

## LIFEWAVE COMPENSATION PLAN **BONUSES**

PRODUCT INTRODUCTION BONUSES | CYCLE BONUSES | COMMISSION MATCHING BONUSES

# PRODUCT INTRODUCTION BONUSES

This is how you begin earning money each time you personally introduce a new Member to our products through an enrollment kit. The amount paid out for the various enrollment packages is outlined below:

| DIAMOND | GOLD  | SILVER | BRONZE |
|---------|-------|--------|--------|
| \$500*  | \$100 | \$50   | \$15   |

Product Introduction Bonuses (PIB) are also paid when a personally enrolled Member purchases an upgrade kit, for the purpose of increasing their inventory levels as they build their business. The bonus paid is the difference in price between the two packages.

| CHANGE IN RANK     | BONUS  | CHANGE IN RANK    | BONUS  | CHANGE IN RANK    | BONUS  |
|--------------------|--------|-------------------|--------|-------------------|--------|
| STARTER TO BRONZE  | \$15   | BRONZE TO SILVER  | \$35   | SILVER TO GOLD    | \$50   |
| STARTER TO SILVER  | \$50   | BRONZE TO GOLD    | \$85   | SILVER TO DIAMOND | \$450* |
| STARTER TO GOLD    | \$100  | BRONZE TO DIAMOND | \$485* | GOLD TO DIAMOND   | \$400* |
| STARTER TO DIAMOND | \$500* |                   |        |                   |        |

*\*The bonus paid for Diamond enrollment and upgrade orders is rank-dependent. This means that the higher the sponsor’s paid rank is in the week that the order is placed, the greater the bonus earned by the sponsor for the order.*

## ENROLLMENT PRICING\*

| KIT DESCRIPTION            | PRICE     | VOLUMES             | PIB          |
|----------------------------|-----------|---------------------|--------------|
| Enrollment Diamond         | \$1599.95 | 390 PV + 2 x 110 PV | <b>\$200</b> |
| Upgrade Starter to Diamond | \$1574.95 | 390 PV + 2 x 110 PV | <b>\$200</b> |
| Upgrade Bronze to Diamond  | \$1475    | 313 PV + 2 x 110 PV | <b>\$185</b> |
| Upgrade Silver to Diamond  | \$1300    | 225 PV + 2 x 110 PV | <b>\$150</b> |
| Upgrade Gold to Diamond    | \$1100    | 115 PV + 2 x 110PV  | <b>\$100</b> |
| Enrollment Gold            | \$499.95  | 275                 | <b>\$100</b> |
| Upgrade Starter to Gold    | \$474.95  | 275                 | <b>\$100</b> |
| Upgrade Bronze to Gold     | \$375     | 198                 | <b>\$85</b>  |
| Upgrade Silver to Gold     | \$200     | 110                 | <b>\$50</b>  |
| Enrollment Silver          | \$299.95  | 165                 | <b>\$50</b>  |
| Upgrade Starter to Silver  | \$274.95  | 165                 | <b>\$50</b>  |
| Upgrade Bronze to Silver   | \$175     | 88                  | <b>\$35</b>  |
| Enrollment Bronze          | \$124.95  | 77                  | <b>\$15</b>  |
| Upgrade Starter to Bronze  | \$99.95   | 77                  | <b>\$15</b>  |
| Enrollment Starter         | \$25      | 0                   | <b>\$0</b>   |

\* The prices do not include taxes or shipping

## DIAMOND PRODUCT INTRODUCTION BONUSES

This is a special kind of Product Introduction Bonus (PIB) for Diamond, our largest enrollment package. Because this package is designed only for committed business builders, this PIB will provide an incentive to a Sponsor to build in depth—in other words, help those he/she personally sponsors to build their downline, and help those new Distributors build theirs. To accomplish that, this PIB can be earned by both the sponsor and active distributors that are above in the line of sponsorship.

Using the below Diamond PIB chart as an example: you receive \$200 if you are at a Starter, Bronze, Silver, Gold or Diamond level and sponsor a new Diamond Distributor. Then, the next active Manager, Director and Sr. Director or above in your line of sponsorship all receive \$100. So, the Sponsor and three active upline Distributors share the \$500 PIB.

On the other hand, if you have a paid rank of Director when you sponsor a Diamond, you receive \$400 of the \$500 PIB, and the remaining \$100 is paid to the next active Sr. Director or above in your line of sponsorship.

And there is one final, very important feature for those who enroll by purchasing a Diamond kit. After you become Diamond (enroll as or upgrade to), the system considers you a Senior Director when paying out this bonus for a 14-week period from the week that the order is placed.

So, during your first 14 weeks as a Diamond, you will receive the full \$500 PIB each time you sponsor a Diamond Member. Again, the intent of this PIB is to provide an incentive for our Distributors to grow their businesses, rise to higher ranks, and help train their downline Distributors to also build in depth.

The Table Below Shows the Diamond PIB:

| IF YOUR “PAID AS”<br>RANK IS...   | ...THEN YOUR MAXIMUM<br>PAYOUT ON DMD<br>PACKS AND STARTER<br>TO DMD PACKS IS | AND YOUR MAXIMUM<br>PAYOUT ON BRONZE<br>TO DMD UPGRADE<br>PACKS IS | AND YOUR MAXIMUM<br>PAYOUT ON SILVER TO<br>DMD UPGRADE PACKS<br>IS | AND YOUR MAXIMUM<br>PAYOUT ON GOLD TO<br>DMD UPGRADE PACKS<br>IS |
|---|---|--|--|--|
| STARTER   | \$200   | \$185  | \$150  | \$100  |
| BRONZE  | \$200   | \$185  | \$150  | \$100  |
| SILVER  | \$200   | \$185  | \$150  | \$100  |
| GOLD  | \$200   | \$185  | \$150  | \$100  |
| DIAMOND   | \$200   | \$185  | \$150  | \$100  |
| MANAGER   | \$300   | \$285  | \$250  | \$200  |
| DIRECTOR  | \$400   | \$385  | \$350  | \$300  |
| DIAMOND<br>WITHIN THEIR<br>FIRST 14 WEEKS<br>OR SR. DIRECTOR<br>OR HIGHER | \$500   | \$485  | \$450  | \$400  |

## CYCLE BONUSES

A powerful way to build residual income, your pay is based on a Binary structure, meaning each position may have a maximum of two positions directly under it – one on the left and one on the right (see diagram.)

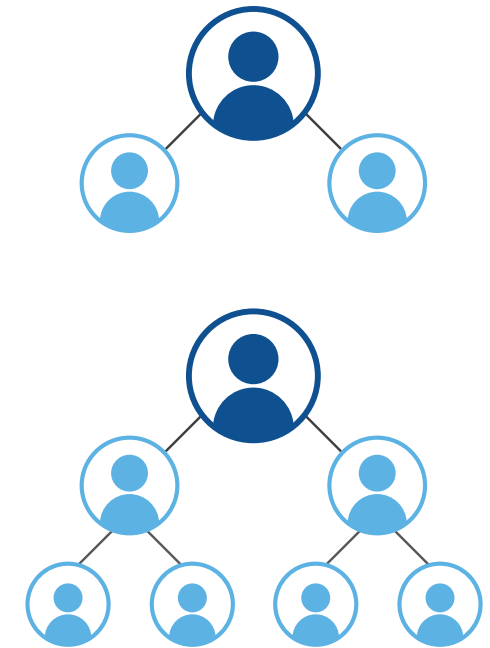
When you enroll new Members, you simply place them on your left or right side. If the positions immediately below you are taken, you place them under the first available position on your left or right. Each Distributor may choose to apply a placement strategy that works best for them. Your sponsor can provide advice on placement.

Once you become binary qualified, your binary commissions are based not only on member enrollments and purchases under your position, but on customer purchases as well...no matter how far below your position they are. Each purchase by a Distributor is given a point value which is categorized as that Distributors Personal Volume, or PV. The PV associated with each Distributor purchase flows upline through the network as Business volume, or BV.

Binary Qualified is defined by the following criteria:

- Member must be active\* in the qualification period as described above
- Member must have at least one personally sponsored Active Member on each leg that is a bronze member or above
- Member must have at least 660 BV on the power (strong) leg and 330 BV on the profit (weak) leg.(Your power leg is the one with the most volume, which could possibly change from week to week.)

That's it! Every time a Distributor meets these three simple qualifications in a commission week, you earn a cycle bonus worth \$50.00! (refer to Weekly Cycle Pay limits)



Any excess volume that isn't paid on in the current qualification period is carried over to the next period, provided you remain active\*.

Active status is defined by the following criteria:

- 1) Having placed an order with a minimum of 55PV in a rolling 31 days period. Or
- 2) Having a monthly autoship order containing product with a minimum of 55PV. Or
- 3) Each time you personally sell product with a minimum of 55PV to retail or preferred customers through your replicated LifeWave website in a rolling 31 days period.

And as long as you maintain your status active\*, your unused volume will continue to accrue minute to minute, week to week and month to month all year long thanks to your downline orders which include all members positioned beneath you on your right and left legs. There may be thousands of members under you, many of whom you did not personally enrol, but their volume still travels "upline" to your business centre. This drives residual income (aka "passive income") not only based on your own efforts, but on the efforts of those below you as well!

### Weekly Cycle Pay Limits

| BV CYCLE PAY MAX | COMMISSION LIMIT |
|------------------|------------------|
| BRONZE           | \$5000           |
| SILVER           | \$15000          |
| GOLD & ABOVE     | \$25000          |

### Flushing Rule

You must remain Active (a minimum of 55 PV every 32 days as described above) to avoid your total volume from being flushed. If more than 32 days pass between orders, you will become Inactive and your Business Volume (BV) will flush; Your BV on the left and right legs will be flushed and your volume totals will change to zero.

# COMMISSION MATCHING BONUSES\*

## Long Term Residual Income

Commission Matching Bonuses are a second way to create residual income and are based on the Organization, also called a Team, that you build. You can earn matching bonuses based on Binary Commissions (Cycle Pay) earned by the people you personally enroll, by the people they personally enroll, and the people they personally enroll.

| SPONSORSHIP LEVEL  | BONUS |
|--|-------|
| <b>LEVEL 1</b><br>DISTRIBUTORS YOU ENROLL (1st Generation)                           | 25%   |
| <b>LEVEL 2</b><br>DISTRIBUTORS ENROLLED BY YOUR 1ST GENERATION (Your 2nd Generation) | 20%   |
| <b>LEVEL 3</b><br>DISTRIBUTORS ENROLLED BY YOUR 2ND GENERATION (Your 3rd Generation) | 20%   |

|   |  |
|---|--|
| <b>Matching Bonus Requirements:</b><br><br><b>1ST LEVEL MATCHING BONUS</b><br>(FOR SILVER RANK DISTRIBUTORS & ABOVE ONLY) | <ul style="list-style-type: none"><li>• Must be Active with a minimum of 110 PV within 32 day period.</li><li>• For Silver Rank Distributors: must have two personally sponsored active members that are Silver or above on each leg.</li><li>• For Gold Rank Distributors or above: must have one personally sponsored active member that is Silver or above on each leg.</li></ul> <p>Members that have enrolled as or upgraded to Diamond have enough PV to qualify for matching bonuses for a period of 90 days. They must also meet the other requirements.</p> |
| <b>2ND LEVEL MATCHING BONUS</b><br>(FOR GOLD RANK DISTRIBUTORS & ABOVE ONLY)  | <ul style="list-style-type: none"><li>• Must be Active with a minimum of 110 PV within 32 day period.</li><li>• Must have two personally sponsored active members that are Silver or above on each leg.</li><li>• Must also have a minimum of 6 cycles in the paid commission week.</li></ul> <p>Members that have enrolled as or upgraded to Diamond have enough PV to qualify for matching bonuses for a period of 90 days. They must also meet the other requirements.</p>  |
| <b>3RD LEVEL MATCHING BONUS</b><br>(FOR GOLD RANK DISTRIBUTORS & ABOVE ONLY)  | <ul style="list-style-type: none"><li>• Must be Active with a minimum of 110 PV within 32 day period.</li><li>• Must have three personally sponsored active members that are Silver or above on each leg. One Distributor on each leg must qualify for 2nd Level Matching Bonuses.</li><li>• Must also have a minimum of 10 cycles in the paid commission week.</li></ul> <p>Members that have enrolled as or upgraded to Diamond have enough PV to qualify for matching bonuses for a period of 90 days. They must also meet the other requirements.</p>            |

*\*Matching Bonuses are calculated based on Binary Commission Cycle Pay Bonuses only, and not on any other bonus.*



## Payout Cap

LifeWave's Compensation Plan offers a generous 60 percent payout cap. This means that in each commission week, the total of Cycle Pay and Matching Bonuses is capped at a dollar amount equal to 60 percent of the total BV for that commission week. The Cap applies to Binary Commissions (cycle pay) and Matching bonuses only and does not apply to any other bonuses paid. (ex: PIB's, promotional payouts and Retail profits)

**Note:** *The first 4 cycles are exempt from the payout cap.*

