional advertising (like TV, radio or billboards), Nerium rewards its Brand Partners for telling others about our products. It's a win-win marketing solution that works!

## **BRAND PARTNERS EARN INCOME IN TWO WAYS:**

1. Build a customer base and earn up to 10–25% commissions.
2. Build a team of Brand Partners and earn commissions and bonuses based on their product sales to customers and their volume.

All commissions and bonuses defined in this document are paid in U.S. dollars.

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# Immediate Focuses

## Focus #1: Become Fast Start Qualified

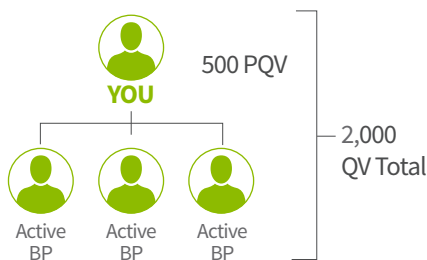
The Fast Start Qualify (FSQ) Bonus is only available during your first 30 days. It is important to take action immediately to start growing your business and earn this bonus!

The FSQ Bonus rewards not only Brand Partners who Fast Start Qualify, but their Personal Sponsor and Senior Director, as well. It is designed to recognize and reward the hard work and effort it takes to Fast Start Qualify and to acknowledge the important role upline team members play in this process.

During your first 30 days, you must meet the criteria in Option 1 or Option 2 in order to Fast Start Qualify:

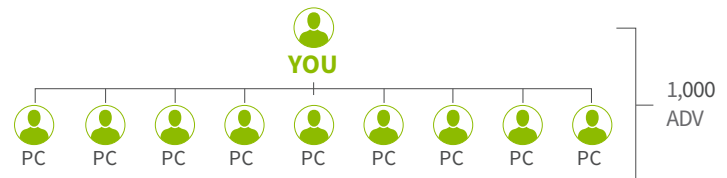
### OPTION 1

1. Must maintain personal volume requirements in order to be Active.
2. Generate 500 in Personal Qualifying Volume (PQV). PQV can be generated by personal product purchases and sales to retail and Preferred Customers.
3. Personally sponsor a minimum of three new, Active Brand Partners and place them in three separate legs.
4. Generate a total of 2,000 Qualifying Volume (QV) from the combination of your PQV and your personally sponsored Brand Partners' PQV. A maximum of 1,000 QV can be generated from PQV and a maximum of 1,000 QV can be generated from each personally sponsored Brand Partner's PQV.



### OPTION 2

1. Must maintain personal volume requirements in order to be Active.
2. Must personally enroll nine (9) new Preferred Customers.
3. Must generate a total of 1,000 in Auto-Delivery Volume or more.



If upgrading from Preferred Customer to Brand Partner, only PCs enrolled after upgrading will count.

## FSQ Bonus

You will receive the FSQ Bonus if, as a new Brand Partner, you meet all the requirements to Fast Start Qualify in 30 days. You will also then rank up to Senior Brand Partner. You will be paid either \$150 or \$75, depending on which FSQ option you qualify for first.

### IF YOU FSQ'D WITH OPTION 1

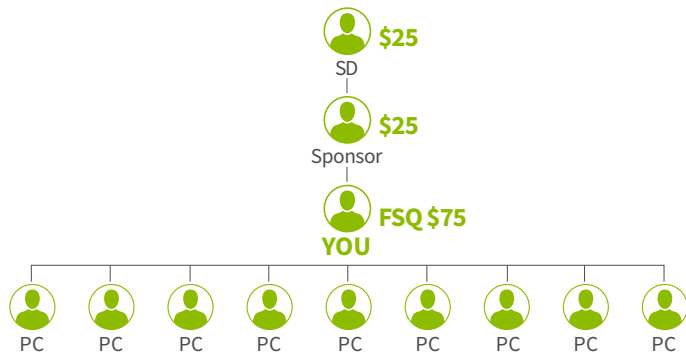
You will receive a \$150 bonus. The FSQ Brand Partner's Personal Sponsor will receive \$50 if they are Active the week the Brand Partner Fast Start Qualifies. The first "Paid As" Senior Director in the Placement Tree will also receive \$50. If the Personal Sponsor is also the first qualified Senior Director above the FSQ Brand Partner, the Personal Sponsor will be paid both upline bonuses for a total of \$100.



All commissions and bonuses defined in this document are paid in U.S. dollars.

## IF YOU FSQ'D WITH OPTION 2

You will receive a \$75 bonus. The FSQ Brand Partner's Personal Sponsor will receive \$25 if they are Active the week the Brand Partner Fast Start Qualifies. The first "Paid As" Senior Director in the Placement Tree will also receive \$25. If the Personal Sponsor is also the first qualified Senior Director above the FSQ Brand Partner, the Personal Sponsor will be paid both upline bonuses for a total of \$50.



## HOW IS THE BONUS PAID?

The FSQ Bonus will be paid in your weekly check. The Brand Partner, Personal Sponsor and Senior Director bonus will each be paid out in the week that the new Brand Partner Fast Start Qualifies. The amount paid will reflect the amount earned under either Option 1 or Option 2.

## Focus #2: Qualify for 3UR Free

Nerium provides an innovative opportunity for you to receive your monthly product for free through our 3UR Free program!\*

## RULES AND REGULATIONS

All Brand Partners and Preferred Customers can participate in the 3UR Free program and qualify to receive monthly product for free! In order to participate, the following qualifications must be met:

1. Must maintain personal volume requirements in order to be Active.

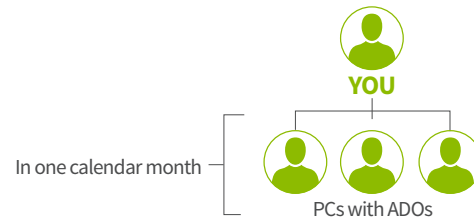
\*Brand Partner will only pay cost of shipping and handling and all applicable taxes.

\*\*Your 3UR Free Credit will be calculated by adding up your Preferred Customers' qualifying orders, then dividing by three.

†These qualifications apply to Brand Partner through Director ranks. See page 11 for qualifications for Senior Director and above.

All commissions and bonuses defined in this document are paid in U.S. dollars.

2. Must have at least three Preferred Customers, each with fully paid ADOs, being shipped each calendar month.
3. The earned credit will apply towards the next month's ADO order.\*\*



# Immediate Ways to Earn

To be eligible to earn income in the Nerium International Compensation Plan you simply need to remain Active each calendar month.

You can remain Active by:†

- Maintaining 200 in PQV in product sales to personal customers.
- OR
- Maintaining 80 in PQV from a personal product ADO.

## 1. Retail Sales

Brand Partners can sell Nerium products online and in person to earn a retail profit. You will earn the difference between the price paid by the customer and the Brand Partner. For example, if a retail order equals \$200 and the Brand Partner price is \$150, then a retail profit of \$50 will be earned.

You can also sell Nerium products at retail value from your personal inventory. You would earn the difference between the price you paid and the suggested retail price. No further commissions are paid out on sales you make from your personal inventory.

## 2. Customer Acquisition Bonus

For each new Preferred Customer that enrolls with an Auto-Delivery Order, you will earn a Customer Acquisition Bonus (CAB) for their initial order. Their ADO will process the following month.

You can earn higher levels of Customer Acquisition Bonuses in two ways: You can advance in rank, or you can acquire more Preferred Customers. You will receive the higher of the two in your commissions.

### CAB by Rank Advancement

	Brand Partner	Senior Brand Partner	Director	Senior Director and Above
Percentage Earned	20%	30%	35%	40%

### CAB by Preferred Customer

	3 Preferred Customers	6 Preferred Customers	9 Preferred Customers
Percentage Earned	30%	35%	40%

## 3. Personal Customer Commissions

Personal Customer Commissions are paid in addition to retail commissions, and are based on all purchases that generate Personal Qualifying Volume (PQV).<sup>\*</sup> This includes sales to Preferred Customers, retail customers and purchases made for your personal use and sales inventory needs.

When your personal purchases and customer sales exceed 200 in Customer Commissionable Volume (CCV) in a calendar month, you earn 10–25% commission on the total monthly CCV. The first 10% of the Personal Customer Commission is paid in the Weekly Bonus Period, while the balance is paid in the Monthly Bonus Period.

Personal purchases, retail customer sales and Preferred Customer Auto-Delivery Orders, subsequent to their first order, count towards total CCV.

### CCV Earnings

Customer Commissionable Volume (CCV)	Earning Potential
201–400	10%
401–1000	15%
1001+	25%

For example, if you accumulate 1,008 in CCV in one month, then  $1,008 \text{ CCV} - 200 \text{ minimum CCV} = 808 \text{ CCV}$ , and  $808 \text{ CCV} \times 25\% = \$202$  in Personal Customer Commissions.

No Personal Customer Commissions are paid on the first 200 CCV of personal, retail or Preferred Customer orders. All volume up to 200 CCV is credited to upline team commissions at 90% Commissionable Volume (CV).

When the 10% level is reached, the CV credit to upline team commissions is 80%. When the 15% level is reached, the CV credit to upline team commissions is 70%. When the 25% level is reached, the CV credit to upline team commissions is 50%.

## 4. Pack Bonus

Earn 10–30% each time you sell one or more of the qualifying packs to a new, personally sponsored Brand Partner in a single order within their first 30 days.

This bonus follows the Sponsor Tree and is paid out in the Weekly Bonus Period.

	Brand Partner	Senior Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director
Starter/Action Pack	10%	15%	20%	24%	26%	28%	30%

<sup>\*</sup>Orders that pay out CAB or Pack Bonuses will not be eligible for Personal Customer Commissions. CAB and Pack Bonuses are paid based on QV.

# Product Rewards

## Qualify for 3UR Free



Nerium provides an innovative opportunity for you to receive your monthly product for free through our innovative 3UR Free program!\*\*\* See page 5 for information on how to qualify.

## Take Advantage of Nerium Gives Back



Earn free product from Nerium by acquiring loyal Brand Partners and Preferred Customers.\*\*

- 1. Enroll** a new Preferred Customer or Brand Partner with an Auto-Delivery Order.
- 2. Earn** Nerium Gives Back (NGB) Rewards Points for each qualifying enrolled Preferred Customer or Brand Partner. Points are generated when second consecutive monthly ADO processes for a new personally sponsored Brand Partner or new Preferred Customer.
- 3. Choose** any of our Nerium products as an NGB Reward. For example, you will be awarded points by enrolling a new PC with Nerium Firming Body Contour Cream. You can then redeem these points for a Night Cream, EHT or Eye Serum. It's up to you!†
- 4. Redeem** all or some of your points at your discretion. You decide when you want to use your rewards.

Note: NGB Rewards Points expire 180 days from date of earnings. Refer to the NGB Rewards area in your Online Business Center.

### TO QUALIFY, NEW BRAND PARTNERS MUST:

- Maintain personal volume requirements in order to be Active.
- Generate 500 PQV within your first 30 days, or you can qualify by being paid as a Director or higher. Purchasing an optional Starter Pack automatically meets this qualification.

\*\* Brand Partner will only pay cost of shipping and handling and all applicable taxes.

†You will be awarded points for the highest point value item on the Auto-Delivery Order.

# Incentives and Qualifications

## Director 60 Bonus



Get additional rewards as you lead your team to success. When you complete the following in your first 60 days, you may choose either a new Apple iPad, a \$350 cash bonus or six bottles of Age-Defying Night Cream:

- Maintain personal volume requirements in order to be Active.
- Attain 500 PQV in your first 30 days.
- Earn the rank of Director within your first 60 Days.

## Lexus Car Bonus

Beginning at Senior Director, you will qualify to earn a Lexus Car Bonus. Nerium will provide your Lexus Car Bonus each month you maintain the rank of Senior Director or higher and remain Active to make the payment on your silver, white or granite Lexus. This bonus is calculated and paid in the Monthly Bonus Period. Please note that you must qualify monthly to be paid monthly. Weekly rank advancements and grace periods do not qualify. See Lexus Bonus Qualifications in your Online Business Center for complete details.



Senior Director	\$500 Car Bonus
Executive Director	\$500 Car Bonus
Regional Marketing Director	\$500 Car Bonus
National Marketing Director	\$750 Car Bonus
1-Star National Marketing Director	\$750 Car Bonus
2-Star National Marketing Director	\$750 Car Bonus
3-Star National Marketing Director	\$1000 Car Bonus



# Potential Long-Term Income<sup>†</sup>

## Coaching Commissions

Earn up to a 10% Coaching Commission on Team Commissions, Leadership Development Commissions, Pack Bonuses, Customer Acquisition Bonuses and Differential Bonuses made by each of your personally sponsored Brand Partners.



Examples	Your Monthly Earnings Before Coaching Commission	Your Personally Sponsored Brand Partner Earnings*	Your Maximum Coaching Commission	How Your Coaching Commission Is Calculated
Example #1 5%	\$100	\$2,800	\$140	You earn 5% Coaching Commission as a non-FSQ Brand Partner or Senior Brand Partner.*
Example #2 10%	\$100	\$2,800	\$280	You earn 10% Coaching Commission as a FSQ Brand Partner, Director or higher.**
Example #3 10%	\$400	\$5,000	\$400	Your Coaching Commission cannot exceed your monthly earnings.
Example #4 10%	\$1,500	\$10,000	\$1,000	Your Coaching Commission is equal to 10% of your personally sponsored Brand Partners' earnings.**

## Team Commissions

Team Commissions are based on the Commissionable Volume (CV) generated from product sales made by your team. Your focus as a Brand Partner is to create a strong retail and Preferred Customer base and to build a team of other Brand Partners who create a strong retail and Preferred Customer base. Team commissions start at the Senior Brand Partner position. As your team builds, your Team Commission earnings will increase.

- The higher the rank you achieve, the more generations from which you can earn commissions.
- Commissions are “compressed” to allow you to earn commissions on sales originating deeper within your Senior Brand Partner or higher legs. Only Active Senior Brand Partners or higher count as a generation in the Team Commissions calculation. Brand Partners' Commissionable Volume is therefore added to the next qualified generation.
- Any Customer or Brand Partner volume that is not generated from an Active Senior Brand Partner or higher will “compress” and be counted in the volume of the generation.
- This bonus follows the Placement Tree and is paid in the Monthly Bonus Period.

<sup>†</sup>Leadership income, including Coaching Commissions, Differential Bonuses, Team Commissions, Live Better Bonus and Leadership Development Bonus, require personal volume requirement to meet Active status.

\*Earn up to \$150 or 5% as a non-FSQ Brand Partner or Senior Brand Partner.

\*\*Earn up to \$300 or 10% on your personally sponsored Brand Partners' earnings if you have Fast Start Qualified or achieved Director or higher, until your monthly earnings exceed \$300.

All commissions and bonuses defined in this document are paid in U.S. dollars.



## Team Commissions:

		Senior Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director	1-Star National Marketing Director and Above
Senior Brand Partner Generations	1	5%	5%	5%	5%	5%	5%	5%
	2	5%	5%	5%	5%	5%	5%	5%
	3	5%	5%	5%	5%	5%	5%	5%
	4		5%	5%	5%	5%	5%	5%
	5			5%	5%	5%	5%	5%
	6				5%	5%	5%	5%
	7					2%	2%	2%
	8					2%	2%	2%
	9						1%	3%
	10						1%	3%

## Differential Bonuses

Depending on your rank, earn a Differential Bonus each time one of your downline Brand Partners enrolls a new Preferred Customer or sells one of the qualifying packs to a new Brand Partner.

To qualify for Differential Bonuses, an upline must achieve 500 PQV in their first 30 days or earn the rank of Director or higher.

These bonuses follow the Sponsorship Tree and are paid in the Weekly Bonus Period.

### CAB Differential Bonuses Example:



### Pack Differential Bonus Example:



## Live Better Bonus

LIVE BETTER  
**BONUS**

National Marketing Director <sup>††</sup>	3-Star National Marketing Director <sup>††</sup>	5-Star National Marketing Director <sup>††</sup>	International Marketing Director <sup>††</sup>	Gold International Marketing Director <sup>††</sup>
<b>\$50,000</b>	<b>\$150,000</b>	<b>\$375,000</b>	<b>\$750,000</b>	<b>\$1,500,000</b>
Paid over 24 months	Paid over 18 months	Paid over 27 months	Paid over 36 months	Paid over 36 months
150,000 GQV with three qualifying legs	Three personally sponsored NMD legs	Five personally sponsored NMD legs	Five personally sponsored NMD legs with three personally sponsored 3-Star NMD legs	Five personally sponsored NMD legs with three personally sponsored 5-Star NMD legs

<sup>††</sup>Must maintain personal NMD qualifications to maintain rank. Must meet all qualifications to earn a Live Better Bonus. Grace Period does not apply.

## Leadership Development Bonus (LDB)

Nerium rewards our leaders for their dedication to their teams through the Leadership Development Bonus. Beginning at 1-Star National Marketing Director, you can earn an extra 1–3% of the Commissionable Volume of your entire organization, down to the next equal or higher ranked Brand Partner.

This bonus follows the Sponsor Tree and is paid in the Monthly Bonus Period.

These **BONUSES**  
are paid in addition to  
team **COMMISSIONS!**

1-Star National Marketing Director	2-Star National Marketing Director	3-Star National Marketing Director
Leadership Development Bonus	Leadership Development Bonus	Leadership Development Bonus
1% on Organization	2% on Organization	3% on Organization

## Qualifying Volume Periods

### Commission Payments

#### Weekly Payout:

- Pack Bonus
- Personal Customer Commissions (10%)
- Pack Differentials
- Customer Acquisition Bonus
- Fast Start Qualify Bonus

Weekly bonuses will close every Wednesday at 11:59 p.m. CT. Weekly commissions will be calculated and paid the Wednesday following the end of the bonus period.

#### Monthly Payout:

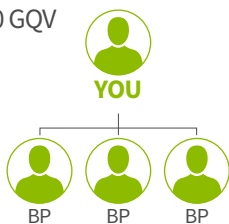
- Team Commissions
- Coaching Commissions
- Leadership Development Bonus
- Lexus Car Bonus
- Personal Customer Commissions  
(remaining volume not paid weekly)
- Live Better Bonus

Monthly commission periods will close the last day of each calendar month. Monthly commissions will be calculated and paid on the 15th of the month following the close of the monthly commission period.

### Rolling Qualifying Volume (RQV)

#### ENROLLMENT DATES

16th–End of Month  
3,000 GQV



#### NEXT MONTH

You'll start a month with the previous month's 3,000 GQV that rolled over for rank advancements/rank qualifications.

#### EXAMPLE

$$\begin{array}{rcl} \text{Rolling Qualifying Volume} & + & \text{Current Month's Total GQV} \\ 3,000 & + & 2,500 \\ \hline & = & 5,500 \end{array}$$

Rolling Qualifying Volume (RQV) only applies to your first month of enrollment. The 60% rule applies to all qualifying volume for rank advancements.

# Ranks

You begin at the rank of Brand Partner. When you have reached a rank, you will remain at that rank until you advance. This is called “Highest Achieved” rank. How much you earn and what commissions and bonuses you qualify for are determined by the level of qualifications you meet during a given bonus period. This is called the “Paid As” rank.

In each bonus period, the Paid As rank of a Brand Partner is determined by the qualifications below:

- During Weekly Bonus Periods, you may advance in rank, but your Paid As rank will not go down.
- During Monthly Bonus Periods, your Paid As rank may go up or down based on the qualifications you have met.
- Weekly bonuses will be paid based on whichever is higher: the last monthly bonus period Paid As rank or the current weekly period Paid As rank.

Rank	Brand Partner	Senior Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director	1-Star National Marketing Director	2-Star National Marketing Director	3-Star National Marketing Director
Personal Volume Requirements	80 ADV or 200 PQV Retail	80 ADV or 200 PQV Retail	80 ADV or 200 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail
Monthly Group Qualifying Volume (GQV)		1,500* (60% Rule Applies)	4,500* (60% Rule Applies)	12,500* (60% Rule Applies)	37,500* (60% Rule Applies)	75,000* (60% Rule Applies)	150,000* (60% Rule Applies)			
Number of Separate Active Personally Sponsored Legs in Placement Tree		3	3	3	3	3	3	3	3	3
Downline Rank Requirements in Separate Personally Sponsored Legs in Placement Tree				3 Senior Brand Partners	3 Senior Brand Partners	3 Directors	3 Directors			
Number of Separate “Paid As” NMDs in Personally Sponsored Legs in Placement Tree								1	2	3

## Advanced Rank Qualifications

To attain any of these ranks, you must meet all of the qualifications for 3-Star National Marketing Director, plus the additional qualifications below:

### 4-Star National Marketing Director

**In a calendar month:** Must have at least one additional actual-rank National Marketing Director in an Active, personally sponsored Placement Tree leg. At least one of the four actual-rank National Marketing Directors must come from a personally sponsored Placement Tree leg. No more than one National Marketing Director can come from each personally sponsored Enrollment Tree leg.

### 5-Star National Marketing Director

**In a calendar month:** Must have at least two additional actual-rank National Marketing Directors in your personally sponsored Placement Tree leg. At least two of the five actual-rank National Marketing Directors must come from a personally sponsored Placement Tree leg. No more than one National Marketing Director can come from each personally sponsored Enrollment Tree leg.

To attain the following ranks, you must meet all of the qualifications for a 5-Star National Marketing Director, plus the additional qualifications below:

### International Marketing Director

**In a calendar month:** Must have one actual-rank 3-Star National Marketing Director in each of three separate Active personally sponsored Placement Tree legs.

### Gold International Marketing Director

**In a calendar month:** Must have one actual-rank 5-Star National Marketing Director in each of three separate Active personally sponsored Placement Tree legs.

ADV = Auto-Delivery Volume  
NMD = National Marketing Director  
PQV = Personal Qualifying Volume

\*No more than 60% of GQV may come from a single Placement Tree leg. No more than 2,000 in PQV can count towards your GQV.

# Team Structures

# Glossary

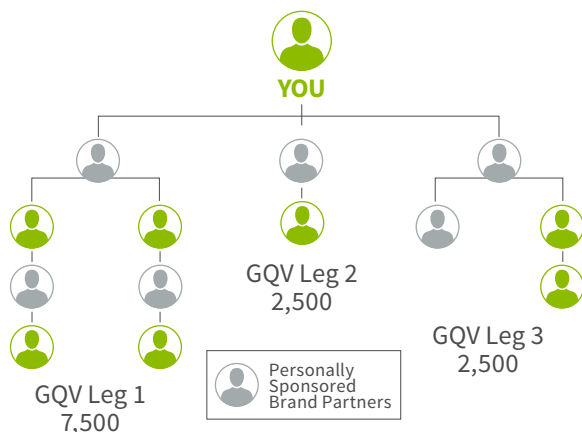
## Sponsor Tree

When a new Brand Partner is sponsored, they go into the Sponsor Tree as a Level 1, or downline, to the Brand Partner who sponsored them. Pack Bonuses, Coaching Commissions and Leadership Bonuses are based on the Sponsor Tree.



## Placement Tree

When a new Brand Partner is sponsored, they are placed in their sponsor's Placement Suite for a period of 60 days. During that time, the sponsor has the option to place the new Brand Partner into an open position in an existing leg in their Placement Tree. Allowing the Brand Partner to place a new Brand Partner in an open position in the Placement Tree provides an opportunity to increase the sales volume in an existing leg and enables the new Brand Partner to gain additional support from a sales organization that is already in place. Rank advancement and team commissions are based on the sales volume in the Placement Tree.



This is a Placement Tree example and does not reflect what your actual organization might look like.

Nerium International reserves the right to implement changes to the Compensation Plan as needed for the benefit of the Brand Partners and the Company. Every effort will be made to give 30 days advance notice of changes. There are no guarantees regarding income, and the success or failure of each Brand Partner, like in any other business, depends upon each Brand Partner's skills and personal effort.

**ACTIVE:** Brand Partners are considered Active as long as they maintain the required personal volume from fully paid product orders during a calendar month. This required volume (see volume qualification table on page 11) can come from Auto-Delivery Orders (ADO), personal orders and/or the volume from orders placed by personally sponsored retail or Preferred Customers.

**ACTIVE ADO:** Enrolled in the monthly Automatic-Delivery Order program, with orders scheduled to be created and paid on the same day of every month AND have a fully paid qualified ADO within 31 days of the commission period. An active ADO is a requirement to qualify for some incentive rewards.

**AUTO-DELIVERY ORDER (ADO):** A preselected product order that is scheduled to be created, paid and shipped at a specific time each month. Auto-Delivery Orders allow products to be purchased at a discounted price.

**BRAND PARTNER:** A person or company who has filled out the Nerium International application, had their application approved and is in the genealogy. Brand Partner is the first step in rank advancement.

**COMPRESSION:** Only Active Senior Brand Partners or higher count as a generation in the Team Commissions calculation. Brand Partners' Commissionable Volume is therefore added to the next qualified generation.

**CUSTOMER:** A Customer is associated with a Brand Partner. A customer cannot sign up other Brand Partners and cannot receive commissions. Nerium International currently has two types of non-Brand Partner customers: a retail customer and a Preferred Customer.

**CUSTOMER ACQUISITION BONUS (CAB):** For each new Auto-Delivery Order sold to a new Preferred Customer, you will earn a CAB to be paid with weekly commissions.

**DOWNLINE:** This refers to the Brand Partner(s) below another Brand Partner in the genealogy.

**GENEALOGY TREE:** This is the Company's overall structure that indicates how and where Brand Partners are placed. The Company supports both a sponsor and placement unilevel/generational genealogy tree structures.

**SPONSOR TREE:** Your personally sponsored Brand Partners will always be on Level 1 of your Sponsor Tree. The Brand Partners whom they sponsor will always be on Level 2 of your Sponsor Tree.

**PLACEMENT TREE:** Personally sponsored Brand Partners may be placed in the downline of your Placement Tree in order to increase the volume in a leg. Rank advancements are based on the total volume generated in each leg of the Placement Tree.

**GRACE PERIOD:** When a Brand Partner qualifies as Senior Director or higher for the first time, he or she will be paid at that rank for two months: the month the higher rank is achieved and the next consecutive month. The Brand Partner must remain Active to qualify for the Grace Period.

**LEG:** A leg is a portion of a Brand Partner's organization, starting at one of their first-level Brand Partners and encompassing their entire organization. If a Brand Partner has 10 first-level Brand Partners, they have 10 legs in the Sponsor Tree. If a personally sponsored Brand Partner is placed below an existing leg in the Placement Tree, that newly sponsored Brand Partner becomes part of the Placement Tree leg but remains a separate leg for the sponsor in the Sponsor Tree.

**PERSONAL SPONSOR:** A Brand Partner who personally sponsors a new Brand Partner into the Nerium International business. Sponsor is also the term referring to a Brand Partner who personally sponsors a Customer.

**PLACEMENT SPONSOR:** A Brand Partner who is directly above another Brand Partner in the Placement Tree. The Placement Sponsor may not always be the Brand Partner who personally sponsored them.

**PLACEMENT SUITE:** When a Brand Partner personally sponsors another Brand Partner, the new Brand Partner can go into the Placement Suite for a period of 60 days. During that time, the sponsoring Brand Partner will have an opportunity to move the new Brand Partner one time under an existing leg in the Placement Tree. The new Brand Partner will remain a separate leg in the Sponsor Tree and be personally sponsored by his original sponsor; however, the Brand Partner under whom he is placed in the Placement Tree will be his Placement upline. The new Brand Partner will become part of the total leg volume in the leg in which he was placed. If the new Brand Partner is not moved within the allotted time, he will remain a new leg in the Placement Tree for the sponsoring Brand Partner.

**PREFERRED CUSTOMER:** A retail customer who is enrolled in the Auto-Delivery Order (ADO) program.

**RANK:** The level of achievement in the Compensation Plan that determines how much commission is paid and the specific commission bonuses the Brand Partner is eligible to earn. Rank is determined by personal and group sales volume, as well as the personal and group volume of the Brand Partners in your group.

**SENIOR BRAND PARTNER GENERATIONS:** All Active Brand Partners up to and including the next qualified Senior Brand Partner or higher in your Placement Tree downline are a Senior Brand Partner generation. Team Commissions are paid based on Senior Brand Partner generations.

**UPLINE:** This refers to the Brand Partner(s) above a new or existing Brand Partner in the genealogy.

**VOLUME:** The value assigned to a product that is used to determine a Brand Partner's rank qualifications in the Compensation Plan (Qualifying Volume or QV), or to determine the amount of commissions being paid on a product purchase (Commissionable Volume or CV). Qualifying Volume and Commissionable Volume may not be the same value. Types of volume include:

**AUTO-DELIVERY VOLUME (ADV):** Volume generated by the sale of product through the Auto-Delivery Order program. ADO PQV is Auto-Delivery Order Personal Qualifying Volume.

**COMMISSIONABLE VOLUME (CV):** The value assigned to a product that determines the amount of commission paid when the product is sold by a Brand Partner. CV is 90% of QV, and can be discounted based on applicable order discounts.

**CUSTOMER COMMISSIONABLE VOLUME (CCV):** Qualifying Volume that is generated from product purchases made directly from the Company by a Brand Partner's retail and Preferred Customers.

**GROUP QUALIFYING VOLUME (GQV):** The total Qualifying Volume of a specific group of Brand Partners. Includes Brand Partners' PQV (max. 2,000 PQV from personal purchases counted toward GQV).

**GROUP VOLUME (GV):** The total volume of a specific group of Brand Partners.

**NEUTRAL VOLUME:** Qualifying and Commissionable Volumes are calculated in Neutral Volume and are the same for all countries.

**PERSONAL QUALIFYING VOLUME (PQV):** Qualifying Volume that is generated through a Brand Partner's personal product purchases. It also includes volume from product purchases made directly from the Company by a Brand Partner's retail and Preferred Customers.

**QUALIFYING VOLUME (QV):** The value assigned to a product to determine the amount of Qualifying Volume on a product purchase.

**ROLLING QUALIFYING VOLUME (RQV):** Any new Brand Partner who enrolls after the 15th of any given month will have all the Qualifying Volume generated within the remainder of their first Monthly Bonus Period roll forward into the next full monthly bonus period. All commissions and bonuses are paid on the bonus volume generated by product purchases in the bonus period in which the sale occurred. RQV does not apply to upline GQV. Only volume from within the month the new Brand Partner enrolls can be applied to RQV.

**60%-GROUP-QUALIFYING-VOLUME-IN-A-LEG (GQV) RULE:** Beginning at Senior Brand Partner, when determining the Group Qualifying Volume qualification requirement, no more than 60% of the required volume may come from a single Placement Tree leg. Example: the GQV qualification for a Director is 4,500. No more than 2,700 (60%) of the total GQV can come from any single Placement Tree leg.

# Immediate Ways to Earn

## PERSONAL CUSTOMER COMMISSIONS | Sell more. Earn more.

Customer Commissionable Volume (CCV)	Earning Potential
201–400	10%
401–1000	15%
1001+	25%

First 10% paid weekly. The balance of the percentage earned in a calendar month is paid monthly.

## PACK BONUSES | For each pack you sell, you will earn a Pack Bonus.

	Brand Partner	Senior Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director
<b>Starter/ Action Pack</b>	10%	15%	20%	24%	26%	28%	30%

Sponsor a new Brand Partner, sell them a qualifying pack in their first 30 days and earn a Pack Bonus.

## CUSTOMER ACQUISITION BONUS | For each new Preferred Customer, you will earn a Customer Acquisition Bonus (CAB).

### CAB by Rank Advancement

	Brand Partner	Senior Brand Partner	Director	Senior Director and Above
<b>Percentage Earned</b>	20%	30%	35%	40%

### CAB by Preferred Customers

	3 Preferred Customers	6 Preferred Customers	9 Preferred Customers
<b>Percentage Earned</b>	30%	35%	40%

**FAST START QUALIFY** in your first 30 days to start earning your 10% Coaching Commission and FSQ Bonus.

All commissions and bonuses defined in this document are paid in U.S. dollars.  
 Periodic revisions are made to our Compensation Plan. To find the latest version, please download it from your Online Business Center.

PAID WEEKLY

# Potential Long-Term Income

## TEAM COMMISSIONS

Earn up to 10 generations of your Senior Brand Partners' commissionable volume within your organization. The higher the rank you achieve, the more levels from which you can earn.

		Senior Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director	1-Star National Marketing Director and Above
Senior Brand Partner Generations	1	5%	5%	5%	5%	5%	5%	5%
	2	5%	5%	5%	5%	5%	5%	5%
	3	5%	5%	5%	5%	5%	5%	5%
	4		5%	5%	5%	5%	5%	5%
	5			5%	5%	5%	5%	5%
	6				5%	5%	5%	5%
	7					2%	2%	2%
	8					2%	2%	2%
	9						1%	3%
	10						1%	3%

PAID MONTHLY

## LIVE BETTER BONUS

The higher you rank, the more you earn.

National Marketing Director	\$50K
3-Star National Marketing Director	\$150K
5-Star National Marketing Director	\$375K
International Marketing Director	\$750K
Gold International Marketing Director	\$1.5M

## LEADERSHIP DEVELOPMENT BONUSES

Earn an extra 1-3% of the volume of your entire organization down to the next equal or higher ranked Brand Partner.

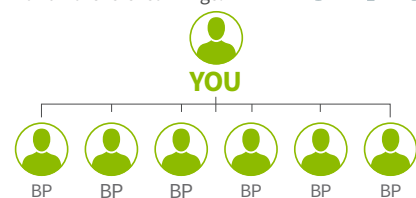
1-Star National Marketing Director	2-Star National Marketing Director	3-Star National Marketing Director
Leadership Development Bonus	Leadership Development Bonus	Leadership Development Bonus
1% on Organization	2% on Organization	3% on Organization

# Leadership Income

## COACHING COMMISSIONS

Based on your rank, earn up to a 10% bonus on your personally sponsored Brand Partners' earnings.

10%



PAID MONTHLY

## DIFFERENTIAL BONUSES\*

Based on your rank, earn Differential Bonuses on sales made by your team. You can earn the difference between your downline's bonus and the bonus you qualify for at your rank. To qualify for the Differential Bonus, you must achieve 500 PQV in your first 30 days or earn the rank of Director or higher.

Customer Acquisition Bonus	Starter and Action Packs
5-20%	2-20%

\*CAB and Pack Differential bonuses are calculated based on QV.

PAID WEEKLY





\*86610217\*



# EXHIBIT B



# Nerium

## Brand Partner Compensation Plan

# Welcome to the Nerium International Family.

Nerium™ International exists for a single purpose: to make people better. Since this translates into improving people's lives inside and out, we are proud to reward you with a lucrative and innovative way to earn income.

Our compensation plan is based upon an easily duplicated business model leveraging relationship marketing.

1. Join Nerium International as a Brand Partner
2. Enroll in the Auto-Delivery Order (ADO) Program
3. Sponsor and maintain 3 Preferred Customers and your next month's product is FREE
4. Fast Start Qualify in your first 30 days
5. Sponsor other Brand Partners and coach them to complete steps 2-5

## Relationship Marketing

Whether face-to-face or online, relationship marketing is the way business gets done in today's market. People work with those they know, like, and trust, which makes relationship, or word-of-mouth, marketing the most effective business model available.

Rather than investing in traditional advertising (like TV, radio, and billboards), Nerium International rewards its Brand Partners for telling others about our products. It's a win-win marketing solution that works!



### Brand Partners Simply Do Two Things:

1. Build a customer base and earn 10-25% commissions.
2. Build a team of Brand Partners and earn commissions and bonuses.

## Brand Partner Launch Kit

### The Brand Partner Launch Kit Allows You:

- To become an Independent Brand Partner
- To earn Retail and Preferred Customer commissions
- To qualify to purchase products at wholesale
- To sponsor others as Brand Partners

### The Brand Partner Launch Kit includes:

- Personalized Marketing Websites
- Nerium Success Planner
- 5 *Experience NeriumAD* DiscBrochures
- 25 Product Brochures
- *Success from Home* Magazine
- *The Nerium Experience* Presentation Flipbook
- Nerium Success Training 3-CD Set by Jeff Olson **\$99.95**
- Real Results Party Presentation DVD
- *The Slight Edge* by Jeff Olson
- Jim Rohn and Robert Kiyosaki CDs
- Additional Marketing Materials

Add an Auto-Delivery Order of NeriumAD (\$80) to ensure that you automatically receive product each month at the lowest price available.

## Success Packs

### Either of the optional Success Packs immediately qualify you:

- To become "Sponsor Pool Qualified"
- To begin earning Success Pack Differential Bonuses
- For the personal requirement portion of the LEXUS Car Bonus
- To begin earning points in the Weekly Sponsor Pool
- For the first step to becoming "Fast Start Qualified"

### The Success Packs are the best starter value for a new Brand Partner. They include:

- The Brand Partner Launch Kit (\$99.95 value)
- Five (5) bottles of NeriumAD (\$550 value) or twelve (12) bottles of NeriumAD (\$1320 value)
- Extended 30-day access to the Nerium Advance Business Center (\$44.85 value)
- Enrollment in the Nerium Auto-Delivery Order (ADO) program, in which you will automatically receive one (1) bottle of product every month, at the lowest price available.

#### Success Pack \$499.95 (\$695 value)



Five (5) bottles of NeriumAD

#### Premier Success Pack \$999.95 (\$1465 value)



Twelve (12) bottles of NeriumAD

Upgrade your Auto-Delivery Order (ADO) with the NeriumAD 2-Pack. You will save an additional \$5 a bottle, plus you will always have an extra bottle on hand to sample the product. This is also perfect for people who are business partners who need two bottles a month.

# Immediate Goals

## GOAL #1

### 3UR Free

Personally sponsor at least 3 Preferred Customers whose Auto-Delivery Order totals the same amount or more than your Auto-Delivery Order,\* and your next month's order is FREE.\*\* If your Preferred Customers refer 3 more Preferred Customers whose Auto-Delivery Order totals the same amount or more than theirs,\* then your Preferred Customers' Auto-Delivery Order for the next month is also FREE! Three Preferred Customer orders must process in the same calendar month to qualify for free ADO the following month.



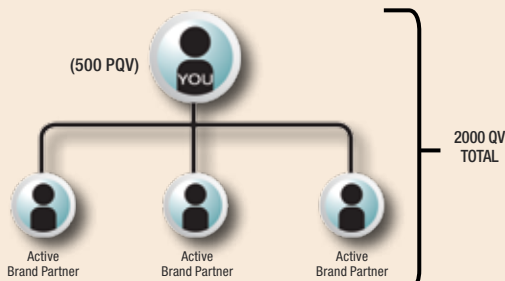
## GOAL #2

### Become Fast Start Qualified

In your first 30 days, you must complete the following actions:

1. Enroll in the Auto-Delivery Order (ADO) program.
2. Become Sponsor Pool Qualified by generating 500 Personal Qualifying Volume\* (PQV). PQV can be generated by personal product purchases and sales to Retail Customers and Preferred Customers.
3. Personally sponsor a minimum of three new, active Brand Partners with 80 ADO PQV or more and place them in three separate legs.
4. Generate a total of 2000 Qualifying Volume from the combination of your PQV and your personally sponsored Brand Partner's PQV.

\* Note that the Success Pack automatically meets the 500 PQV requirements.



#### Personal Qualifying Volume Key

My Premier Success Pack Purchase	1000 PQV
My Success Pack Purchase	500 PQV
Preferred Customer Order	80 PQV
Personal Product Purchase	80 PQV
Retail Customer (Through Marketing Website)	100 PQV

## GOAL #3

### Take Advantage of Nerium Gives Back

This program will potentially resupply your product inventory for the Product Prospecting System, so you don't ever have to worry about running out of product. Ways that Nerium is Giving Back:

1. You will receive a *free bottle* of NeriumAD for every new, personally sponsored Brand Partner who you enroll with an Auto-Delivery Order. Your bottle will ship within 14 days of when their first Auto-Delivery Order ships.
2. You will receive a *free bottle* of NeriumAD for every new, personally sponsored Preferred Customer who you enroll with an Auto-Delivery Order. Your bottle will ship within 14 days of when their second Auto-Delivery Order ships.
3. You will receive a *free bottle* of NeriumAD for every new, personally sponsored Preferred Customer who enrolls another Preferred Customer with an Auto-Delivery Order. Your bottle will ship within 14 days of when their second Auto-Delivery Order ships.

#### To qualify, new Brand Partners must:

- Become Sponsor Pool Qualified by generating 500 PQV within their first 30 days. Purchasing an optional Success Pack or Premier Success Pack automatically meets this qualification.
- Have an active Auto-Delivery Order
- Complete the opt-in form for the Nerium Gives Back program

# Immediate Ways to Earn

### Remain Active

Qualify to earn income in the Nerium International Compensation Plan by simply remaining "active" each calendar month. You can remain active by:

- Maintaining 200 PQV in Sales to Personal Customers
- OR
- Maintaining 80 PQV from a Personal Auto-Delivery Order (ADO)

### 1. Retail Sales

When your Retail Customers order directly from Nerium International under your Brand Partner ID, you earn the difference between the retail price they pay and the wholesale price. Retail Sales Commission is paid weekly.

### 2. Customer Acquisition Bonus

For each new Auto-Delivery Order sold to a new Preferred Customer, you will earn a Customer Acquisition Bonus (CAB). The CAB will be paid with the weekly commissions, according to the following table:

	Brand Partner	Sr. Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director
1 bottle	\$16	\$24	\$28	\$32	\$32	\$32	\$32
2 bottles	\$30	\$40	\$50	\$60	\$60	\$60	\$60

### 3. Personal Customer Commissions

- The more you purchase and the more customers you acquire, the more you earn!
- Personal Customer Commissions are paid in addition to Retail Commissions.
- When your personal purchases and customer sales exceed 200 in Customer Commissionable Volume (CCV) in a calendar month, you earn 10%–25% commission on the total monthly CCV. The first 10% of the Personal Customer Commissions are paid in the Weekly Bonus Period, while the balance is paid in the Monthly Bonus Period.
- Personal purchases, Retail Customer Sales, and Preferred Customer Auto-Delivery Orders subsequent to their first order count towards total CCV.

### How to Generate CCV

	GQV	CCV	
Retail Customers	0 GQV	90 CCV	Customer Commissionable Volume (CCV) goes towards your Personal Customer Commission bucket.
Preferred Customers 1 Bottle	0 GQV	72 CCV	
Preferred Customers 2 Bottles	0 GQV	135 CCV	

### CCV Earnings

Customer Commissionable Volume (CCV)	Earning Potential
201–500	10%
501–1,000	15%
1,001–2,500	20%
2,501+	25%

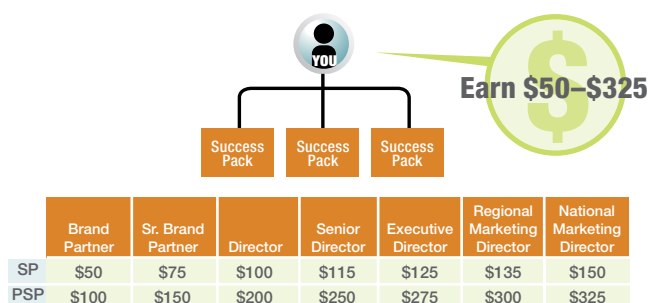
**For example:** If you accumulate 1,500 CCV in one month, then 1,500 CCV - 201 minimum CCV = 1,299 CCV, and 1,299 CCV x 20% = \$260 Personal Customer Commissions.

No Personal Customer Commissions are paid on the first 200 CCV of Personal, Retail, or Preferred Customer orders. All volume up to 200 CCV is credited to upline team commissions at 90% CV.

When the 10% level is reached, the CV credit to upline team commissions is 80%. When the 15% level is reached, the CV credit to upline team commissions is 70%. When the 20% level is reached, the CV credit to upline team commissions is 60%. When the 25% level is reached, the CV credit to upline team commissions is 50%.

### 3. Success Pack Bonus

- Earn \$50–\$325 each time you sell one of the Success Packs to a new personally sponsored Brand Partner in their first 30 days.
- This bonus follows the Sponsor Tree and is paid in the Weekly Bonus Period.



SP = Success Pack  
PSP = Premier Success Pack

### 4. Weekly Sponsor Pool

Two percent (2%) of global commissionable volume from the previous four weeks goes into the Weekly Sponsor Pool. One quarter of the pool will be paid out each week. Brand Partners qualify to participate when they:

- Become “Sponsor Pool Qualified” in their first 30 days or achieve the rank of Director or higher.
- Have an active Auto-Delivery Order with at least 80 PQV in the current calendar month.
- Earn at least three points in the weekly bonus period.

Weekly Sponsor Pool points will be earned as follows:

Activity to Earn	# Of Points Earned	Fast Start Qualified
Personally sell a Success Pack or a Premier Success Pack to a new Brand Partner	1	2*
Personally sponsor a new Preferred Customer with fully paid ADO	1	2*

**Become Fast Start Qualified and earn double shares for LIFE!**

\* Minimum of 3 standard points needed to qualify. Points doubled after 3 points are earned after close of week.

### 5. LEXUS Bonus

Beginning at Senior Director, Nerium International will send you up to \$1,000 each month that you maintain the rank of Senior Director or higher to make the payment on your silver or white LEXUS. This bonus is calculated and paid in the Monthly Bonus Period. Please note that you must qualify monthly to be paid monthly. Weekly rank advancements do not qualify. See LEXUS Bonus Qualifications for complete details.

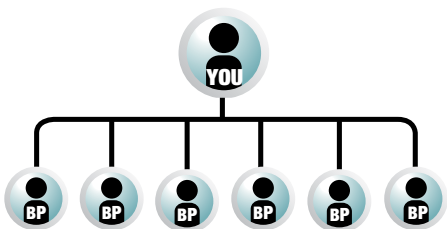


Senior Director	\$500 Car Bonus
Executive Director	\$500 Car Bonus
Regional Marketing Director	\$500 Car Bonus
National Marketing Director	\$750 Car Bonus
1-Star National Marketing Director	\$750 Car Bonus
2-Star National Marketing Director	\$750 Car Bonus
3-Star National Marketing Director	\$1,000 Car Bonus

# Leadership Income

## Coaching Commissions

Beginning at Director, earn up to a 10% Coaching Commission on Team Commissions, Leadership Development Commissions, and Success Pack Bonus earnings made by each of your personally sponsored Brand Partners. This bonus is paid in the Monthly Bonus Period.



= **10%** Earn Up to 10% on Brand Partners' Earnings

Examples	Your Monthly Earnings before Coaching Commission	Your Personally Sponsored Brand Partner Earnings*	Your Maximum Coaching Commission	How your Coaching Commission is Calculated
Example #1	\$100	\$2,800	\$280	Your Coaching Commission is 10% of your personally sponsored Brand Partners' earnings.*
Example #2	\$400	\$5,000	\$400	Your Coaching Commission cannot exceed your monthly earnings.
Example #3	\$1,500	\$10,000	\$1,000	Your Coaching Commission is equal to 10% of your personally sponsored Brand Partners' earnings.*

\*Earn up to \$300 or 10% of your personally sponsored Brand Partners' earnings, until your monthly earnings exceed \$300.

## Differential Bonuses

Depending on your rank, earn a differential bonus each time one of your downline Brand Partners enrolls a new Preferred Customer or sells one of the Success Packs to a new Brand Partner.

To qualify for the Differential Bonuses, an upline must achieve 500 PQV in their first 30 days or earn the rank of Director or higher.

These bonuses follow the Sponsorship Tree and are paid in the Weekly Bonus Period.

### CAB Differential Bonuses Example



### Success Pack Differential Bonus Example



## Volume GLOSSARY

**Volume:** The value assigned to a product that is used to determine a Brand Partner's rank qualifications in the compensation plan (qualifying volume or QV), or to determine the amount of commissions being paid on a product purchase (commissionable volume or CV). Qualifying volume and commissionable volume may not be the same value.

**Auto-Delivery Volume (ADV):** Volume generated by the sale of product through the Auto-Delivery Program. ADO PQV is Auto-Delivery Order Personal Qualifying Volume.

**Commissionable Volume (CV):** Is a value assigned to a product that determines the amount of commission paid when the product is sold by a Brand Partner.

**Customer Commissionable Volume (CCV):** Qualifying volume that is generated from product purchases made directly from the Company by a Brand Partner and their Retail and Preferred Customers.

**Group Qualifying Volume (GQV):** Is the total qualifying volume of a specific group of Brand Partners.



### Marketing Director Pool

Nerium International reserves 2% of the total company's Commissionable Volume for the Regional Marketing Directors Pool and National Marketing Directors Pool. The ranks below can earn shares in the pools. The higher your "paid as" rank, the more shares you earn. Each pool includes 1% of the total company's Commissionable Volume. This bonus is accrued each month in the Monthly Bonus Period and paid each year at the annual Nerium International Conference.



**Regional Marketing Directors Pool**



**National Marketing Directors Pool**

## Residual Income

Focus on simply building your business in teams of three who sponsor three and get paid up to 10 levels deep on your team's sales!

### Team Commissions

Team commissions are based on the commissionable volume generated from product sales made by your team. Your focus as a Brand Partner is to create a strong Retail and Preferred Customer base and to build a team of other Brand Partners who create a strong Retail and Preferred Customer base. As your team builds, your Team Commission earnings will increase.

- The higher the rank you achieve, the more levels from which you can earn commission.
- Commissions are "compressed" to allow you to earn commission on sales originating deeper within your Brand Partner legs. Only active Brand Partners count as a level in the Team Commissions calculation. Inactive Brand Partners' Commissionable Volume is therefore added to the next qualified level.
- Any Customer or Brand Partner volume that is not generated from an Active Brand Partner will "compress" and be counted in the volume of the level immediately above.
- This bonus follows the Placement Tree and is paid in the Monthly Bonus Period.

## Team Commissions

	Brand Partner	Sr. Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director	1-Star National Marketing Director	2-Star National Marketing Director	3-Star National Marketing Director
Level 1	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Level 2	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Level 3		5%	5%	5%	5%	5%	5%	5%	5%	5%
Level 4			5%	5%	5%	5%	5%	5%	5%	5%
Level 5				5%	5%	5%	5%	5%	5%	5%
Level 6					5%	5%	5%	5%	5%	5%
Level 7						2%	2%	2%	2%	2%
Level 8						2%	2%	2%	2%	2%
Level 9							1%	3%	3%	3%
Level 10							1%	3%	3%	3%

**Group Volume (GV):** Is the total volume of a specific group of Brand Partners.


**Personal Qualifying Volume (PQV):** Qualifying volume that is generated through a Brand Partner's personal product purchases. It also includes volume from product purchases made directly from the Company by a Brand Partner's Retail and Preferred Customer.

**Qualifying Volume (QV):** Is a value assigned to a product to determine the amount of qualifying volume on a product purchase.



### Leadership Development Bonus (LDB)

Nerium International rewards our leaders for their dedication to their team through the Leadership Development Bonus. Beginning at 1-Star National Marketing Director, you can earn 1%–3% of the volume of your entire organization, down to the next equal or higher-ranked Brand Partner. This bonus follows the Sponsor Tree and is paid in the Monthly Bonus Period.

	1-Star National Marketing Director			2-Star National Marketing Director			3-Star National Marketing Director		
	TEAM COMMISSIONS	LDB	Total	TEAM COMMISSIONS	LDB	Total	TEAM COMMISSIONS	LDB	Total
Level 1	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 2	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 3	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 4	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 5	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 6	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 7	2%	+1%	3%	2%	+2%	4%	2%	+3%	5%
Level 8	2%	+1%	3%	2%	+2%	4%	2%	+3%	5%
Level 9	3%	+1%	4%	3%	+2%	5%	3%	+3%	6%
Level 10	3%	+1%	4%	3%	+2%	5%	3%	+3%	6%

## Volume Generated by my Downline Organization's Purchases

		GQV	PQV	CV	You will earn a percent of Commissionable Volume (CV) based on your rank in team commissions.
Product Purchases	My Brand Partner's Retail Customers	100 GQV	0 PQV	90 CV	
	My Brand Partner's Preferred Customers (1 Bottle)	80 GQV	0 PQV	72 CV	
	My Brand Partner's Preferred Customers (2 Bottles)	150 GQV	0 PQV	135 CV	
	Brand Partner Purchase (with Auto-Delivery)	80 GQV	0 PQV	72 CV	
	Brand Partner Purchase (without Auto-Delivery)	100 GQV	0 PQV	90 CV	
Enrollment Kits	Brand Partner Launch Kit	0 GQV	0 PQV	0 CV	
	Success Pack	500 GQV	0 PQV	100 CV	
	Premier Success Pack	1000 GQV	0 PQV	250 CV	

# Ranks

You begin at the rank of Brand Partner. When you have reached a rank, you will remain at that rank until you advance to a higher rank. This is called "Highest Achieved" Rank. Commissions and bonuses you qualify to earn and how much you earn is determined by the level of qualifications you meet during a given bonus period. This is called the "Paid As" Rank.

In each bonus period, the "Paid As" Rank of a Brand Partner is determined by the qualifications below:

- During Weekly Bonus Periods, you may advance in rank, but your "Paid As" Rank will not go down.
- During Monthly Bonus Periods, your "Paid As" Rank may go up or down based on the qualifications you have met.
- Weekly Bonuses will be paid based on the higher of the last monthly bonus period "Paid As" Rank or the current weekly period "Paid As" Rank.

Rank	Brand Partner	Sr. Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director	1-Star National Marketing Director	2-Star National Marketing Director	3-Star National Marketing Director
Personal Volume Requirements	80 ADV or 200 PQV Retail	80 ADV or 200 PQV Retail	80 ADV or 200 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail
Monthly Group Qualifying Volume (GQV)		1,500	4,500* (60% Rule Applies)	12,500* (60% Rule Applies)	37,500* (60% Rule Applies)	75,000* (60% Rule Applies)	150,000* (60% Rule Applies)			
Number of Separate Active Personally Sponsored Legs in Placement Tree		3	3	3	3	3	3	3	3	3
Downline Rank Requirements in Separate Personally Sponsored Legs in Placement Tree				3 Sr. Brand Partners	3 Sr. Brand Partners	3 Directors	3 Directors			
Must be "Paid As" NMD with this Number of Separate "Paid As" NMD Legs in Placement Tree								1	2	3

\*No more than 60% of GQV may come from a single Placement Tree leg. NMD = National Marketing Director. ADV = Auto-Delivery Volume. PQV = Personal Qualifying Volume.

## Qualifying Volume Periods

### Commission Payments

#### Weekly Payout:

- Success Pack Bonus
- Weekly Sponsor Pool
- Personal Customer Commissions (10%)
- Success Pack Differentials

Weekly Bonuses will close every Wednesday at 11:59 p.m. CST. Weekly commissions will be calculated and paid the Wednesday following the close of the bonus period.

#### Monthly Payout:

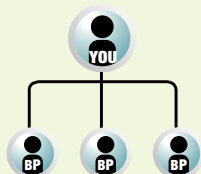
- Team Commissions
- Coaching Commissions
- Leadership Development Bonus
- Personal Customer Commissions (remaining volume not paid weekly)
- LEXUS Car Bonus

Monthly Commission Periods will close the last day of each calendar month. Monthly commissions will be calculated and paid on the 15<sup>th</sup> of the month following the close of the Monthly Commission Period.

## Rolling Qualifying Volume (RQV)

### Enrolling Dates

16<sup>th</sup>-End of Month  
3000 GQV



### Next Month

You'll start month with previous month's 3000 GQV that rolled over for rank advancements/rank qualifications.

### Example

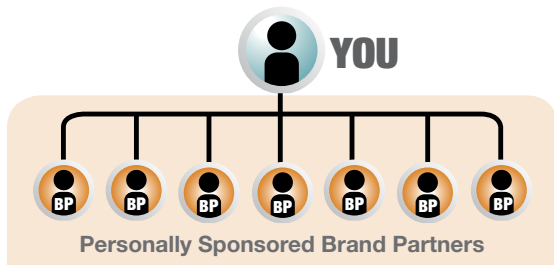
RQV	Current Month's GQV	Current Month's Total GQV
3000	2500	= 5,500

Rolling Qualifying Volume (RQV) only applies to your first month of enrollment. The 60% rule applies to all qualifying volume for rank advancements.

# Team Structures

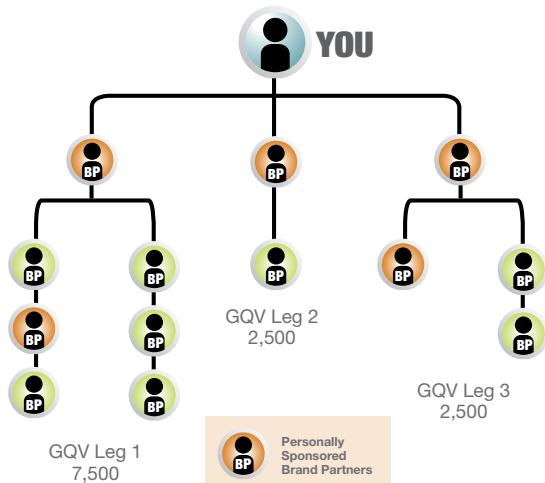
## Sponsor Tree

When a new Brand Partner is sponsored, they go into the Sponsor Tree as a Level 1, or frontline, to the Brand Partner who sponsored them. Success Pack Bonuses, Coaching Commissions, and Leadership Development Bonuses are based on the Sponsor Tree.



## Placement Tree

When you sponsor a new Brand Partner, they are placed in your Placement Suite for a period of 60 days. During that time, you have the option to place the new Brand Partner into an open position in an existing leg in your Placement Tree. Allowing the Brand Partner to place a new Brand Partner in an open position in the Placement Tree provides an opportunity to increase the sales volume in an existing leg and enables the new Brand Partner to gain additional support from a sales organization that is already in place. Rank advancement and Team Commissions are based on the sales volume in the Placement Tree.



## Glossary of Terms

**Active:** Brand Partners are considered Active as long as they maintain the required PV (Personal Volume) from fully paid product orders during a calendar month. This required volume (see volume qualification table for volume requirements by rank) can come from Auto-Delivery Orders (ADO), personal orders, and/or the volume from orders placed by personally sponsored Retail or Preferred Customers.

**Auto-Delivery Order (ADO):** A pre-selected product order that is scheduled to be created, paid, and shipped at a specific time each month. Auto-Delivery Orders allow products to be purchased at a discounted price.

**Brand Partner:** A person or company who has filled out the Nerium International application, had their application approved, and is in the Genealogy. Brand Partner is the first step in rank advancement.

**Compression:** Only active Brand Partners count as a level in the Team Commissions calculation. Inactive Brand Partners' Commissionable Volume is therefore added to the next qualified level.

**Customer:** A Customer is associated with a Brand Partner. A Customer cannot sign up other Brand Partners and cannot receive commissions. Nerium International currently has two types of non-Brand Partner customers: a Retail Customer and a Preferred Customer.

**Downline:** This refers to the Brand Partner(s) below a Brand Partner in the Genealogy.

**Genealogy Tree:** This is the Company's overall structure that indicates how and where Brand Partners are placed. Company supports both a Sponsor and Placement Unilevel/Generational Genealogy tree structures.

**Sponsor Tree:** Your personally sponsored Brand Partners will always be on Level 1 of your Sponsor Tree. The Brand Partners whom they sponsor will always be on Level 2 of your Sponsor Tree. Success Pack Bonuses and Coaching Bonuses will be paid based on the structure of your Sponsor Tree.

**Placement Tree:** Personally sponsored Brand Partners may be placed in the downline of your placement tree in order to increase the volume in a leg. Rank advancements are based on the total volume generated in each leg of the Placement Tree.

**Grace Period:** Team Commissions and Leadership Development Bonuses are paid based on the structure of your Placement Tree.

**Leg:** A leg is a portion of a Brand Partner's organization, starting at one of their first-level Brand Partners and encompassing their entire organization. If a Brand Partner has 10 first-level Brand Partners, they have 10 legs in the Sponsor Tree. If a personally sponsored Brand Partner is placed below an existing leg in the Placement Tree, that newly sponsored Brand Partner becomes part of the Placement Tree leg but remains a separate leg for the sponsor in the Sponsor Tree.

**Personal Sponsor:** A Brand Partner who personally sponsors a new Brand Partner into the Nerium International business. Sponsor is also the term referring to a Brand Partner who personally sponsors a Customer.

**Placement Sponsor:** A Brand Partner who is directly above another Brand Partner in the Placement Tree. The Placement Sponsor may not always be the Brand Partner who personally sponsored them.

**Placement Suite:** When a Brand Partner personally sponsors another Brand Partner, the new Brand Partner can go into the Placement Suite for a period of 60 days. During that time, the sponsoring Brand Partner will have an opportunity to move the new Brand Partner one time under an existing leg in the Placement Tree. The new Brand Partner will remain a separate leg in the Sponsor Tree and personally sponsored by his original sponsor; however, the Brand Partner under whom he is placed in the Placement Tree will be his Placement upline. The new Brand Partner will become part of the total leg volume in the leg in which he was placed. If the new Brand Partner is not moved within the allotted time, he will remain a new leg in the Placement Tree for the sponsoring Brand Partner.

**Preferred Customer:** A Retail Customer who is enrolled in the Auto-Delivery Order (ADO) program.

**Rank:** The level of achievement in the compensation plan that determines how much commission is paid and the specific commission bonuses the Brand Partner is eligible to earn. Rank is determined by personal and group sales volume, as well as the personal and group volume of the Brand Partners in your group.

**Upline:** This refers to the Brand Partner(s) above a new or existing Brand Partner in the Genealogy.

**Volume:** The value assigned to a product that is used to determine a Brand Partner's rank qualifications in the compensation plan (qualifying volume or QV), or to determine the amount of commissions being paid on a product purchase (commissionable volume or CV). Qualifying volume and commissionable volume may not be the same value.

**Auto-Delivery Volume (ADV):** Volume generated by the sale of product through the Auto-Delivery Program. ADO PQV is Auto-Delivery Order Personal Qualifying Volume.

**Commissionable Volume (CV):** Is a value assigned to a product that determines the amount of commission paid when the product is sold by a Brand Partner.

**Qualifying Volume (QV):** Is a value assigned to a product to determine the amount of qualifying volume on a product purchase.

**Personal Qualifying Volume (PQV):** Qualifying volume that is generated through a Brand Partner's personal product purchases. It also includes volume from product purchases made directly from the Company by a Brand Partner's Retail and Preferred Customer.

**Customer Commissionable Volume (CCV):** Qualifying volume that is generated from product purchases made directly from the Company by a Brand Partner's Retail and Preferred Customer.

**Group Volume (GV):** Is the total volume of a specific group of Brand Partners.

**Group Qualifying Volume (GQV):** Is the total qualifying volume of a specific group of Brand Partners.

**Rolling Qualifying Volume (RQV):** Any new Brand Partner who enrolls after the 15th of any given month will have all the Qualifying Volume (QV) generated within the remainder of their first monthly bonus period roll forward into the next full monthly bonus period. All commissions and bonuses are paid on the bonus volume generated by product purchases in the bonus period in which the sale occurred. RQV does not apply to upline GQV. Only volume from within the month the new Brand Partner enrolls can be applied to RQV.

**"60% GQV (Group Qualifying Volume) in a Leg" Rule:** Beginning at Director, when determining the Group Qualifying Volume qualification requirement, no more than 60% of the required volume may come from a single Placement Tree leg. Example: The GQV qualification for a Director is 4,500. No more than 2,700 (60%) of the total GQV can come from any single Placement Tree leg.

## Immediate Income

### PERSONAL CUSTOMER COMMISSIONS

Sell more. Earn more.

Customer Commissionable Volume (CCV)	Earning Potential
201-500	10%
501-1,000	15%
1,001-2,500	20%
2,501+	25%

First 10% paid weekly. The balance of the percentage earned in a calendar month is paid monthly.

PAID WEEKLY

### Success Pack Bonuses

	Brand Partner	Sr. Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director
SP	\$50	\$75	\$100	\$115	\$125	\$135	\$150
PSP	\$100	\$150	\$200	\$250	\$275	\$300	\$325

Sponsor a new Brand Partner, sell them a Success Pack in their first 30 days, and earn a Success Pack Bonus. The higher your rank, the more you earn.

### Customer Acquisition Bonuses

	Brand Partner	Sr. Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director
1 bottle	\$16	\$24	\$28	\$32	\$32	\$32	\$32
2 bottles	\$30	\$40	\$50	\$60	\$60	\$60	\$60

For each new Auto-Delivery Order sold to a new Preferred Customer, you will earn a Customer Acquisition Bonus.

PAID WEEKLY

### 2% Weekly Sponsor Pool

Active Brand Partners who have 500 PV in their first 30 days or achieve Director and have an Auto-Delivery Order may participate in this pool. Minimum of 3 points within a weekly bonus period are required to earn shares in the pool.

#### Activity to Earn

Personally sell a Success Pack or a Premier Success Pack to a new Brand Partner

#### # Of Points Earned

1

#### Fast Start Qualified

2

### Fast Start Qualify

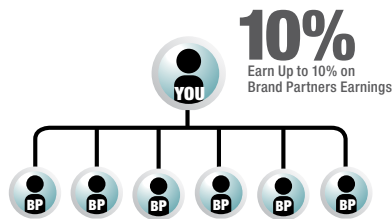
in your first 30 days and earn DOUBLE shares for life!

PAID WEEKLY

## Leadership Income

### Coaching Commissions

Based on your rank, earn up to a 10% bonus on your Personally Sponsored Brand Partners' earnings.



PAID MONTHLY

### Differential Bonuses

Based on your rank, earn differential bonuses on sales made by your team. You can earn the difference between your downline's bonus and the bonus you qualify for at your rank. To qualify for the Differential Bonus, you must achieve 500 PQV in your first 30 days or earn the rank of Director or higher.

Customer Acquisition Bonus \$8 – \$30

Success Pack Bonus \$25 – \$100

Premier Success Pack Bonus \$50 – \$225

PAID WEEKLY

## Residual Income

### Team Commissions

Earn up to 10 levels of your Brand Partners' commissionable volume within your organization. The higher the rank you achieve, the more levels from which you can earn.

Rank	Brand Partner	Sr. Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director
PV Requirements	80 ADV or 200 PQV Retail	80 ADV or 200 PQV Retail	80 ADV or 200 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail	150 ADV or 300 PQV Retail
Monthly Group Qualifying Volume (GQV)		1,500 GQV and 3** active legs	4,500* GQV and 3** active legs	12,500* GQV and 3** active Senior Brand Partner legs	37,500* GQV and 3** active Senior Brand Partner legs	75,000* GQV and 3** active Director legs	150,000* GQV and 3** active Director legs
Level 1	5%	5%	5%	5%	5%	5%	5%
Level 2	5%	5%	5%	5%	5%	5%	5%
Level 3		5%	5%	5%	5%	5%	5%
Level 4			5%	5%	5%	5%	5%
Level 5				5%	5%	5%	5%
Level 6					5%	5%	5%
Level 7						2%	2%
Level 8						2%	2%
Level 9							1%
Level 10							1%

\* Director and above ranks: no more than 60% of GQV may come from a single Placement Tree Leg

\*\* Personally sponsored Legs in Placement Tree

PAID MONTHLY

### Leadership Development Bonuses

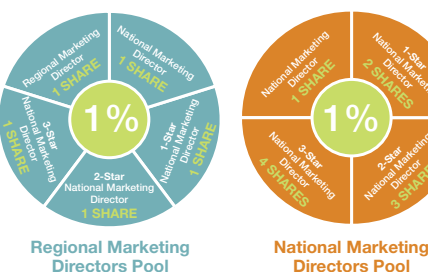
Earn 1%-3% of the volume of your entire organization down to the next equal or higher ranked Brand Partner.

	1-Star National Marketing Director			2-Star National Marketing Director			3-Star National Marketing Director		
	TEAM COMMISSIONS	LDB	Total	TEAM COMMISSIONS	LDB	Total	TEAM COMMISSIONS	LDB	Total
Level 1	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 2	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 3	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 4	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 5	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 6	5%	+1%	6%	5%	+2%	7%	5%	+3%	8%
Level 7	2%	+1%	3%	2%	+2%	4%	2%	+3%	5%
Level 8	2%	+1%	3%	2%	+2%	4%	2%	+3%	5%
Level 9	3%	+1%	4%	3%	+2%	5%	3%	+3%	6%
Level 10	3%	+1%	4%	3%	+2%	5%	3%	+3%	6%

PAID MONTHLY

### Marketing Directors Pool

Marketing Directors and above can earn shares in 2% of Nerium's global commissionable sales.



### GRACE PERIOD:

When a Brand Partner qualifies at Senior Director or higher for the first time, he or she will be paid at that rank for two (2) months: the month the higher rank is achieved, plus the next consecutive month. The Brand Partner must remain active to qualify for the grace period.



# EXHIBIT C



NERIUM  
INTERNATIONAL

REAL  
SCIENCE

REAL  
RESULTS

REAL  
OPPORTUNITY

---

**Annual Sales  
2012**

---

**Distributors**

**Markets**



\$100 M

78K

1

**1st year sales**

**ONE Product**

**ONE Country**



\$2.2 B

1 M

53



\$4B

2.5 M

80

MARY KAY

\$3 B

3 M

35



\$11.3 B

6.5 M

100



\$10.7 B

3 M

100

# EXHIBIT D





NERIUM<sup>™</sup>  
INTERNATIONAL

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# Success Planner

United States

# Welcome to the Nerium family.

As a Brand Partner, your growth and success are important to Nerium International. We're committed to supporting you as you build your business on a very solid, proven path. Listen to the audio CDs in this planner several times during your first 30 days. In each, you'll find specific and fundamental activities – all designed to help you launch your business successfully!

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# 1 | SUCCESS PLANNER Welcome

## Our Mission

At Nerium, our mission is to make people better. Whether through products, personal development or philanthropy, if it doesn't improve lives, it's not Nerium.

That's why we take pride in offering real change, real opportunity and real results to our Brand Partners and customers. Read on to discover how you can leverage this and other tools to help us make a big difference! We are so glad you are on this journey with us.

## Helping Others with Nerium

### Share and sell our products

Nerium's innovative products have already helped hundreds of thousands of people reflect their youth and regain their confidence.

### Tell others about our opportunity

Countless Brand Partners just like you have earned an iPad, Lexus Car Bonus, luxury vacations and part- or full-time incomes with Nerium. Most people only dream of achieving the financial stability and time freedom of owning their own business, but Nerium can make that dream a reality!

### Get involved

Aside from high-impact products and a lucrative opportunity, Nerium also prides itself on making a difference in local communities. We seek to accomplish this goal through several partners who share our passion for making people better. Check out The Nerium Ripple Foundation section below for more information on how to get involved.

## The Nerium Ripple Foundation

The Nerium Ripple Foundation is our philanthropic outreach program that promotes the idea of "Individually taking responsibility, collectively changing the world." Through this foundation, we partner with organizations that are experts in the work of making people better. These partners include:



To help Nerium make positive ripples around the world, contact [RippleFoundation@Nerium.com](mailto:RippleFoundation@Nerium.com). Learn more at [NeriumRipple.org](http://NeriumRipple.org) or [facebook.com/neriumripplefoundation](https://facebook.com/neriumripplefoundation).

# Nerium's Core Values

With a mission to make people better, we wanted to establish a culture up front that truly promoted this ideal. Our 10 core values have helped shape our culture. We strive to live and work by these values, and we hope everyone in the Nerium Family will, too. When you focus on personal growth first, you will be in the best position to help others!

## Be Real.

At Nerium International, our mantra is real: getting real, being real, and creating real change. But we also want to attract genuine people who can be themselves and have fun.

## Pursue Constant Development of Self.

No matter how successful or accomplished one might be, there are always more improvements to be made.

## Encourage an Entrepreneurial Spirit.

Believe in your dreams enough to get outside your comfort zone. Remember to live life on your own terms.

## Create a Positive Team Spirit and Family Atmosphere.

A positive spirit is a valuable asset, and we aspire to use it every day. For Nerium, the cliché “the family who plays together, stays together” is a way of life. We take our work seriously, but we are also a fun-loving family.

## Be Determined.

In our business, it's important to stay the course. Our outlook is such that obstacles are only opportunities in disguise.

## Practice Servant Leadership.

We believe that the best leaders are givers, not takers. We help each other and provide selfless service, because that's what a family does.

## Slow Down to Go Fast.

Haste makes waste. Slow and steady wins the race. Get the job done right the first time. Quality over quantity. You get the idea.

## Embrace and Drive Change.

We know it's important to stay one step ahead and continually evolve. Change is necessary for growth, as a business and as a person. So we will always seek new ways to grow and improve.

## Dream Big and Act on It Daily.

Dreams consist of many smaller goals that can be acted upon daily. That's how Nerium International grows as a brand, and that's how we want our people to grow, too.

## Have Fun and Help Others to Have Fun.

Nerium consists of real people with a can-do attitude who want to create real change. Having fun helps work not feel like work, which makes us more productive.

### 3 | SUCCESS PLANNER Welcome

# Build Your Business

At Nerium, Brand Partners have the opportunity to build a business on their terms, whether it be part time or full time, from home or on the go. They also have the option of choosing which products to offer potential customers. Most Brand Partners choose to market our entire product line.

Depending on your future Brand Partners' needs, they can either purchase the Basic Kit, which includes only marketing materials, or the Starter Pack, which includes product as well as all contents of the Basic Kit. With either the Basic Kit or Starter Pack, they can choose to purchase additional Action Packs of product to launch their business. The more product purchased, the greater the savings.

All Brand Partners will enroll with either the Basic Kit or Starter Pack, then choose their products and select the quantity. It's simple: they pick their path, pace and profit!

## 1. Enroll

### BASIC KIT



- No product to share or sell
- Success Planner
- Basic marketing materials

### STARTER PACK



- Contents of Basic Kit
- Product for inventory or personal use
- 30-day Nerium Edge subscription

## 2. Pick your Pace and Profits

Choosing one or more Action Packs gives you more inventory to help you acquire new customers. Each pack contains a specific amount of product. You may purchase up to 10 Action Packs at one time in any product combination within your first 30 days.



Night Cream  
Action Pack



Day Cream  
Action Pack



Night and Day  
Cream Action Pack



Eye Serum  
Action Pack



Contour Cream  
Action Pack



EHT  
Action Pack

# Fast Start Plan

The first step to launching a successful Nerium business is to rank advance to Senior Brand Partner. Simply follow the steps below to jumpstart your Nerium success story!

## To-Do List



Take "Before" photos of any areas on which you plan to use Nerium products



Create a Fast Start Game Plan with your upline support team



Complete New Brand Partner Training online by:



Start your new Product Prospecting Wait List (see page 11)



Conduct your first Real Results Party



Locate your first Regional Training event



Set up an optional Auto-Delivery Order (ADO) of Nerium product



Register for the 90-Day Nerium Skincare Challenge



Opt in to the Nerium Gives Back program

## Get Connected

Plug into the rhythm of the company and stay connected to your upline and executive leadership team!

Corporate  
Update Call

Tuesdays at 3:00 p.m. CT  
Visit [www.neriumcall.com](http://www.neriumcall.com)  
to connect.

Live Text Updates\*

Text "REAL" to 59769 to receive  
Nerium news on your phone.

Nerium University

Available each Monday in your  
Online Business Center at 6:00 p.m.  
in your time zone.

Your Upline Support Team

Name

Phone

Rank

Name

Phone

Rank

*\*Confirm your subscription to Nerium's text communication system in your Online Business Center.*

## 5

## SUCCESS PLANNER Fast Start Plan

# Rank Advance to Senior Brand Partner

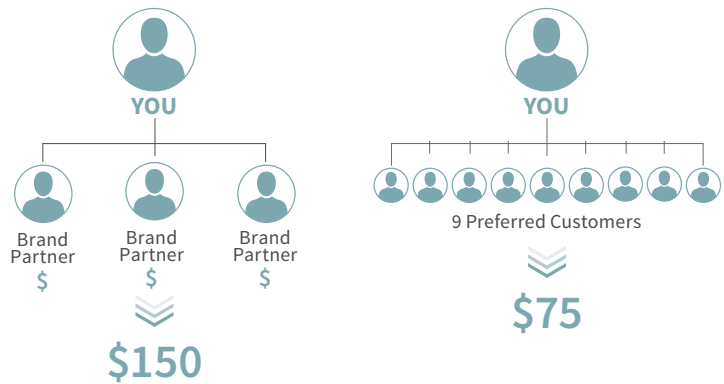
## 1. Find your “why”

What motivates you to passionately pursue your best life? Is it extra time with family? Extra income to pursue your hobbies? The hope of having a new car or sending your kids to the best schools? Take a few moments to define your “why” – be as specific as possible. Getting in touch with your “why” helps you stay focused and allows you to turn your dreams into reality!

## 2. Set your goal

Achieve Senior Brand Partner! Do this in your first 30 days and you’ll receive an EXTRA \$150 Fast Start Bonus. To qualify for this bonus, generate 500 PQV and personally enroll three new Brand Partners with a total of 2,000 QV.

You can also rank advance to Senior Brand Partner and Fast Start Qualify by acquiring Preferred Customers. In your first 30 days, enroll nine new Preferred Customers (PCs) totaling at least 1,000 ADV. You’ll earn a \$75 Fast Start Bonus!



## 3. Prepare for launch

Host your initial Real Results Party (RRP) right away! Review the Real Results Party Toolkit for tips and tricks on making your first party a resounding success. Make it your goal to have a second Real Results Party during your first two weeks. See page 30 for more information on Real Results Parties.

Date of RRP 1:

Date of RRP 2:

## 4. Master the exposure process

The best way to share Nerium is to share third-party tools with your friends, family and acquaintances. Leverage these resources and your support team to help build your business quickly!



## 5. Build your list

Your biggest assets are the people you know with whom you can share the Nerium message. Start your list right away. Use the Memory Jogger on page 6 for ideas then fill in your list on page 7. Leave the “Get 10 in Play Right Away” section blank at first. Once you’ve determined who your top 10 prospects are, place those names in the “Get 10 in Play Right Away” box – these should be the people with whom you are most excited to share Nerium.

ADV = Auto Delivery Volume  
PQV = Personal Qualifying Volume  
QV = Qualifying Volume

All commissions and bonuses defined in this document are paid in U.S. dollars.



# Memory Jogger

Did you know that the average person has approximately 1,000 acquaintances? Use the categories below to help you prepare a list of approximately 100 people who you currently know or have met in the past. Don't try to gauge whether these people would be interested in Nerium's products or the Brand Partner opportunity. Begin building and contacting your list today!

Who do you know that is interested in anti-aging products for face, body and mind? Who do you know that wants to earn extra income, develop personally and professionally as leaders or join a thriving community of life changers?

## Who do you know?

### FAMILY AND FRIENDS

Aunt  
Best Friend  
Best Man  
Bridesmaid  
Brother  
Brother-in-law  
Cousin  
Co-worker  
Father  
Father-in-law  
Grandfather  
Groomsman  
Maid of Honor  
Mother  
Mother-in-law  
Neighbor  
Nephew  
Niece  
Parent  
Sister  
Sister-in-law  
Uncle  
Others...

### PROFESSIONALS

Accountant  
Air Force  
Ambulance Driver  
Animal Trainer  
Antique Dealer  
Appliance Sales & Repair  
Architect  
Army  
Auctioneer

Auto Mechanic  
Auto Supplier  
Babysitter  
Baker  
Banker  
Barber  
Beautician  
Body Repair  
Bookkeeper  
Boss  
Business Owner  
Cab Driver  
Cabinet Maker  
Caddy  
Car Sales  
Carpenter  
Cashier  
Caterer  
Chef  
Chiropractor  
Coach  
Coast Guard  
Computer Repairs  
Computer Sales  
Contractor  
Counselor  
Credit Union  
Customer  
Dancer  
Dentist  
Department Store  
Designer  
Doctor  
Dry Cleaner  
Editor  
Electrician

Engineer  
Esthetician  
Entrepreneur  
Eye Center  
Farmer  
Fireman  
Flight Attendant  
Flower Shop  
Funeral Director  
Game Warden  
Gas Station  
Grocery Store  
Hair Dresser  
Hardware Store  
Health Spa  
Highway Patrol  
Home Builder  
Hospital Worker  
Hotel  
Inspector  
Insulator  
Journalist  
Landlord  
Landscape  
Lawyer  
Librarian  
Locksmith  
Mail Carrier  
Marines  
Nail Technician  
National Guard  
Navy  
Notary  
Nurse  
Nutritionist  
Office Supplier

Orthodontist  
Painter  
Partner  
Payroll  
Personnel Manager  
Photographer  
Piano Teacher  
Pilot  
Plumber  
Police Officer  
Preacher  
Principal  
Printer  
Professor  
Radio Announcer  
Realtor  
Repairman  
Roofer  
Salesperson  
Seamstress  
Secretary  
Security Guard  
Service Station  
Shop  
Sign Painter  
Social Worker  
Sportscaster  
Surgeon  
Surveyor  
Tanning Salon  
Teacher  
Teller  
Therapist  
Tire Store  
Travel Agent

Truck Driver  
TV Repair  
Union  
Upholsterer  
Veterinarian  
Waiter/Waitress  
Writer  
Youth Director  
Others...

### NAMES BY INTEREST

Boating Club  
Bridge/Bunko  
Car Pool  
Cat Lover  
Chamber of Commerce  
Coffee Shop  
Den Leader  
Dog Lover  
Facebook  
Friend  
Fundraiser  
Internet  
Instagram  
Junior League  
LinkedIn  
Lions Club  
Lunch Crowd  
Pinterest  
PTA Member  
Rotary Club  
Scoutmaster  
Toastmasters Club  
Trade Organization

Twitter  
Others...

























































































































### SPORTS

Baseball  
Basketball  
Bowling  
Fishing  
Football  
Golf  
Hunting  
Jogging  
Karate  
Skiing  
Soccer  
Softball  
Swimming  
Tennis  
Volleyball  
Weight Training  
Others...

## SUCCESS PLANNER Workbook






















## Get 10 in Play Right Away

Get 10 in Play Right Away						
RRP	PPS	SHARE	SIT DOWN	CONTACT		
Name	Phone					
Name	Phone					
Name	Phone					
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RRP = Real Results Party  
PPS = Product Prospecting System  
SHARE = Third-Party Tool

# Build Your List







						
		RRP	PPS	SHARE	SIT DOWN	CONTACT
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SUCCESS PLANNER Workbook

# Build Your List






						
		RRP	PPS	SHARE	SIT DOWN	CONTACT
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# Product Prospecting System Wait List

Name	Phone	Drop-Off Date	"Before" Photo	Reminder	Pick-Up Date	"After" Photo	3UR Free Party

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SUCCESS PLANNER Workbook

# Product Prospecting System Wait List



Name	Phone	Drop-Off Date	"Before" Photo	Reminder	Pick-Up Date	"After" Photo	3UR Free Party



# Product Prospecting System Wait List

Name	Phone	Drop-Off Date	"Before" Photo	Reminder	Pick-Up Date	"After" Photo	3UR Free Party

# Road Map to Lexus

Earn up to \$2,500 in bonuses and incentives.

## GOAL 1 MUST HAVE:

- Three active Brand Partners in three separate legs
- Total 1,500 GQV from you and your downline organization
- No more than 60% can come from any one leg



## Continuous Goal 3UR➤Free

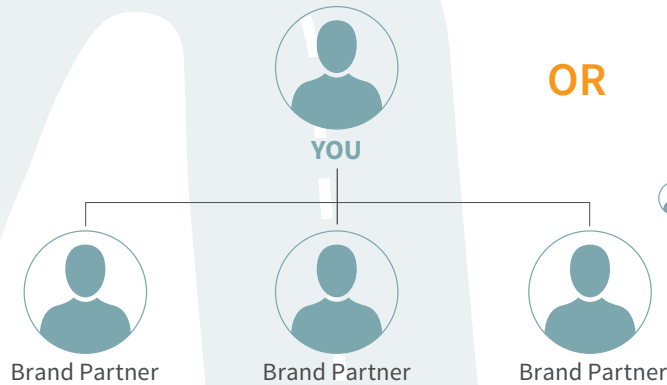
Nerium International makes it easy for you to qualify to receive your monthly Nerium product for free.



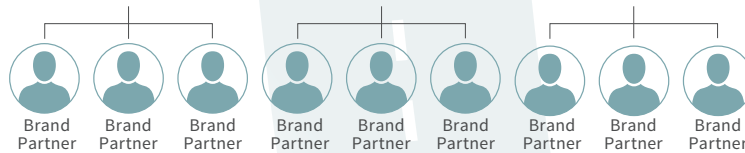
## First 30 Days

**FAST START QUALIFY!**  
GENERATE 2,000 QV IN YOUR FIRST 30 DAYS

1. Earn Fast Start Bonus
2. Promote to Senior Brand Partner
3. Start earning 10% Coaching Commission



Help your personally sponsored Brand Partners advance to Senior Brand Partner



## GOAL 2 MUST HAVE:

- Three active Brand Partners in three separate legs
- Total 4,500 GQV from you and your downline organization
- No more than 60% can come from any one leg



## First 60 Days

**EARN DIRECTOR 60 BONUS!**

1. Promote to Director
2. Receive iPad, a \$350 bonus or 6 free bottles of Nerium Age-Defying Night Cream

GQV= Group Qualifying Volume

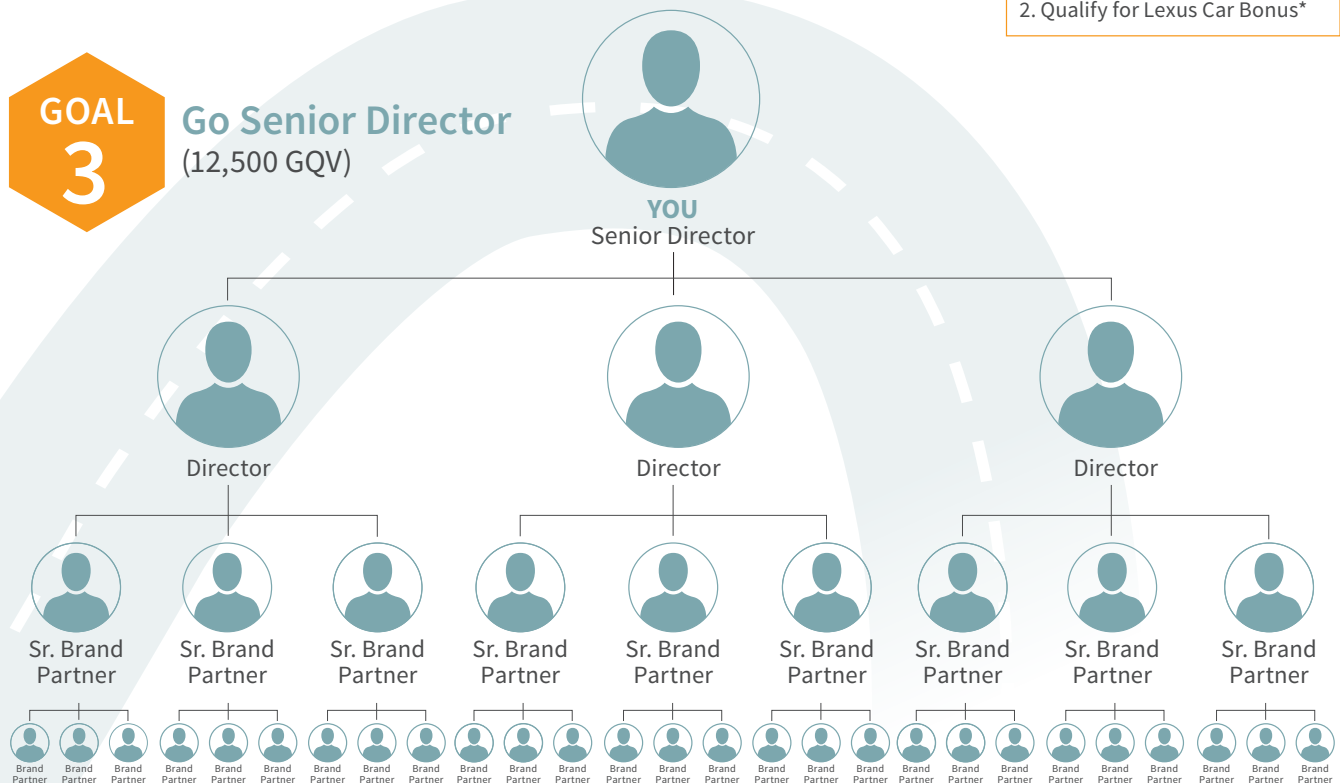
All commissions and bonuses defined in this document are paid in U.S. dollars.

**GOAL 3 MUST HAVE:**

- Three active Senior Brand Partners in separate personally sponsored legs
- Total 12,500 GQV from you and your downline organization
- No more than 60% can come from any one leg

**First 90 Days****EARN YOUR LEXUS  
CAR BONUS ANYTIME!**

1. Promote to Senior Director
2. Qualify for Lexus Car Bonus\*

**GOAL  
3****Go Senior Director  
(12,500 GQV)**

**Want to go faster?  
Achieve Senior Director  
in 60 days, 30 days or  
even one week!**



**Coach your team to earn the Fast Start, Director 60 & Lexus Car Bonuses!**

\*The Lexus Car Bonus is calculated and paid monthly.

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SUCCESS PLANNER Workbook

Sample Month: *October*

SUNDAY		MONDAY		TUESDAY		WEDNESDAY		THURSDAY	
		Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT  Commission paid for week ending <u>9/22</u>			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
3		4 Nerium U Monday 6:00 p.m. in your time zone		5 Drop off Nerium product to prospect		6 Weekly period close 11:59 p.m. CT  Commission paid for week ending <u>9/29</u>		7 My 1st Real Results Party	
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
10 Pick up Nerium product from prospect		11 Nerium U Monday 6:00 p.m. in your time zone		12		13 Weekly period close 11:59 p.m. CT  Commission paid for week ending <u>10/6</u>		14	
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
17		18 Nerium U Monday 6:00 p.m. in your time zone		19		20 Weekly period close 11:59 p.m. CT  Commission paid for week ending <u>10/13</u>		21 My 2nd Real Results Party	
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
24 31		25 Nerium U Monday 6:00 p.m. in your time zone		26		27 Weekly period close 11:59 p.m. CT  Commission paid for week ending <u>10/20</u>		28	
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD

## FRIDAY

## SATURDAY

1  My start date	2
<input type="checkbox"/> 2AD <input type="checkbox"/> PD	<input type="checkbox"/> 2AD <input type="checkbox"/> PD
8  Upload my "Before" photo to Nerium 90-Day Skincare Challenge site	9  Pick up Nerium product from prospect
<input type="checkbox"/> 2AD <input type="checkbox"/> PD	<input type="checkbox"/> 2AD <input type="checkbox"/> PD
15  Previous month's commission paid	16
<input type="checkbox"/> 2AD <input type="checkbox"/> PD	<input type="checkbox"/> 2AD <input type="checkbox"/> PD
22	23  My Preferred Customer's 3UR Free Party
<input type="checkbox"/> 2AD <input type="checkbox"/> PD	<input type="checkbox"/> 2AD <input type="checkbox"/> PD
29	30  Last day to Fast Start Qualify
<input type="checkbox"/> 2AD <input type="checkbox"/> PD	<input type="checkbox"/> 2AD <input type="checkbox"/> PD

## Nerium's 10 Core Commitments

Please refer to page 25 to find out how these Core Commitments can help fuel your success!

1. Complete New Brand Partner Training.
2. Commit to at least two exposures a day.
3. Share or sell your product inventory to acquire new customers.
4. Attend a weekly Market Party or Real Results Party.
5. Attend weekly training.
6. Attend your monthly Regional Training.
7. Attend all major corporate conventions.
8. Commit to personal development.
9. Find a "workout partner."
10. Be here in a year.

2AD • 2 A Day PD • Personal Development

☐ I attended my local Regional Event this month.

Weekly Close • Every Wednesday night at 11:59 p.m. CT

Monthly Close • Last calendar day of the month at 11:59 p.m. CT

## NOTES:

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## SUCCESS PLANNER Workbook

Month: \_\_\_\_\_



SUNDAY		MONDAY		TUESDAY		WEDNESDAY		THURSDAY	
		 Nerium U Monday 6:00 p.m. in your time zone				<b>WEEKLY CLOSE</b> Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
		 Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
		 Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
		 Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
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		 Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD

## FRIDAY

## SATURDAY

2AD	PD	2AD	PD
2AD	PD	2AD	PD
2AD	PD	2AD	PD
2AD	PD	2AD	PD
2AD	PD	2AD	PD

## Nerium's 10 Core Commitments

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9. Find a "workout partner."
10. Be here in a year.

2AD • 2 A Day PD • Personal Development

I attended my local Regional Event this month.

Weekly Close • Every Wednesday night at 11:59 p.m. CT

Monthly Close • Last calendar day of the month at 11:59 p.m. CT

## NOTES:

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## SUCCESS PLANNER Workbook

Month: \_\_\_\_\_



SUNDAY		MONDAY		TUESDAY		WEDNESDAY		THURSDAY	
		 Nerium U Monday 6:00 p.m. in your time zone				<b>WEEKLY CLOSE</b> Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
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2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
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2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
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2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
		 Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD



## FRIDAY

## SATURDAY

2AD	PD	2AD	PD
2AD	PD	2AD	PD
2AD	PD	2AD	PD
2AD	PD	2AD	PD
2AD	PD	2AD	PD

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2AD • 2 A Day PD • Personal Development

I attended my local Regional Event this month.

Weekly Close • Every Wednesday night at 11:59 p.m. CT

Monthly Close • Last calendar day of the month at 11:59 p.m. CT

## NOTES:

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## SUCCESS PLANNER Workbook

Month: \_\_\_\_\_



SUNDAY		MONDAY		TUESDAY		WEDNESDAY		THURSDAY	
		 Nerium U Monday 6:00 p.m. in your time zone				<b>WEEKLY CLOSE</b> Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
		 Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
		 Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
		 Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD
		 Nerium U Monday 6:00 p.m. in your time zone				Weekly period close 11:59 p.m. CT Commission paid for week ending _____			
2AD	PD	2AD	PD	2AD	PD	2AD	PD	2AD	PD

## FRIDAY

## SATURDAY

2AD	PD	2AD	PD
2AD	PD	2AD	PD
2AD	PD	2AD	PD
2AD	PD	2AD	PD
2AD	PD	2AD	PD

## Nerium's 10 Core Commitments

Please refer to page 25 to find out how these Core Commitments can help fuel your success!

1. Complete New Brand Partner Training.
2. Commit to at least two exposures a day.
3. Share or sell your product inventory to acquire new customers.
4. Attend a weekly Market Party or Real Results Party.
5. Attend weekly training.
6. Attend your monthly Regional Training.
7. Attend all major corporate conventions.
8. Commit to personal development.
9. Find a "workout partner."
10. Be here in a year.

2AD • 2 A Day PD • Personal Development

I attended my local Regional Event this month.

Weekly Close • Every Wednesday night at 11:59 p.m. CT

Monthly Close • Last calendar day of the month at 11:59 p.m. CT

## NOTES:

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# Ten Core Commitments



## THE NERIUM RHYTHM

You can build your dream business with Nerium. These Core Commitments were carefully selected as the most valuable activities in creating a successful business. Practice these Core Commitments daily, enjoy the learning process, build great relationships with other Brand Partners and have fun. To find out more about our Core Commitments, listen to the Nerium Success Training CD set with Nerium's Founder and CEO, Jeff Olson.

### 1. Complete New Brand Partner Training.

Complete the module in the Online Training Center and develop a Fast Start Game Plan with your upline and support team.

### 2. Commit to at least two exposures a day.

Share Nerium products and the opportunity with at least two people a day, five days a week. You are the messenger. The third-party tools are the message. Model and teach this system to your team and watch your business grow.

### 3. Share or sell your product inventory to acquire new customers.

A solid customer base is the foundation of your business. Your objective is to never keep inventory. Continuously share our products through the Product Prospecting System or sell your products using our third-party tools.

### 4. Attend a weekly Market Party or Real Results Party.

Make a personal commitment to attend and invite guests to weekly Real Results and Market Parties.

### 5. Attend weekly training.

Stay plugged into the system. Attend a training party on Mondays and watch Nerium University.

### 6. Attend your monthly Regional Training.

The entire market connects during these events. Take your team to events within a three-hour driving distance to get trained by top leaders.

### 7. Attend all major corporate conventions.

Bring your entire team. Learn proven business-building strategies and discover Nerium's vision for the future.

### 8. Commit to personal development.

Spend 30 minutes daily reading good books, listening to audio books and training materials and watching DVDs from high achievers. Doing this daily will dramatically change your life over time.

### 9. Find a "workout partner."

Work your business with another Brand Partner to help keep you accountable. Check in with them regularly and inspire each other to new levels of success.

### 10. Be here in a year.

Commitment is doing the things you said you would do, long after the mood you said it in has passed. Commit now to invest a solid year in consistently building your Nerium business.

# Brand Partner Business Resources

## My Information

Brand Partner ID: \_\_\_\_\_

Log in: \_\_\_\_\_

Web alias: \_\_\_\_\_

## Website URLs

Personal corporate site:	<a href="http://nerium.com">http://</a>	<a href="http://nerium.com">.nerium.com</a>
Personal corporate product site:	<a href="http://neriumproducts.com">http://</a>	<a href="http://neriumproducts.com">.neriumproducts.com</a>
Opportunity lead capture site:	<a href="http://successtoday.com">http://</a>	<a href="http://successtoday.com">.successtoday.com</a>
General product lead capture site:	<a href="http://realresults.com">http://</a>	<a href="http://realresults.com">.realresults.com</a>
Product lead capture site (face):	<a href="http://realresults.com/face">http://</a>	<a href="http://realresults.com/face">.realresults.com/face</a>
Product lead capture site (body):	<a href="http://realresults.com/body">http://</a>	<a href="http://realresults.com/body">.realresults.com/body</a>
Product lead capture site (mind):	<a href="http://realresults.com/mind">http://</a>	<a href="http://realresults.com/mind">.realresults.com/mind</a>
Young Entrepreneur Program lead capture site:	<a href="http://successtoday.com/yep">http://</a>	<a href="http://successtoday.com/yep">.successtoday.com/yep</a>

## My Support Team

Sponsor (name, phone, rank): \_\_\_\_\_

Upline Leader (name, phone, rank): \_\_\_\_\_

Market Leader (name, phone, rank): \_\_\_\_\_

## What does each site do?

### Personal corporate site:

Robust site about Nerium products and the Nerium opportunity.

### Personal corporate product site:

Comprehensive site detailing Nerium products only.

### Opportunity lead capture site:

Simple, single page designed to be sent to a prospect so they can find out more about the Nerium opportunity. The site will capture a prospect's information and notify you via email that they have visited.

### Product lead capture sites:

Simple, single-page information sites designed to be sent to prospects so they can learn more about Nerium products overall or products specifically for the face, body or mind. These sites will capture a prospect's information and notify you via email that they have visited.

### Young Entrepreneur Program lead capture site:

The page focuses on fun, travel and lifestyle freedom and is targeted to budding entrepreneurs between the ages of 18–29. The site will capture their information and notify you via email that they have visited.

## Build Your Customer Base

Nerium products are the cornerstone of a Brand Partner's business at Nerium International. Your goal is to build a long-term customer base. To acquire new customers, we do two things: share our products to sample or sell them directly. The process for both is simple.

### SHARE Product Prospecting System (PPS)

Best for: Night Cream or Night/Day Cream Action Pack

1. **Contact your list.** Simply tell prospects, "I have something to show you. When can I drop by?"
2. **Share your product.** Give your prospects product to try for 5 nights, 4 pumps each night, with a copy of The Nerium Difference brochure. Prospects MUST agree to take "Before" and "After" photos. To make it easier, offer to take the photo for them!
3. **Touch base with prospect.** Text or call your prospects after you drop off the product. Remind them to apply the product to clean, damp, makeup-free skin each night.
4. **Follow up/Schedule product pickup.** Call to schedule a pickup. Confirm that they have been using the product each night and remind them to take an "After" photo.
5. **Pick up your product.** Take their "After" photo when you pick up the product if they haven't already done so. Not everyone has the same visual result, but most feel the product working. Promote 3UR Free and our 30-Day Money Back Guarantee.

### SELL Direct Sale to Customers

Best for: Contour Cream, EHT and Eye Serum

1. **Contact your list.** Simply tell prospects, "I have something to show you. When can I drop by?"
2. **Use third-party tools.** When speaking with your prospects, always point to a third-party tool. Use "Before" and "After" photos, magazines or product videos. Our company-approved resources are effective and compliant.
3. **Promote our customer programs.** Use both our 3UR Free Program and 30-Day Money Back Guarantee to entice prospects to purchase our products.
4. **Place orders.** Enroll your prospects as Preferred Customers for best pricing.
5. **Ask for referrals.** Don't be afraid to ask your customers for referrals. Every referral is one step closer to them earning their product for free with 3UR Free!

## Build-A-Blitz

Need more inventory to share or sell to prospects? If you've been a Brand Partner for at least 30 days, you have access to our special Build-a-Blitz program. In your Online Business Center, create a personalized Blitz Pack to help you acquire new customers.

### Here's how it works:

- Log into your Online Business Center.
- Shop for products using any kind of product combination or quantity you desire.
- Our smart cart will automatically apply discounts to your products. The more you purchase, the more you save.

**Tip: If you have extra product when enrolling new Preferred Customers, consider the Delayed ADO or First Order Ship programs. Ask your upline support for details.**



# Customer Retention

## CUSTOMER ACQUISITION

Acquiring customers is the cornerstone of your Nerium business. Here are some initial goals to focus on so you can build a solid customer base.

### 1. Become 3UR Free qualified.

Acquiring three Preferred Customers for your 3UR Free qualifications should be your first goal. 3UR Free allows you to get your products for free each month that you qualify.\* The best way to gain new customers is to host Real Results Parties!

### 2. Help your new Brand Partners become 3UR Free qualified.

Personally assist your new BPs in acquiring their first three customers. When your BPs are 3UR Free qualified, it leads to higher retention.

### 3. Set your goal to acquire nine customers.

By acquiring nine customers, you will reach the maximum Customer Acquisition Bonus.

## CUSTOMER ONBOARDING

It is important to create a great experience for your customers from day one. Don't stop at the sale – when a customer signs up your work is just beginning!

### 1. Say thank you!

Send a thank you text or email within 24 hours of a new customer's order.

### 2. Set correct expectations.

**TIMEFRAME FOR RESULTS:** The signs of aging of the skin and brain develop over a long period of time. Encourage your customer to commit to at least 90 days of consistent usage for noticeable results.

**USAGE:** Using Nerium's products consistently and correctly every day impacts results dramatically. Text your customers links to usage videos for the product they purchased. These can be accessed at [nerium.com/howto](http://nerium.com/howto).

## CUSTOMER NURTURING

### 1. Follow the 90-Day Customer Onboarding Road Map.

It's essential that each new Preferred Customer is personally welcomed into the Nerium Family. That's why we've created the 90-Day Customer Onboarding Road Map, which tells you what we at corporate are doing to enhance your new customers' Nerium Experience and details what you can do to best serve your customers. You can find the road map in your Online Business Center.

### 2. Ensure they know about Nerium's Preferred Customer (PC) Loyalty Program.

**3UR FREE:** Help customers refer friends to buy Nerium's products so they can earn their ongoing order for free.

**DISCOUNTED ORDERS:** After their second ADO processes, PCs earn a 5% discount on their order. After their third consecutive ADO, they lock in their 10% discount.

**FREE SHIPPING:** After their fourth consecutive ADO, PCs earn FREE shipping on their ADO orders and earn Premier PC Status.

*Please note that the first four orders must run consecutively to earn PC Loyalty Program benefits. If their ADO doesn't run two months in a row, then the PC will lose their Perks and must start all over again.*

### 3. Help them manage their orders.

Five days BEFORE their ADO processes, call to check in on how everything is going. If the customer indicates that he or she has too much product and doesn't need next month's shipment, suggest other Nerium products they could try next month or, if needed, tell them how to delay their ADO for 30 days.

### 4. Manage at-risk orders.

Check the At-Risk PC Report for any orders that are at risk due to credit card expiration or decline. Personally call those PCs and help them set up a new form of payment.

\*See Compensation Plan for full rules on 3UR Free qualifications.

# Nerium's Product Promise

Our products are powered by proprietary technology that harnesses the best from science and nature. We use exclusive, patented ingredients with a mix of antioxidants, peptides, plant extracts and vitamins to craft products that target multiple signs of aging, including fine lines, wrinkles, uneven texture, discoloration, enlarged pores and sagging skin.

Many of our ingredients can ONLY be found in Nerium products. To put it simply: No one else currently has, or ever will have, these ingredients. You can be confident knowing that you represent scientifically proven products that can only be offered by Nerium Independent Brand Partners.

## Here are a few of our exclusive ingredients:

### NAE-8®:

Found in both Age-Defying Night Cream and Age-Defying Day Cream, NeriumAD® Formula, as well as in Firming Body Contour Cream, NeriumAD Formula, the NAE-8 extract is a powerful antioxidant. It is a patented, proprietary blend of nerium oleander and aloe vera that helps reduce the appearance of fine lines and wrinkles.

### SIG-1273®:

Found in Age-Defying Night and Day Creams, Optimera™ Formula and Firming Body Contour Cream, Optimera Formula, SIG-1273 is a patented, advanced molecule that boosts the skin's ability to combat the oxidative stress that can lead to the appearance of fine lines, wrinkles and discoloration.

### SIG-1191™:

Found in Age-Defying Eye Serum, SIG-1191 is a patent-pending, exclusive ingredient that works as a super antioxidant and skin hydrator specifically developed to target aging around the eyes.

### I-FIL4R™:

Found in Age-Defying Eye Serum, I-FIL4R is an exclusive ingredient derived from white lily and Brazilian ginseng that helps reduce the appearance of puffiness, fine lines and dark circles.

### EHT®:

Found in EHT® Age-Defying Supplement, Mind Enhancement™ Formula, EHT includes our exclusive, patented extract which is comprised of a natural mixture of bioactive molecules isolated from coffee. It helps improve memory and recall, as well as increase focus and mental alertness.\*

## Need to know more?

- All Nerium skincare products are paraben free and dermatologist tested.
- All Nerium products offer a 30-Day Money Back Guarantee! More detailed information about our products can be found in our Product Training Guide.



\*These statements have not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure or prevent any disease.



# Leveraging Real Results Parties

The best way to successfully launch your business is a Real Results Party. The purpose of a Nerium Real Results Party (RRP) is to give a high-level overview presentation of Nerium, its products and the opportunity.

## Why are Real Results Parties so effective?

- They're simple, low key and – most importantly – fun.
- They're easy to duplicate with a proven formula for success.
- They allow you to share Nerium products and opportunity with multiple people at once.

All you need to do now is decide what kind of party you'd like to host. You can use one of our suggested themes shown below, or your own imagination as a guide!



Coffee and Dessert



Wine and Cheese



Create your own Party

## You can also host a 3UR Free Party! Important things to remember about 3UR Free parties include:

- They focus on product only.
- They help your Preferred Customers qualify for the 3UR Free program.
- They help you acquire new retail or Preferred Customers.

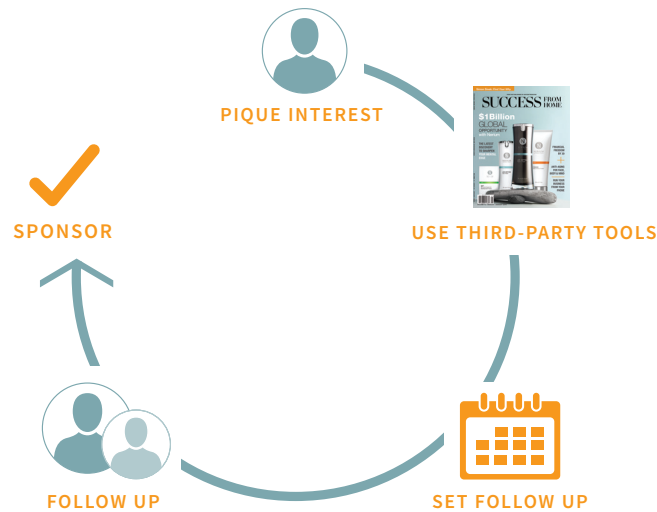
## Ready to Party?

For complete details about RRP's or 3UR Free Parties, please download the Real Results Party Toolkit or watch the training module in your Online Training Center.

## 31 | SUCCESS PLANNER Resources

# Master the “2-A-Day”

Use the “Sort vs. Sell” strategy with Nerium's 2-A-Day Promotion System. Simply share Nerium's products or Brand Partner opportunity with at least two people each day, every day.



**Pique Interest.** Start the conversation by sharing the products and what they have done for your skin.



**Use Third-Party Tools.** Nerium's magazines and other third-party tools allow you to be the messenger, not the message. Say less and let the tools say more!



**Set Follow Up.** Schedule a specific time to check in with prospects on the information you have shared.



**Follow Up.** Ask your prospects what they like most about Nerium.

**3-Way Call.** Call with the help of an upline leader. This will allow you to get all their questions answered right away from a credible source.

**Live Event.** Invite your prospect to a RRP or a Market Party. This is where all the magic happens!

**One-on-One Meeting.** Whether at a local coffee shop or over the phone, give prospects your personal attention.



**Sponsor.** Sponsoring a new Brand Partner and acquiring Preferred Customers is vital. Make sure your new Brand Partners go through New Brand Partner Training. Also, encourage new Preferred Customers to get their product free through the 3UR Free program.

# Nerium Compensation

Brand Partners get paid multiple ways through our Compensation Plan. You have the opportunity to earn a percentage of the packs and products you and your team sell. Below are examples of earning potential. See the Compensation Plan for complete details.

## WEEKLY MONEY

Pack Bonus	Pack Differential Bonus	Customer Acquisition Bonus
<b>10-30%</b> Sell a pack to a new Brand Partner and earn a bonus.	<b>2-20%</b> Earn a Differential Bonus for each pack sold by your team.	<b>20-40%</b> Get paid for new Preferred Customers' orders.
		<b>5-20%</b> Earn Differential Bonuses on new Preferred Customer sales made by your team.

## MONTHLY MONEY

LEADERSHIP BONUS	TEAM COMMISSIONS	COACHING COMMISSIONS
<b>5-8% Commissions</b> Earn potential long-term income based on your team's volume.		<b>10% Check Match</b> Earn up to a 10% commission on your personally sponsored Brand Partners' earnings.

## LIVE BETTER BONUS

Get financially rewarded for reaching advanced ranks. You must maintain personal NMD qualifications to maintain each rank and meet all qualifications to earn a Live Better Bonus. Grace Period does not apply.

<b>\$50K</b> National Marketing Director	<b>\$150K</b> 3-Star National Marketing Director	<b>\$375K</b> 5-Star National Marketing Director	<b>\$750K</b> International Marketing Director	<b>\$1.5M</b> Gold International Marketing Director
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All commissions and bonuses defined in this document are paid in U.S. dollars. Please see Compensation Plan for complete details on all bonuses.

# Build Your Customer Base



## Sell your products

Earn extra profit by selling bottles from Packs or the Nerium Gives Back Program at retail value. Acquire Preferred Customers and earn CAB Bonuses based on the number of PCs you've enrolled.

### CAB BY RANK ADVANCEMENT

	Brand Partner	Senior Brand Partner	Director	Senior Director	Executive Director	Regional Marketing Director	National Marketing Director
Percentage Earned	20%	30%	35%	40%	40%	40%	40%

### CAB BY PREFERRED CUSTOMERS

	3 Preferred Customers	6 Preferred Customers	9 Preferred Customers
Percentage Earned	30%	35%	40%

### POTENTIAL LONG-TERM INCOME

Customer Commissionable Volume (CCV)	Earning Potential
201-400	10%
401-1000	15%
1001+	25%

All commissions and bonuses defined in this document are paid in U.S. dollars.

# 3UR Free Program

Personally sponsor at least three Preferred Customers and receive your next month's Nerium ADO FREE! All three Preferred Customer orders must process during the same calendar month to qualify you for your free ADO the following month.

## REASONS TO PROMOTE 3UR FREE:

1. You can get your Nerium product for free.
2. You can help your Preferred Customers and Brand Partners get their Nerium product for free.
3. Earn Nerium Gives Back product for each new personally sponsored Preferred Customer.
4. Increase your retention rate. People don't stop using free product.
5. Increase your commissions with high customer retention rate.
6. New Preferred Customers equal more Customer Acquisition Bonuses.

Make it a goal to help each one of your Preferred Customers and Brand Partners qualify for 3UR Free. You can do this by hosting 3UR Free Real Results Parties for them and making sure they know how to refer friends to their website.



# Nerium Gives Back Program

## HOW NERIUM GIVES BACK (NGB) WORKS:

1. **Enroll** a new Preferred Customer or Brand Partner with an Auto-Delivery Order.
2. **Earn** NGB Rewards Points for each enrolled qualifying Preferred Customer or Brand Partner.
3. **Choose** any product as an NGB Reward. For example, be awarded points by enrolling new PCs with Nerium Night Cream, and then you can redeem the points for EHT or Eye Serum. It's up to you!
4. **Redeem** all or some of your points at your discretion. You decide when you want to redeem your rewards.



## Example:



### 1. Enroll

Enroll a new Preferred Customer or Brand Partner with an Auto-Delivery Order.



### 2. Earn

Earn NGB points for each enrolled qualifying Preferred Customer or Brand Partner.



### 3. Choose

Choose any of our Nerium products as an NGB Reward. For example, you will be awarded points by enrolling a new PC with Body Contour Cream and then you can redeem these points for EHT. It's up to you!



### 4. Redeem

Use all or some of your points at your discretion. NGB Rewards points expire 180 days from the date they are earned.

Note: NGB Rewards points expire 180 days from the date they are earned. Refer to the NGB Rewards area in your Online Business Center for point earnings possibilities.

# Brand Partner Support

## Know Who to Contact

### Upline Leader Support vs. Corporate Support

At Nerium International, we encourage our Brand Partners to leverage their upline leadership team and the corporate staff. Need help or have a specific question? Don't know who to call? Use the tips below to point you in the right direction.

### Call upline leadership team on topics like:

- How the Compensation Plan works
- What you need to do to advance to the next level
- Where to find the next live event in your market
- Clarifications on programs such as Road Map to Lexus, etc.

### Call customer service on topics like:

- Issues with Auto-Delivery Orders
- Website or other technical support questions
- Problems signing up a new Preferred Customer or Brand Partner

*Answers to questions regarding Nerium products can be found in the Product Training Guide.*

## Corporate Support

### CUSTOMER SERVICE

**Monday–Friday, 8:00 a.m.–6:00 p.m. CT**

Phone (Continental U.S.): 855-463-7486

Phone (U.S. Territories): 855-453-1020

Fax: 214-390-9988

Website & FAQ: [neriumsupport.com](http://neriumsupport.com)

Happiness Heroes  
(Customer Care Team): 844-525-2008

### DIRECT EMAILS

Live Events: [events@nerium.com](mailto:events@nerium.com)

"Before" & "After" Photos: [realresults@nerium.com](mailto:realresults@nerium.com)

Field Pictures, including:  
iPad, Lexus, Party Pictures,  
Live Events, Nerium Gives Back  
[socialmedia@nerium.com](mailto:socialmedia@nerium.com)

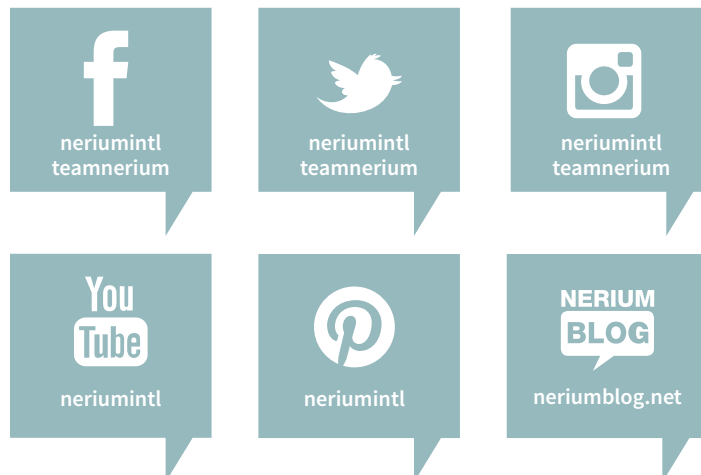
### VENDOR SUPPORT

Paylution (Direct Deposit): 877-546-8220



Check for answers on the **ONLINE NERIUM SUPPORT CENTER (NERIUMSUPPORT.COM)** before calling.

## Connect with Nerium



# Nerium's Achievements



## 2011:

- Launched in August with a corporate staff of 13
- Company built upon one product: Age-Defying Night Cream, NeriumAD® Formula

## 2012:

- Awarded Bravo Award for Growth from *Direct Selling News*
- Youngest company to make *Direct Selling News*' Global 100 List of relationship marketing companies, ranking #86
- Achieved over \$100M in annual revenue

## 2013:

- Awarded the Community Impact Award from Big Brothers Big Sisters for raising over \$500K in one year
- Launched Age-Defying Day Cream, NeriumAD Formula in the U.S.
- Founder and CEO, Jeff Olson launched *Live Happy* magazine
- Achieved over \$200M in annual revenue
- Ranked #54 on *Direct Selling News*' Global 100 List of relationship marketing companies


## 2014:

- Inducted into *Direct Selling News*' \$100 Million Growth Club
- Raised \$1 million for Big Brothers Big Sisters, becoming the largest corporate workplace donor
- Launched in Canada and Mexico with Age-Defying Night and Day Creams, Optimera™ Formula
- Introduced Firming Body Contour Cream, NeriumAD Formula in U.S.
- Won seven Stevie Awards, three MarCom Awards and two Best in Biz Awards
- Ranked #40 on *Direct Selling News*' Global 100 List of relationship marketing companies
- Achieved over \$400M in annual revenue

## 2015:

- Introduced new proprietary ingredient SIG-1273® in Optimera Formula
- Launched EHT® Age-Defying Supplement, Mind Enhancement™ Formula in the U.S. and Firming Body Contour Cream, Optimera Formula in Canada and Mexico
- Awarded Big Brothers Big Sisters President's Award, the organization's highest corporate honor
- Opened in South Korea with Age-Defying Night and Day Creams, Optimera Plus™ Formula
- Won *Dallas Business Journal* Best Places to Work Award, WWD Global 100 Award, three Stevie Awards and six CEO World Awards
- Received several prestigious marketing awards, including MarCom, Hermes and GDUSA
- Hit \$1 Billion dollars in cumulative sales





“The future  
belongs to those  
who believe in  
their dreams.”

- Jeff Olson



\*86610214\*

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# ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Nerium International Accused of Operating Illegal Pyramid Scheme](#)

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