

2014

VG WELLNESS COMPENSATION PLAN



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There are 2 ways to participate with VG Wellness, either as a Preferred Customer, or Independent Business Owner:

- 1. Preferred Customer: Participate in our Autoship Program of 1 Bottle of VG 7 at \$29.95
- 2. <u>Independent Business Owner:</u> As an independent contractor you can purchase products at wholesale to sell. If qualified you can earn bonuses & commissions & sponsor IBO's. In addition to numerous benefits you will have access to your website, a full back office with everything you need to manage your business, company training, PowerPoint's, commission reports and many more features. To join VG Wellness as an IBO there are 3 options:

| a. | Silver Package | Includes Setup Fee & 3 VG7 | \$125.00 |
|----|------------------|--|----------|
| b. | Gold Package | Setup Fee Waived & 10 VG7 or Combo | \$250.00 |
| c. | Platinum Package | Setup Fee Waived & 20 VG7 & 5 Graviola/Moringa | \$500.00 |

Every IBO Sign-up Option gives you access to your Marketing Website and Back-Office, free, the first month. The Marketing Website & Back Office subscription fee is \$10.00 each month thereafter. You must have a subscription to the Website/Back-Office to be active in order to receive commissions. In addition you can subscribe to an optional Autoship of VG7 to either sell or for personal use.

Bonuses & Commissions

- 1. Direct Sales
- 2. Preferred Customers
- 3. FastStart
- 4. Leadership
- 5. Super FastStart
- 6. Uni-Level (Residual)
- 7. Car & Freedom Bonus

Direct Sales

Can be earned on the difference of the IBO cost and retail price of the products. Customers pay you directly when you sell them a product.

Preferred Customer Commissions

Can be earned when Retail Customers order directly from your VG Wellness website & sign up for the Preferred Customer Autoship Program. You will earn a \$5.00 commission and customer points per bottle for rank qualifications. This commission is paid monthly.

FastStart Bonus

As an Enroller each time you sponsor a new IBO you will be paid a FastStart bonus depending which package the new IBO purchases, no matter what your rank is, as long as you are qualified with 2 customer points that same week. FastStart Bonuses are paid weekly each Friday based on the prior week's qualification. If the new IBO enrolls with the Silver Package you will receive \$10, Gold Package \$20 and Platinum Package \$40.

Leadership Bonus

Leadership Bonus

VG Wellness's Leadership Bonus is designed to provide an incentive for our IBO's to begin building their businesses immediately and consistently by rewarding those who sponsor new IBO's who acquire customers. As you progress thru the VG Wellness Leadership positions you can earn multiple bonuses. To be qualified for each rank you must have between 4-16 customer points each month.

MBO: You earn either a \$10, \$20 or \$40 Leadership Bonus on every IBO enrolled that week in your whole organization that is active, up to the next MBO depending on what package the new IBO enrolls with. If they come in with the Silver Package you can earn up to \$10, Gold Package up to \$20 and \$40 for the Platinum Package.

SBO: You earn either a \$20, \$40 or \$80 Leadership Bonus on every IBO enrolled that week in your whole organization, depending on what package the new IBO enrolls with. When an IBO promotes to MBO, you are paid half the Leadership Bonus. You are coded out once an IBO is promoted to SBO.

EBO: You earn either a \$40, \$80, or \$160 Leadership Bonus on every IBO enrolled that week in your whole organization, depending on what package the new IBO enrolls with, up to the next MBO or SBO. You are then paid the appropriate Leadership Bonus depending on your downline's rank. You are coded out once an IBO is promoted to EBO.

Super FastStart Bonus

Sponsor 3 New IBO's within your first 30 days of business with VG Wellness & you will receive the Super FastStart Bonus. If you sponsor 3 IBO's with the Silver Package you will receive \$85.00. If you sponsor 3 with the Gold Package you will receive \$170.00. If you sponsor 3 with the Platinum Package you will receive \$340.00. The Super FastStart Bonus is paid on the smallest package your new enrollee comes in with. If you sponsor 2 with the Gold Package & 1 with the Silver Package the Super FastStart Bonus will be paid on the smallest package, the bonus will be \$85.00. It doesn't matter what package you came in with, it is based on what package your 3 new enrollees join with. All applications must be received and processed within your first 30 days of joining VG Wellness to receive the bonus.

Uni-Level Bonus

Uni-Level Overides

Once you achieve the rank of MBO, SBO and EBO you can earn Uni-Level Overides on your organization. To earn Overides you must be active & have qualified CP's.

| Rank | Independent Business Owner | Managing Business Owner | Senior Business Owner | Executive Business Owner |
|-------------------------|-------------------------------|-------------------------|--------------------------|--------------------------|
| Customer Points (CP) | 2 CP | 4CP's | 8CP's | 16CP's |
| Level 1 | 5% | 5% | 5% | 5% |
| Level 2 | 5% | 5% | 5% | 5% |
| Level 3 | | 5% | 5% | 5% |
| Level 4 | | 5% | 5% | 5% |
| Level 5 | | | 5% | 5% |
| Level 6 | | | 5% | 5% |
| Level 7 | | | | 5% |
| Level 8 | | | | 10% |

^{*}The 8th Level pays 10%

The Power of Exponential Growth

| Level | Number of IBO'S | Number of Customers | Residual Income | Residual Income Total |
|---------|--------------------|------------------------|--------------------|--------------------------|
| Level 1 | 3 | 3 | \$3.75 | |
| Level 2 | 9 | 9 | \$11.25 | |
| Level 3 | 27 | 27 | \$33.15 | |
| Level 4 | 81 | 81 | \$101.25 | |
| Level 5 | 243 | 243 | \$303.15 | |
| Level 6 | 729 | 729 | \$911.25 | |
| Level 7 | 2187 | 2187 | \$2733.15 | |
| Level 8 | 6561 | 6561 | \$16402.50 | \$20501.25 |

^{*}This hypothetical example is used for illustration purposes only. Your results will vary.

^{**}Bonus is paid on Commissionable Volume attached to each product.

Infinity Bonus

- 1. Three generations of Infinity Bonus
- 2. Paid only in the EBO Rank
- 3. EBO gets paid 1% on the 9th level to infinity until the first IBO in line of sponsorship attains EBO rank. You will then get paid 1/2% to infinity of that EBO's group volume & this will continue until you have 3 qualified EBO's downline in the same line of sponsorship. After your 3 EBO's in same line of sponsorship the 4th EBO will be a breakaway and the infinity bonus stops. The Infinity Bonus is paid after the 8th level.

| BUSINESS VOLUME (BV) | | | | | |
|----------------------|---------|--------------------|-----------------------|---------|--------|
| PRODUCTS | IBO | BUSINESS VOLUME | PREFERRED CUSTOMER | RETAIL | POINTS |
| VG7 | \$24.95 | \$25 | \$29.95 | \$34.95 | 2 |
| Graviola | \$14.95 | \$15 | \$19.95 | \$19.95 | 1 |
| Moringa | \$14.95 | \$15 | \$19.95 | \$19.95 | 1 |

3 Preferred Customers Your VG7 is FREE

This referral program is for any IBO who has 3 Preferred Customers who purchase the VG7 each and every month. In any given calendar month an IBO qualifies for a FREE VG7 as long as they have 3 Preferred Customers who have purchased a VG7 thru the IBO's website. The FREE VG7 will be shipped out on the $\mathbf{1}^{st}$ of the following month with the IBO paying for shipping & any applicable sales tax. The IBO must be subscribed to the VG Wellness Website/Business Support.

Car & Freedom Bonus

VG Wellness Car Bonus Program

To be Car Bonus Qualified you must be an ACTIVE IBO & have 16 Car Bonus Points. This is a monthly calendar qualification program. There is NO carryover of points into the next month.

Car Bonus points are accrued by new IBO Signups in your organization.

Silver .5 Gold 1 Platinum 2

If you have a downline IBO car qualified you must have 11 points outside of that leg to also be Car Bonus Qualified.

If you have 2 downline IBO's car qualified (must be in different legs) you must have 6 points outside of the 2 legs to be Car Bonus Qualified.

If you have 3 downline IBO's car qualified (must be in different legs) you are fully qualified Every month you are car qualified per above qualifications, you receive a \$500 Car Bonus check or a Freedom Bonus check.

Your car must be 3 years new and have a car payment. A luxury car (Lexus, BMW, Cadillac or Mercedes Benz) can be 5 years or newer. VG Wellness will pay you a monthly car bonus check as per qualifications above. You must fill out the Car Bonus Application on the following page & send us all required documents.

Once your VG Wellness business grows to 500 active IBO's, and maintain that number, you are fully Car Qualified without having to produce any new IBO'S. Your Car Bonus will increase to \$750 per month for life, as long as you have a verified car payment.

Freedom Bonus Option

If you do not have a car payment you can opt for the \$300 Freedom Bonus Option instead. The point qualifications are the same as the Car Bonus, except you will receive \$300 instead of \$500 since you are not driving a VG Wellness car.



Car Bonus Program Application

| Appl | icant Name(s): ID#: | | | |
|---|--|--|--|--|
| CAR E | BONUS QUALIFICATIONS | | | |
| • | The vehicle you purchase must be a passenger vehicle-RVs, airplanes, motorcycles, etc do not qualify. | | | |
| • | The vehicle must be new, or not more than 3 years old, unless a Lexus, Cadillac, Mercedes, or BMW, can be up to 5 years new. | | | |
| • | your Car Bonus to continue. You will forfeit the Car Bonus throughout the months you do not have a qualifying vehicle. | | | |
| I/We p | urchased/leased the following vehicle: | | | |
| Make: | Model: | | | |
| Year: _ | Color: Retail Value \$ | | | |
| The fol | lowing information must be submitted to complete your application: | | | |
| | This completed application form | | | |
| | Vehicle purchase or lease agreement showing retail value | | | |
| | Vehicle registration showing the vehicle is licensed to you. (You will be required to send in | | | |
| | your vehicle registration every year. | | | |
| | Digital photos of you & your vehicle (send 3-5 images). Please dress in business attire with | | | |
| your vehicle outside your home. Digital images should be larger than 1 megabyte & | | | | |
| | emailed to info@vgwellness.com. | | | |
| VG We | Ilness reserves the right to use your photo in our publications/website. | | | |
| Signed | :Date: | | | |
| Please | submit your application, purchase or lease agreement, vehicle registration, and digital photos to: | | | |

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Mail: VG Wellness LLC Fax: 909-799-9551

25612 Barton Rd. #306 Loma Linda CA 92354 Email: info@vgwellness.com

Leadership Levels & Ranks

| | | | Executive Business Owner |
|---|---|---|--|
| | | Senior Business Owner | Be an Active IBO |
| | Managing Business Owner | Be an Active IBO | Promote 3 SBO's in 3 Separate Leg's. |
| Independent Business Owner | Be an Active IBO | Promote 3 MBO's in 3 Separate legs. | 300 Active Customer Points in Your Organization |
| Enroll as an IBO with a Silver, Gold or Platinum Package | Enroll 3 Active IBO's | Have a minimum of 30 Active IBO's | Have 300 Active IBO's |
| After 1 st month maintain 2 CP's Subscribe to Website | Acquire 4 Customer Points Subscribe to Website | Acquire 8 Customer Points Subscribe to Website | Acquire 16 Customer Points Subscribe to Website |

1. Independent Business Owner (IBO)

- Enroll as an Active Business Owner with the Silver, Gold or Platinum Package.
- After your first month to remain active you must maintain a minimum of 2 customer points & subscribe to the VG Wellness Marketing Website.

2. Managing Business Owner (MBO)

- Be an active IBO and personally acquire 4 Customer Points Monthly
- Personally Sponsor 3 IBO's. Each of them must be active.

3. Senior Business Owner (SBO)

- Be an Active IBO and personally acquire 8 Customer Points Monthly
- Promote 3 MBO's in 3 Separate Legs

Have a minimum of 30 Active IBO's

4. Executive Business Owner (EBO)

- Be an Active IBO and personally acquire 16 Customer Points Monthly
- Promote 3 SBO's in 3 Separate Legs
- Have a minimum of 150 Active IBO's
- ** An IBO may go to the highest rank of EBO with only 3 legs as long as the qualification numbers are in place.
- ***In qualifying for SBO & EBO no more than 60% of your IBO's can come from 1 leg to count for promotion.
- ****When an IBO signs up just the \$75 Setup Fee (no VG7), there is no FastStart or Leadership Bonus paid.

Commission Schedule

With VG Wellness you can earn both monthly and weekly commissions.

- All FastStart, Super FastStart & Leadership bonuses are paid the following Friday from the previous week. The Commission week runs from Monday 12:00 am to Sunday 11:59 pm, PST. These bonuses are paid weekly.
- All Preferred Customer, Uni-level, Residual, Infinity, Car Bonus & Freedom Bonuses are paid on the 15th of the following month payment is received by VG Wellness. These bonuses are paid monthly.

All Commission checks must meet the \$10 minimum before being mailed out.

Compression/Inactive Status

Compression

To remain active as an IBO, each month you must maintain a minimum of 2 points & subscribe to the Website/Business Support service. If after 6 months of less than 2 Customer Points or Website/Business Support Subscription, your position

will roll up to the next active IBO and you will forfeit your downline to the next active sponsor.

Glossary of Terms

Active: An IBO with a minimum of 2 CP's and be subscribed to the VG Wellness Marketing Website.

Autoship: An optional program offered by VG Wellness to Customers & IBO's to create a monthly standing order to be processed at a specified selected date.

Bonus: Compensation based on a dynamic pay structure.

Commissions: Compensation based on a core pay-structure.

Compensation: A generic term referring to pay receivable from commissions or bonuses.

Compression: The mechanism by which commissions not earned by the originally intended IBO (rep) due to a lack of qualification are passed to another IBO (rep) in the Upline of the originally intended IBO (rep).

Customer Points (CP's): An assigned value on a given product used to calculate bonus qualifications.

Downline/Group/Team/Organization: Those people directly sponsored by an IBO plus all the people whose line of sponsorship resulted from and came through that IBO on your Level 1, Level 2, Level 3, etc. through unlimited depth.

Enroller: The IBO directly responsible for enrolling a new IBO.

Preferred Customer: A person who is officially registered by VG Wellness to purchase products according to the company's Policies & Procedures, who is in good standing with the company. VG Wellness

Preferred Customers may not participate in, and benefit from, VG Wellness's Compensation Plan. Volume generated by Preferred Customer orders is included in their Direct Upline's Personal Group Volume.

Rank: The rank of which an IBO has achieved within the VG Wellness Compensation Plan. The Ranks included in the VG Wellness Compensation Plan are Independent Business Owner (IBO), Managing Business Owner (MBO), Senior Business Owner (SBO), and Executive Business Owner (EBO).

Frequently Asked Questions

How will I be paid?

With VG Wellness you can earn both monthly and weekly commissions. All Direct Sales (Preferred Customers), Uni-Level, Car, and Infinity Bonuses are paid monthly on the 15th of the following month. All checks must meet a minimum of \$10 before being sent out.

Weekly Commissions: With VG Wellness you can also earn weekly commissions which include the FastStart, Super FastStart and Leadership Bonuses. All Weekly commissions are paid the following Friday after the Weekly Cycle ends on Sundays 11:59PM PST.

Will taxes be taken out of my commission check? As a VG Wellness IBO, you are self-employed and are an independent business owner, so no taxes will be withheld. At the end of the year VG Wellness will send you a 1099 tax form, it is your responsibility to seek appropriate tax advice.