

MÖDERE. | 2019 INCOME DISCLOSURE STATEMENT

COMPANY OVERVIEW

At Modere, our unique Social Retail business model focuses primarily on attracting, retaining and growing retail customers. These efforts are demonstrated by a ratio of nearly seven customers to each Social Marketer. We support this value proposition with a compensation model that rewards Social Marketers who refer shoppers to our brand and develop teams of other Social Marketers to do the same.

This is opportunity — styled to complement natural conversations, everyday activities and individual paths. Together we are creating an entirely new approach, where every participant can proactively define their own unique level of success.

The Modere compensation plan provides two ways for Social Marketers to be recognized for their efforts. “Builder” titles are awarded in acknowledgement of their progress in team building, while “Promoter” titles recognize the important milestones they reach in monthly customer sales. The further along a Social Marketer advances in the Modere career path, the greater his or her earning potential.

COMPENSATION

As with any sales opportunity, the actual compensation levels can vary significantly depending on a number of different factors. The cost to enroll and begin a Social Marketer business is very low. Some are initially introduced to the products via our innovative Social Retail business model, through which customers may choose to become Social Marketers. Many individuals may also choose to participate in the business to improve their networking skills or to take advantage of the entrepreneurial opportunity to manage their own business. While there are many reasons people join our company, there are those who may ultimately never purchase products nor refer other customers or business builders. Consequently, many Social Marketers never qualify to earn commissions.

Generating meaningful compensation as a Social Marketer requires considerable time, effort, and commitment. This is not a get-rich-quick program; there are no guarantees of financial success, and results will vary widely among participants. To qualify for any bonus, you must meet all requirements of the Modere Compensation Plan.

COMMISSIONS

Social Marketers earn commissions based on the sale of products in his/her network of Social Marketers and customers in all countries where Modere does business. The company also sells promotional materials that do not generate commissions.

The income statistics in this statement are based on incomes earned by all active U.S. Social Marketers, including those derived from sales generated within their organization in all countries where they may conduct business.

For the purposes of this disclosure, an active Social Marketer describes any newly enrolled Social Marketer in 2019, regardless of whether they placed a product order or earned commission, as well as any Social Marketer who made at least one product purchase, referred new customers who purchased product or earned any commission in 2019. The average commissions for all active Social Marketers during this period was \$205.86 monthly, with a minimum average monthly commission of \$147.79 and a maximum average of \$256.95. The average monthly commission paid to US Social Marketers who earned a commission payment was \$846.31, with a minimum average monthly commission of \$619.04 and a maximum average of \$1,136.96. On a monthly basis, an average of 25.7% all active Social Marketers earned commissions.

Note that the Social Marketer compensation summarized in this disclosure does not include expenses incurred by a member in the operation or promotion of his or her business, which can vary widely and might include advertising or promotional expenses, product samples, training, rent, travel, telephone and Internet costs, and miscellaneous expenses. The Social Marketer earnings cited in this chart are not necessarily representative of the income, if any, that a Modere Social Marketer can or will earn through the Modere Compensation Plan. These figures should not be considered guarantees or projections of actual earnings or profits. Your success will depend on individual diligence, work, effort, sales skill, and market conditions. Modere does not guarantee any income or rank success.

All income is earned on the sale of Modere products. No benefits or bonuses are paid or received solely through recruiting or enrolling other Social Marketers, and no earnings are guaranteed from mere participation in the Compensation Plan.

Commission Earned Ranges	Monthly Average Commissions ¹	Percent of Active Social Marketers ²	Percent of Total Commission Earners ³
\$0.01-200	\$66.84	16.24%	63.25%
\$201-500	\$316.66	4.34%	16.89%
\$501-2,000	\$994.51	3.49%	13.21%
\$2,001-5,000	\$2,983.61	1.10%	4.27%
\$5,001-10,000	\$6,866.73	0.31%	1.19%
\$10,001-20,000	\$13,739.60	0.14%	0.55%
\$20,001-50,000	\$34,833.63	0.11%	0.41%
\$50,000+	\$70,397.14	0.06%	0.23%

¹ These numbers are calculated by taking the monthly average income of all earners for the given earnings range for each calendar month of the period, which are then combined to calculate an overall average for the year. In each given month the active Social Marketer count included the given month and the six month period prior in accordance with the company's Business Activity definition.

² These percentages are calculated by the annual average total active Social Marketer count for each of the defined earnings ranges and dividing by the total average number of all active Social Marketers in the period.

³ These percentages are calculated by taking the annual average total active Social Marketers count who earned a commission for each of the defined earnings ranges and dividing by the total average number of active Social Marketers of all those ranges.