

2016 INDEPENDENT STYLIST ANNUAL COMPENSATION SUMMARY - US

INDEPENDENT STYLISTS EARN UP TO 35% RETAIL COMMISSION FROM PERSONAL SALES

Independent Stylists earn up to 35% commission on all personal sales based on Personal Qualified Volume (PQV) from Trunk Shows, via their personal websites or individual orders, and 5% commission from corporate referral orders.

MONTHLY SALES	MONTHLY PERSONAL SALES COMMISSION POTENTIAL
\$2,000	\$500
\$4,000	\$1,200
\$8,000	\$2,560
\$12,000	\$4,200

Independent Stylists earn a base 25% weekly commission and additional monthly Power Seller Bonuses as follows: +5% over 2,500 PQV in a month, +7% over 5,000 PQV in a month, +10% over 10,000 PQV in a month. Independent Stylists earn team sales commissions on the sales achieved by those they sponsor to their team. The percentage earned depends on Pay Rank. Stella & Dot Independent Stylists in North America are also eligible to earn commissions on the sales achieved by those Independent Business Owners they refer to another Stella & Dot Family Brand.

AVERAGE ANNUAL EARNINGS OF ACTIVE STELLA & DOT INDEPENDENT STYLISTS

The US statements below are calculated consistent with what was presented in the 2016 IDS. The average for stylists aligns with what we present as the average earnings for Stylists in the chart (unrounded). For Lead Stylist+, it's weighted average earnings with the weights based on % active at each level.

ACTIVE INDEPENDENT STYLIST CAREER LEVEL	% OF ACTIVE STYLIST AT THIS LEVEL	2016 INCOME*			
		HIGH	TOP 25%	BOTTOM 25%	AVERAGE
Stylist	73.3%	\$53,600	\$2,100	\$300	\$1,700
Lead Stylist	5.1%	\$18,300	\$2,300	\$400	\$1,700
Associate Stylist	10.2%	\$32,900	\$5,600	\$1,100	\$4,100
Senior Stylist	3.5%	\$38,200	\$9,300	\$2,100	\$6,400
Star Stylist	4.9%	\$94,900	\$19,400	\$4,600	\$13,500
Associate Director	1.8%	\$92,000	\$34,100	\$13,600	\$24,900
Director	0.8%	\$126,000	\$58,100	\$32,000	\$46,400
Senior Director	0.2%	\$189,900	\$100,300	\$63,300	\$86,800
Star Director	0.2%	\$212,400	\$143,600	\$107,500	\$129,700
Executive Director & above**	0.2%	\$693,500	\$304,300	\$171,700	\$265,900

*Based on monthly average commissions paid in 2016 for Active Stylists at each Career level.

**This includes Executive Directors, Platinum Directors and Diamond Directors. Note Executive Director was a new career rank introduced in September 2015.

COMPANY OVERVIEW

Stella & Dot, an Inc. 500 Fastest-Growing Company, is a San Francisco-based social selling company that creates flexible business opportunities. Our boutique-style jewelry and accessories line is available exclusively online and through in-home Trunk Shows by Independent Stylists. Stella & Dot operates in the United States, Canada, United Kingdom, Ireland, Germany and France.

INFORMATION ABOUT EARNING COMMISSIONS

Not all Independent Stylists are qualified to receive commissions each month. The figures in the chart above represent the average commissions paid in 2016 to Independent Stylists in the United States who qualified to receive commissions. Active Independent Stylists include Independent Stylists who sold at least \$1 in a given month. The average earnings of all active Stylists who qualified to earn personal sales commissions and not team sales commissions in the United States earned \$1,753. The average earnings of all active Stylists who qualified to earn both personal sales and team sales commissions in the United States earned \$11,777 on average in 2016. Stylists who are inactive are still eligible to purchase Stella & Dot products at a discount.

The earnings represented herein are not necessarily representative of the income, if any, that an Independent Stylist can or will earn. There is no guarantee that any Independent Stylist will earn any income. The success of each Independent Stylist, like any other business, depends on individual skills and personal effort. For further details about the Stella & Dot Compensation Plan, speak to your Independent Stylist, Upline Leader or Mentor, visit your Stylist Lounge or call Customer Service at 866-444-7142.