

## 2019 INDEPENDENT BUSINESS OWNER ANNUAL COMPENSATION SUMMARY

### COMPANY OVERVIEW

S&D Family of Brands is a social selling company that creates flexible business opportunities for women. Our boutique-style accessories and apparel line is available exclusively online and through in-home Sales Events by Independent Business Owners. S&D Family of Brands operates in the United States and Canada.

\*In January 2020, Stella & Dot merged its Family of Brands (Stella & Dot, Keep Collective, and EVER Skincare) into S&D Family of Brands. The figures mentioned are reflective of the individual brands prior to the merge in 2019. The use of the term 'Ambassador' encompasses Stella & Dot Stylists, KEEP Collective Designers, and EVER Specialists.

### THE OPPORTUNITY

As an Ambassador, you are an Independent Business Owner who decides when and where to share and sell S&D Family of Brands products and how much time you want to invest in your own independent business. This allows you to create a business that fits your life, scaling up or down as you wish. As an Ambassador, you are eligible to purchase our products at reduced prices, be a part of our amazing Ambassador Community, and earn monthly commissions based on product sales volume.

### AVERAGE ANNUAL EARNINGS OF PAID IN 2019

The figures below reflect the average aggregate earnings from all Independent Ambassadors each month who received a payout from S&D Family of Brands in 2019. Please note that the income is listed in three different tables representing the different types of business owners we had in 2019. In 2020, there is one opportunity.

ACTIVE INDEPENDENT STYLIST CAREER LEVEL	% OF ACTIVE STYLISTS AT THIS LEVEL	2019 INCOME*			
		HIGH	TOP 25%	BOTTOM 25%	AVERAGE
Stylist	70.7%	35,200	1,300	200	1,100
Lead Stylist	3.2%	13,700	1,600	300	1,300
Associate Stylist	11.3%	32,900	3,500	600	2,700
Senior Stylist	5.3%	36,100	5,300	900	4,200
Star Stylist	5.8%	145,800	13,900	2,800	11,300
Associate Director	2.1%	91,900	29,400	6,600	20,500
Director	0.9%	137,400	53,000	17,000	39,200
Senior Director	0.3%	132,500	84,300	38,000	64,900
Star Director	0.2%	152,500	118,000	71,500	98,300
Exec Director & Above	0.2%	446,000	268,500	129,200	207,100

*\*Based on monthly average commissions paid in 2019 to Paid Stylists at each career level.*

ACTIVE INDEPENDENT DESIGNER CAREER LEVEL	% OF ACTIVE DESIGNERS AT THIS LEVEL	2019 INCOME*			
		HIGH	TOP 25%	BOTTOM 25%	AVERAGE
Designer	74.6%	12,600	700	100	600
Lead Designer	9.6%	4,300	800	100	600
Designer & Lead Designer	84.2%	12,600	700	100	600
Associate Designer	8.3%	8,900	1,300	200	1,100
Senior Designer	3.3%	11,100	2,100	300	1,800
Star Designer	2.4%	16,600	2,500	400	2,300
Associate Director	1.2%	16,000	3,600	300	2,800
Director	0.3%	32,400	21,500	6,300	14,600
Senior Director	0.1%	7,200	6,000	5,600	5,600
Star Director	0.0%	41,000	40,400	39,200	39,800
Executive Director	0.0%	-	-	-	-
Platinum Director	0.1%	56,800	67,000	64,600	65,800
Diamond Director	0.0%	-	-	-	-
Ex Director+	0.1%	56,800	67,000	64,600	65,800

*\*Based on monthly average commissions paid in 2019 to Paid Designers at each career level.*

ACTIVE INDEPENDENT DESIGNER CAREER LEVEL	% OF ACTIVE DESIGNERS AT THIS LEVEL	2019 INCOME*			
		HIGH	TOP 25%	BOTTOM 25%	AVERAGE
Personal Specialist	10.1%	2,100	400	100	300
Specialist	51.4%	3,900	700	200	500
Senior Specialist	16.4%	6,500	1,900	500	1,400
Influencer	10.5%	14,900	4,000	1,300	3,000
Senior Influencer	4.9%	36,500	7,500	3,500	6,200
Executive	4.3%	99,000	19,900	8,500	16,500
Senior Executive	0.9%	69,000	37,700	22,100	31,500
Vice President	0.8%	96,500	80,500	49,400	64,700
Senior Vice President	0.3%	217,800	160,900	92,000	130,800
<b>Specialist +</b>	<b>89.4%</b>	<b>217,800</b>	<b>1,800</b>	<b>300</b>	<b>3,300</b>

*\*Based on monthly average commissions paid in 2019 to Paid Independent Specialists at each career level.*

#### INFORMATION ABOUT EARNING COMMISSIONS

S&D Family of Brands' Compensation Plan is based on product sales. Independent Ambassadors cannot earn income on recruitment or sponsoring of other Ambassadors.

Not all Independent Ambassadors are qualified to receive commissions each month. Ambassadors who are not paid are still eligible to purchase S&D Family of Brands products at a discount. The figures in the charts above represent the average commissions paid in 2019 to Independent Ambassadors in the United States who qualified to receive commissions.

Paid Independent Ambassadors include Independent Ambassadors who sold at least \$1 in a given month. The average earnings of all paid Ambassadors who qualified to earn personal sales commissions and not team sales commissions in the United States is segmented by brand, below.

#### STYLISTS

The average earnings of all US Stylists, paid and non-paid in 2019 was \$743. The average earnings of all paid Stylists who qualified to earn both personal sales and team sales commissions in the United States earned \$9,557 on average in 2019. An average of 72% of Independent Stylists in the United States were not paid for any given month in 2019.

#### DESIGNERS

The average earnings of all US Designers, paid and non-paid in 2019 was \$170. The average earnings of all paid Designers who qualified to earn both personal sales and team sales commissions in the United States earned \$1,537 on average in 2019. An average of 70% of Independent Designers in the United States were not paid for any given month in 2019.

#### SPECIALISTS

The average earnings of all US Specialists, paid and non-paid in 2019 was \$260. The average earnings of all paid Specialists who qualified to earn both personal sales and team sales commissions in the United States earned \$3,256 on average in 2019. An average of 73% of Independent Specialists in the United States were not paid for any given month in 2019.

The earnings represented herein are not necessarily representative of the income, if any, that an Independent Ambassadors can or will earn. There is no guarantee that any Independent Ambassadors will earn any income. The success of each Independent Ambassador, like any other business, depends on individual skills and personal effort. For further details about the S&D Family of Brands Compensation Plan, speak to your Independent Ambassadors Upline, visit your Ambassadors Lounge or email the Delight Center at [service@stelladot.com](mailto:service@stelladot.com).