

# Life Force International Compensation Plan Details

Effective January 1, 2009

## Fast Start Bonus†

The Fast Start Bonus will be paid to the Enrollment Sponsor on all First Time Orders up to 224 BV.\* All new business volume that is over 224 BV will be paid on the monthly commission schedule.

### Enroller Qualification Requirements:

- The Enrollment Sponsor must be on Autoship of 25 BV, 50 BV or 100 BV and have a qualifying order processed to receive the Fast Start Bonus.
- If the Enroller does not meet their qualification for payment of the Fast Start Bonus, the Fast Start Bonus will be rolled up the enrollment sponsor tree and paid to the next qualified member.
- The Fast Start Bonus will be paid on both customers and members.
- There is no time limit on a member earning Fast Start Bonuses.

A **Current Member** must have an Autoship set up in the current month and an Autoship order processed in the prior month to qualify for Fast Start Bonuses.

A **New Member** (registering in the current month) must have a First Time Order in the same month, and an Autoship set up in the current and following month, to receive Fast Start Bonuses.\*

\*A New Member's First Time Order (FTO) must be placed within the same week they register to qualify for Fast Start Bonuses for that week.

A Current Customer that upgrades to Member status must have an Autoship order processed within the same week, or earlier in the same month they upgrade to Member status to qualify for Fast Start Bonuses for that week.

The Fast Start Bonus has three different bonus percentages the Enroller can earn at, based on Autoship Business Volume (BV).

Associate 1	25 BV Autoship	Fast Start Bonus = 25% of BV
Associate 2	50 BV Autoship	Fast Start Bonus = 30% of BV
Associate 3	100 BV Autoship	Fast Start Bonus = 55% of BV

### Fast Start Enroller Payout Example:

Member On	Enrolls in 1 week	With FTO	%	Fast Start Bonus
100 BV Autoship	3 Members or Customers	100 BV	55%	\$165
50 BV Autoship	3 Members or Customers	100 BV	30%	\$90
25 BV Autoship	3 Members or Customers	100 BV	25%	\$75

In addition to Fast Start Bonuses, First Time Orders will also qualify for Generational Power Bonus, Advancement Bonus, 3 Star and Crown Diamond Revenue Sharing Bonuses.

In light of up to 55% of BV between FSB and additional bonuses being paid on First Time Orders, other upline commissions will not be paid unless the total BV is greater than 224. The amount over 224 BV will be paid on the monthly commission schedule.

First Time Orders by new members or customers do count for all pin level and advancement qualification purposes.

### Qualification & Pay Periods:

The Fast Start Bonus will pay weekly.

This means a member can receive up to 5 checks each month from Life Force.

The qualification period for Fast Start begins on Monday at 12:01 a.m. and runs until Sunday 12:00 p.m. PT.

Fast Start payments will be processed two weeks after the qualification period.

### Achievers Club†

The Achievers Club is designed to reward an unlimited number of members ranked A3 and above on First Time Orders (FTO). The total bonus pool consists of 15% of total monthly FTO volume, and is paid on a pro-rata basis. Additionally, the bonus can be earned on 5 separate tiers of BV.

### Bonus Payout:

- Achievers Club pays monthly.
- Additional incremental rewards within the total pool of 15% of monthly FTO are split into 5 tiers of pools.
  1. 750 FTO BV 6%
  2. 1500 FTO BV 3%
  3. 3000 FTO BV 2%
  4. 5000 FTO BV 2%
  5. 10,000 FTO BV 2%
- The 750 tier is paid out on a hybrid (30% equal shares : 70% pro-rata)
- All other tiers are paid pro-rata

### Enroller Qualifications:

- The Enrollment Sponsor must be on Autoship of 100 BV and have a 100 BV qualifying order processed in the month.
- Must be the Enrollment Sponsor of a minimum of 750 BV in First Time Orders\*  
*\*Note: Only the first 224 BV of a single First Time Orders counts towards the bonus*

## Residual Bonus†

The Life Force Compensation Plan has 3 Options that a member can choose from to qualify for Residual Bonus commissions each month.

Qualification is based on an uncompressed genealogy. Payment of commissions is based on the compressed genealogy.

The following are the 3 option choices:

	Option 1 25 BV	Option 2 50 BV Autoship	Option 3 100 BV Autoship
1 <sup>st</sup> Level	5%	5%	5%
2 <sup>nd</sup> Level	20%	25%	40%
3 <sup>rd</sup> Level	---	---	10%

Qualified Associate 3 and above earn at Option 3 level

## Qualification Requirements & Pay Period:

A Member can qualify to earn Residual Bonuses every calendar month. Residual Bonuses are paid monthly. Life Force pays checks on the 10<sup>th</sup> of each month for the prior month's business.

## Infinity Bonus†

The Life Force Infinity Bonus pays on multiple levels. A total of 14% BV is paid out to qualified members.

Level	Bronze	Silver	Gold	Platinum	Diamond
4 +	2%	4%	6%	10%	14%

## Bronze Qualification:

- Must have a 100 BV Autoship established in the current commission period and have a qualifying order processed in the current commission period.
  - Must be the enrollment sponsor for one 1<sup>st</sup> Level Member on a 100 BV Autoship **or** be the enrollment sponsor for 200 BV Total 1<sup>st</sup> Level Autoship Volume. (The 200 BV can be made up of customer or member Autoship volume.)
    - A maximum of 100 BV will be counted per member or customer for 1<sup>st</sup> level qualification purposes.
- Must have a minimum of 1,000 BV in 6 level uncompressed volume.

A qualified Bronze can earn **2% on the 4<sup>th</sup> level.**

### Silver Qualification:

- Must have a 100 BV Autoship established in the current commission period and have a qualifying order processed in the current commission period.
  - Must be the enrollment sponsor for two 1<sup>st</sup> Level Members, each on a 100 BV Autoship **or** be the enrollment sponsor for 400 BV Total 1<sup>st</sup> Level Autoship Volume. (The 400 BV can be made up of customer or member Autoship volume.)
    - A maximum of 100 BV will be counted per member or customer for 1<sup>st</sup> level qualification purposes.
  - Must have a minimum of 2,500 BV in 6 level uncompressed volume.

A qualified Silver can earn **4% on the 4<sup>th</sup> level.**

### Gold Qualification:

- Must have a 100 BV Autoship established in the current commission period and have a qualifying order processed in the current commission period.
  - Must be the enrollment sponsor for three 1<sup>st</sup> Level Members, each on a 100 BV Autoship **or** be the enrollment sponsor for 600 BV Total 1<sup>st</sup> Level Autoship Volume. (The 600 BV can be made up of customer or member Autoship volume.)
    - A maximum of 100 BV will be counted per member or customer for 1<sup>st</sup> level qualification purposes.
- Must have a minimum of 6,000 BV in 6 level uncompressed volume.

A qualified Gold can earn **6% on the 4<sup>th</sup> level.**

### Platinum Qualification:

- Must have a 100 BV Autoship established in the current commission period and have a qualifying order processed in the current commission period.
  - Must be the enrollment sponsor for three 1<sup>st</sup> Level Members, each on a 100 BV Autoship **or** be the enrollment sponsor for 600 BV Total 1<sup>st</sup> Level Autoship Volume. (The 600 BV can be made up of customer or member Autoship volume.)
    - A maximum of 100 BV will be counted per member or customer for 1<sup>st</sup> level qualification purposes.
- Must have a minimum of 10,000 BV in 6 level uncompressed volume.

A qualified Platinum can earn **10% on the 4<sup>th</sup> level.**

### Diamond Qualification:

- Must maintain all Platinum qualifications.
- Must have 2 separate qualified Platinum members/legs.

A qualified Diamond can earn **14% on the 4<sup>th</sup> level.**

For example:

1. If a Diamond has no Bronze, Silver, Gold or Platinums in a specific leg, they would receive a 14% Infinity Bonus on multiple levels (on the 4<sup>th</sup> level and beyond) in that

specific leg.

2. If a Diamond has a Platinum in one of their legs and a Gold under the Platinum in that same leg, then the Diamond is paid 14% down to the Platinum's 4<sup>th</sup> level and 4% on the Platinum's 4<sup>th</sup> level and beyond. This is because on the Platinum's 4<sup>th</sup> level they begin to earn the Infinity Bonus themselves (14% less 10% = 4%). The Platinum is also paid 10% down to the Gold's 4<sup>th</sup> level and 4% on the Gold's 4<sup>th</sup> level and below. Once again, this is because on the Gold's 4<sup>th</sup> level, the Gold member begins to earn the Infinity Bonus (10% less 6% = 4%).

## **Advancement Bonus†**

The Advancement Bonus is designed to reward members for achieving new rank levels with a one time payout. Once a member earns the bonus it cannot be earned again at that pin level.

Payout amount is based on the new pin/rank level achieved.

Qualification and Payout Quickview Chart:

<b>Rank/Pin achieved</b>	<b>Total payout amount</b>	<b>Additional qualification</b>	<b>% of payout for consec. month*</b>
Bronze	\$100	n/a	Full amount paid immediate
Silver	\$250	must hold new rank for 2 consecutive months to earn full bonus	50%, 50%
Gold	\$600	must hold new rank for 3 consecutive months to earn full bonus	30%, 30%, 40%
Platinum	\$1,000	must hold new rank for 3 consecutive months to earn full bonus	30%, 30%, 40%
Diamond	\$2,000	must hold new rank for 3 consecutive months to earn full bonus	30%, 30%, 40%
1 Star Diamond	\$2,000	must hold new rank for 3 consecutive months to earn full bonus	30%, 30%, 40%
2 Star Diamond	\$2,000	must hold new rank for 3 consecutive months to earn full bonus	30%, 30%, 40%
3 Star Diamond	\$10,000	must hold new rank for 3 consecutive months to earn full bonus	30%, 30%, 40%
Crown Diamond	\$50,000	must hold new rank for 3 consecutive months to earn full bonus	30%, 30%, 40%
Royal Crown Diamond	\$100,000	must hold new rank for 3 consecutive months to earn full bonus	30%, 30%, 40%

\*Full payment is based on holding a new rank for the specified consecutive months.

### Payment Scenario

Example: A member achieves Bronze in January, and advances to Gold in June, meaning the member attained the new ranks of both Silver and Gold in June. The payment for June would be as follows:

- 50% of Silver bonus = \$125
- Gold bonus = \$180 x 2 for doubling effect = \$360
- Total Advancement Bonus paid for June is \$125 + \$360 = \$485

If the member does not maintain the rank of Gold in July, but qualifies at the rank of Silver, then payment for July would be as follows:

- 2<sup>nd</sup> payment of 50% of Silver bonus = \$125
- No payment would be received for Gold. Since the qualification for month 2 was not held, payout percentage amount for the remaining consecutive months 2 and 3 will not be paid, nor can it be earned at a future date.
- Total Advancement Bonus paid for July = \$125

### Details by Rank:

#### New Bronze

- Bonus amount is \$100.
- Full amount of bonus paid on commission run for the month member qualified for Bronze rank.

#### New Silver

- Bonus amount is \$250.
- Must hold new rank for 2 consecutive months to earn full bonus.
  - 50% of the bonus will be paid out for the initial month the rank of Silver is achieved and the remaining 50% will be paid out the following month if Silver rank is maintained.
  - If qualification for month 2 is not held, payout percentage amount for the remaining consecutive month will not be paid, nor can it be earned at a future date.

#### New Gold

- Bonus amount is \$600.
- Must hold new rank for 3 consecutive months to earn full bonus.
  - 30% of the bonus will be paid out for the initial month the rank of Gold is achieved, 30% of the bonus will be paid the 2<sup>nd</sup> consecutive month Gold is maintained, and the remaining 40% will be paid out the 3<sup>rd</sup> consecutive month Gold is maintained.
  - If qualification for month 2 or 3 is not held, payout percentage amount for the remaining consecutive months will not be paid, nor can it be earned at a future date.

#### New Platinum

- Bonus amount is \$1,000.
- Must hold new rank for 3 consecutive months to earn full bonus.
  - 30% of the bonus will be paid out for the initial month the rank of Platinum is achieved, 30% of the bonus will be paid the 2<sup>nd</sup> consecutive month Platinum is maintained, and the remaining 40% will be paid out the 3<sup>rd</sup> consecutive month Platinum is maintained.
  - If qualification for month 2 or 3 is not held, payout percentage amount for the remaining consecutive months will not be paid, nor can it be earned at a future date.

#### New Diamond

- Bonus amount is \$2,000.
- Must hold new rank for 3 consecutive months to earn full bonus.
  - 30% of the bonus will be paid out for the initial month the rank of Diamond is achieved, 30% of the bonus will be paid the 2<sup>nd</sup> consecutive month Diamond is maintained, and the remaining 40% will be paid out the 3<sup>rd</sup> consecutive month Diamond is maintained.
  - If qualification for month 2 or 3 is not held, payout percentage amount for the remaining consecutive months will not be paid, nor can it be earned at a future date.

#### New 1 Star Diamond

- Bonus amount is \$2,000.
- Must hold new rank for 3 consecutive months to earn full bonus.
  - 30% of the bonus will be paid out for the initial month the rank of 1 Star is achieved, 30% of the bonus will be paid the 2<sup>nd</sup> consecutive month 1 Star is maintained, and the remaining 40% will be paid out the 3<sup>rd</sup> consecutive month 1 Star is maintained.
  - If qualification for month 2 or 3 is not held, payout percentage amount for the remaining consecutive months will not be paid, nor can it be earned at a future date.

#### New 2 Star Diamond

- Bonus amount is \$2,000.
- Must hold new rank for 3 consecutive months to earn full bonus.
  - 30% of the bonus will be paid out for the initial month the rank of 2 Star is achieved, 30% of the bonus will be paid the 2<sup>nd</sup> consecutive month 2 Star is maintained, and the remaining 40% will be paid out the 3<sup>rd</sup> consecutive month 2 Star is maintained.
  - If qualification for month 2 or 3 is not held, payout percentage amount for the remaining consecutive months will not be paid, nor can it be earned at a future date.

#### New 3 Star Diamond

- Bonus amount is \$10,000.
- Must hold new rank for 3 consecutive months to earn full bonus.
  - 30% of the bonus will be paid out for the initial month the rank of 3 Star is achieved, 30% of the bonus will be paid the 2<sup>nd</sup> consecutive month 3 Star is maintained, and the remaining 40% will be paid out the 3<sup>rd</sup> consecutive month 3 Star is maintained.
  - If qualification for month 2 or 3 is not held, payout percentage amount for the remaining consecutive months will not be paid, nor can it be earned at a future date.

#### New Crown Diamond

- Bonus amount is \$50,000.
- Must hold new rank for 3 consecutive months to earn full bonus.
  - 30% of the bonus will be paid out for the initial month the rank of Crown is achieved, 30% of the bonus will be paid the 2<sup>nd</sup> consecutive month Crown is maintained, and the remaining 40% will be paid out the 3<sup>rd</sup> consecutive month Crown is maintained.
  - If qualification for month 2 or 3 is not held, payout percentage amount for the remaining consecutive months will not be paid, nor can it be earned at a future date.

#### New Royal Crown Diamond

- Bonus amount is \$100,000.
- Must hold new rank for 3 consecutive months to earn full bonus.
  - 30% of the bonus will be paid out for the initial month the rank of Royal Crown is achieved, 30% of the bonus will be paid the 2<sup>nd</sup> consecutive month Royal Crown is maintained, and the remaining 40% will be paid out the 3<sup>rd</sup> consecutive month Royal Crown is maintained.
  - If qualification for month 2 or 3 is not held, payout percentage amount for the remaining consecutive months will not be paid, nor can it be earned at a future date.

**Note:** A member's rank will be that member's title, the "highest attained rank" ever earned. Rank will not be based on the member's "paid as" rank.

- For example, if a member's highest attained rank is Platinum, and they are currently earning commission at Silver pin level at the time the new compensation plan begins,

the member's next Advancement Bonus rank achievable would be Diamond.

**Advancement Bonus Temporary Doubling Effect:**

For a limited period of time, Life Force will pay double amounts for the Advancement Bonus for only the following ranks listed below. Ranks must be attained within the specified time periods to qualify to earn the doubled bonus amount.

- If you reach Bronze in the first calendar month from your enrollment period, the bonus amount doubles.
- If you reach Silver in two months or less from the month you reach Bronze, the bonus amount doubles.
- If you reach Gold in three months or less from the month you reach Silver, the bonus amount doubles.
- If you reach Platinum in three months or less from the month you reach Gold, the bonus amount doubles.

**Note:** Life Force will continually evaluate the “double bonus” payout to determine its effectiveness. No end date has been established for the doubling effect, but Life Force may end the program at any time.

**Generational Power Bonus†**

The Generational Power Bonus is a leadership development bonus rewarding those members that achieve 1 Star Diamond or above. As a qualified 1, 2, or 3 Star Diamond, Crown Diamond, or Royal Crown Diamond, you are eligible to receive generational bonuses.

A generation is different than a level. A generation is created each time a new Diamond occurs anywhere in your downline. The generation will begin with that Diamond and continue down through the organization until another Diamond is reached. As a qualified 1 Star Diamond or above you are eligible to receive generational bonuses on up to 8+ generations of Diamonds.

The Generational Power Bonus is a pool bonus of 12% of total company BV. This bonus pays out pro-rata to all Diamonds and above based on the following mathematical model:

- Diamond legs are sorted in descending order from largest (leg #1) to smallest based on total organizational volume.
- Each leg is treated differently in terms of how much volume that leg contributes to the member's pro-rata score or calculation.
- Horizontal compression moves all non-generational BV legs into the 1<sup>st</sup> generation of the smallest Diamond leg.

Generation leg percentage calculation diagram:

	Descending order largest (Leg #1) to smallest			
	<b>Leg #1</b>	<b>Leg #2</b>	<b>Leg #3</b>	<b>Leg #4 +</b>
Generation 1	100%	100%	100%	100%
Generation 2	100%	100%	100%	100%
Generation 3	75%	100%	100%	100%
Generation 4	50%	75%	100%	100%
Generation 5	40%	75%	100%	100%
Generation 6	30%	50%	75%	100%
Generation 7	20%	40%	50%	100%
Generation 8+	10%	30%	40%	100%

Note: All volume is unencumbered.

## Generational Power Bonus Ranks and Qualifications:

### 1 Star Diamond:

- Must maintain Diamond qualifications.
- Must have 1 Diamond anywhere in your downline organization.

A qualified 1 Star Diamond will earn on up to 8+ generations based on their calculated pro-rata score (see Generation diagram for Leg volume contribution).

### 2 Star Diamond:

- Must maintain Diamond qualifications.
- Must have 2 Diamonds in your downline organization.

A qualified 2 Star Diamond can earn on up to 8+ generations based on their calculated pro-rata score (see Generation diagram for Leg volume contribution).

Note: To earn on generation 2, the 2<sup>nd</sup> qualified Diamond in your downline organization must be in the downline of the 1<sup>st</sup> qualified Diamond.

### 3 Star Diamond:

- Must maintain Diamond qualifications.
- Must have a minimum of 3 Diamonds in 2 separate legs in your downline organization.

A qualified 3 Star Diamond can earn on up to 8+ generations based on their calculated pro-rata score (see Generation diagram for Leg volume contribution).

### Crown Diamond:

- Must maintain Diamond qualifications.
- Must have a minimum of 6 Diamonds in 3 separate legs in your downline organization.

A qualified Crown Diamond can earn on up to 8+ generations based on their calculated pro-rata score (see Generation diagram for Leg volume contribution).

### Royal Crown Diamond:

- Must maintain Diamond qualifications.
- Must have a minimum of 3 Crown Diamonds in 3 separate legs in your downline organization.

A qualified Royal Crown Diamond can earn on up to 8+ generations based on their calculated pro-rata score (see Generation diagram for Leg volume contribution).

Reminder: A generation is created when a qualified Diamond has another qualified Diamond in their downline.

## **Revenue Sharing Bonus†**

Life Force offers two revenue sharing bonus pools that a member can qualify to participate in. These pools are the 3 Star Diamond Revenue Sharing Bonus and the Crown Diamond Revenue Sharing Bonus. Participation in the Revenue Sharing Bonuses is conditional upon signature and compliance with the Life Force Ambassador Agreement. Details on qualifications and payout are detailed below.

### **Important Note:**

**If any one household has 2 positions participating in the Revenue Sharing Bonus pools, the second position will participate at 40%.**

### **Potential scenarios:**

- **Both the first and second position qualifies to participate in the 3 Star Diamond Revenue Sharing Bonus pool. The first position will participate at 100% of BV and the second position will participate at 40% of BV.**
- **The first position qualifies to participate in the Crown Diamond Revenue Sharing Bonus pool and the second position qualifies to participate in the 3 Star Diamond Revenue Sharing Bonus pool. The first position will participate at 100% of BV in the Crown Diamond pool, and the second position will participate at 40% of BV in the 3 Star Diamond pool.**

**Once a position is designated as participating at 40%, the position will always participate at 40%, regardless of whether the position is sold or transferred.**

**The second position is defined as the position that was registered after the first position. Please see Life Force International's Policy and Procedures for further definition of second position.**

## **3 Star Diamond Revenue Sharing Bonus**

The 3 Star Diamond Revenue Sharing Bonus is paid monthly and payout is based on 70% of the pool being divided equally among all participants and 30% divided pro-rata shares earned by qualified 3 Star Diamonds.

Points accumulated for shares are calculated in the following manner:

- Diamond legs are sorted in descending order from largest (Leg #1) to smallest based on total organizational volume.
- Each leg is treated differently in terms of how much volume that leg contributes to the member's pro-rata score or calculation. See diagram below.

Largest (Leg #1)	
<b>Leg #1</b>	<b>Leg #2+</b>
50%	100%

The 3 Star Revenue Sharing Bonus pool receives 2% of total company BV.

## **Crown Diamond Revenue Sharing Bonus**

The Crown Diamond Revenue Sharing Bonus is paid monthly and payout is based on 70% of the pool being divided equally among all participants and 30% divided pro-rata shares earned by

qualified Crown Diamonds.

Points accumulated for shares are calculated in the following manner:

- Diamond legs are sorted in descending order from largest (Leg #1) to smallest based on total organizational volume.
- Each leg is treated differently in terms of how much volume that leg contributes to the member's pro-rata score or calculation. See diagram below.

Largest (leg #1)		
<b>Leg #1</b>	<b>Leg #2</b>	<b>Leg #3+</b>
25%	50%	100%

The Crown Diamond Revenue Sharing Bonus pool receives 3% of total company BV.

Royal Crown Diamonds will continue to participate in the Crown Diamond Revenue Sharing Bonus.

### **Retail Sales**

Life Force members may purchase products at factory direct pricing and resell them. The member may not sell the product below the factory direct price available from the company.

### **Free Body Balance Promotional Campaign**

This campaign is available to members who sign up on the Marketing Center or Executive Center Virtual Office packages. The campaign can be added to their personal business websites, offered through these packages, as a special registration offer feature.

### **Additional notice**

† The Enrollment and Placement Sponsor for each member or customer must be in the same downline leg in order for commissions to pay properly on the orders that person places.