

Compensation Plan

Plexus Compensation Plan

This unique Compensation Plan will make your Plexus experience PREDICTABLE, PROFITABLE, REWARDING and FUN!!

Here's what to love about this plan...

- 1. Simple to understand and easy to see how to increase your income.
- 2. Offers you diversified opportunities to profit.
- 3. Pays out a guaranteed 50% of the gross product volume every month.
- 4. Rewards you for building a solid base of loyal customers.
- 5. Provides you special incentives for expanding your network.
- 6. Gives you additional incentives for assuming a leadership role.
- 7. Pays you weekly and monthly.
- 8. Offers full compression to maximize your earnings.
- 9. Pays up to 7 levels down.
- 10. Gives all Ambassadors the opportunity to share in the world-wide sales of the company.

The Basics

50% Guaranteed Payout Each Month

Each month, 50% of company's revenue from gross product volume is placed into one of 4 pools. At the end of the month, the money in these pools is paid out to Qualified Ambassadors. In this way, Plexus assures every Ambassador that the full 50% of product sales will be paid out to them each and every month.

The Ambassador Pool: 45%

45% of the company's gross product volume will be put into the Ambassador Pool. This is the pool from which all qualified Ambassadors will earn the majority of their income.

Emerald Pool: 3%

3% of the company's gross product volume will go into this pool and will be reserved for and paid out exclusively to Ambassadors who have achieved Emerald status.

Sapphire Pool: 1%

1% of the company's gross product volume will go into this pool and will be reserved for and paid out exclusively to Ambassadors who have achieved Sapphire status. Sapphire Ambassadors will also retain their share of the Emerald Pool.

Diamond Pool: 1%

1% of the company's gross product volume will go into this pool. Diamond status is the pinnacle of achievement in the Plexus Compensation Plan. Diamond Ambassadors will also retain their share of the Sapphire and Emerald Pools.

Note: If no Ambassadors qualify for Emerald, Sapphire and/or Diamond status the funds from those pools will be put into the Ambassador Pool and paid out to qualified Ambassadors. This is a further guarantee that each month 50% of the company's gross product volume will be paid to the Ambassadors. In this way, the value of a Plexus Point is based on the total sales of the company, not just the sales of your organization.

Qualifying to Earn Income

In order to earn commissions and bonuses you must be Qualified. Being Qualified means that your Annual Membership as a Plexus Ambassador is current and that you have a Backup Order (AutoQualification) in place. If you fail to be Qualified, you will not receive bonuses and commissions.

Plexus Point System

Each Qualified Ambassador in your downline entitles you to receive Plexus Points depending on your level of achievement. At the end of each month, the Plexus Points that you have earned are added up and multiplied by the value of a Plexus Point for that month.

What is the dollar value of a Plexus Point?

The value of a Plexus Point is determined by dividing the total number of Plexus Points awarded to all Ambassadors in a single month into the total amount of money in the Ambassador Pool for the same month.

The value of a Plexus Point will vary slightly each month based on the total number of Plexus Points earned and the amount of money in the Ambassador Pool.

If each qualified member only does a minimum of \$100 per month, it is estimated that the value of each point will never be lower than \$1.80. Of course, as Personal Volumes build through retail sales and preferred customers, Plexus Points will also increase in value. As proof, since this plan was introduced the value of a Plexus Point has ranged from \$2.82 to \$4.89.

Ranks of Achievement in the Plexus Compensation Plan

These ranks of achievement are listed in chronological order; the lowest rank is an Associate; the highest rank is a Diamond Ambassador.

- Associate You have paid the Annual Membership but do not have a Backup Order (AutoQualification) order in place. You are entitled to purchase product at wholesale but you cannot participate in any earnings from the Plexus Compensation Plan. An associate can upgrade to a Qualified Ambassador by putting a Backup Order (AutoQualification) in place.
- 2. **Ambassador** Your Membership in Plexus is current and you have a Backup Order (AutoQualification) in place. As an Ambassador, you are able to buy products at wholesale, sponsor new Associates and Ambassadors and sign up Preferred and Retail Customers. All these activities entitle you to earn income

- from Plexus. By personally sponsoring and maintaining 1 Qualified Ambassador in your organization, you earn on your Level 1.
- 3. **Senior Ambassador** You personally sponsor and maintain 2 Qualified Ambassadors. You earn Plexus Points on Levels 1 3.
- 4. **Silver Ambassador** You personally sponsor and maintain 3 Qualified Ambassadors. As a Silver Ambassador, you earn Plexus Points on levels 1-5. You will also receive a one-time Achievement Bonus of \$100.
- 5. Gold Ambassador You personally sponsor and maintain 3 Qualified Ambassadors and have a minimum of 100 points in your organization, with 15 of those points coming outside of your primary leg. You will also receive a one-time Achievement Bonus of \$250. As a Gold Ambassador, you are paid on Levels 1 – 5.
- 6. **Senior Gold Ambassador** You are a Gold Ambassador who has 250 points in your first 5 levels, with 40 of those points coming outside of your primary leg. As a Senior Gold Ambassador, you will be paid on Levels 1 6 and will receive a one-time Achievement Bonus of \$350.
- 7. **Ruby Ambassador** You personally sponsor and maintain 4 Qualified Ambassadors and have a minimum of 500 points, with 100 of those points coming outside of your primary leg. You will also receive a one-time Achievement Bonus of \$500. As a Ruby Ambassador you will be paid on Levels 1 6.
- 8. **Senior Ruby Ambassador** You personally sponsor and maintain 5 Qualified Ambassadors and have a minimum of 750 points in your organization, with 150 of those points coming outside of your primary leg. As a Senior Ruby Ambassador, you are paid on Levels 1 7 and receive a one-time Achievement Bonus of \$750.
- 9. **Emerald Ambassador** You personally sponsor and maintain 6 Qualified Ambassadors and have a minimum of 1,500 points per month, with 375 of those points coming outside of your primary leg. Along with being paid on levels 1 7, you receive a share in the Emerald Bonus Pool.
- 10. **Sapphire Ambassador** You personally sponsor and maintain 6 Qualified Ambassadors and have a minimum of 3000 points in your organization, with 750 of those points coming outside of your primary leg. Along with being paid on Levels 1-7, you receive a share in the Sapphire and Emerald Bonus Pools.
- 11. **Diamond Ambassador** You personally sponsor and maintain 7 Qualified Ambassadors and have a minimum of 4,500 points in your organization, with 1,125 of those points coming outside of your primary leg. Along with being paid

on levels 1 – 7, you receive a share in the Diamond, Sapphire, and Emerald Bonus Pools.

Eleven Ways to Earn Income from the Plexus Compensation Plan

1. Business Building Bonuses

When a new Ambassador joins the company, they can purchase a Welcome pack from \$99 to \$199. These Welcome packs are super bargains and not available at any other time. 50% of the purchase price of a Welcome Pack is paid back to the Ambassadors as a Business Building Bonus (BBB). Here is how that BBB is paid out: the Sponsor of the new Ambassador receives 50% of the bonus, while 25%, 15%, and 10% is paid upline to the first 3 Qualified Ambassadors above the sponsor.

2. Plexus Points

Each month, Plexus gives you Plexus Points for every Qualified Ambassador within your pay levels of your organization. By sponsoring new Ambassadors and by assisting existing Ambassadors in your organization to sponsor new Ambassadors, you will increase the number of Plexus Points you are qualified to earn.

Each month, you can earn Plexus Points for every qualified Ambassador up to 7 compressed levels throughout your organization. Obviously, the more Plexus Points you earn, the higher your paycheck.

Note: Full compression is explained in more detail at the end of the Compensation Plan. In short, Full Compression is designed to pay you more money by eliminating positions in your organization where there has been no activity for the month or where the Ambassador failed to qualify.

Qualifying for Levels

The higher your level of Achievement the more levels on which you are entitled to earn Plexus Points. Here is a summary:

| Level of Achievement | Levels Paid On |
|------------------------|----------------|
| Ambassador | Level 1 |
| Senior Ambassador | Levels 1 – 3 |
| Sliver Ambassador | Levels 1 – 5 |
| Gold Ambassador | Levels 1 – 5 |
| Senior Gold Ambassador | Levels 1 – 6 |
| Ruby Ambassador | Levels 1 – 6 |
| Senior Ruby Ambassador | Levels 1 – 7 |
| Emerald Ambassador | Levels 1 – 7 |
| Sapphire Ambassador | Levels 1 – 7 |
| Diamond Ambassador | Levels 1 – 7 |

Plexus Point Allocations

For All Qualified Ambassadors in your organization, here are the Plexus Points that you can earn:

Levels 1-3 = 5 Plexus Points

Level 4 = 4 Plexus Points

Level 5 = 3 Plexus Points

Level 6 = 2 Plexus Points

Level 7 = 1 Plexus Point

Income Examples

If you sponsored 3 Ambassadors and everyone in your organization duplicated your efforts, your organization would look like the one below:

| Level No | o. of Ambassadors | Points per Ambassador | Total points Awarded |
|----------|-------------------|-----------------------|----------------------|
| 1 | 3 | 5 | 15 |
| 2 | 9 | 5 | 45 |
| 3 | 27 | 5 | 135 |
| 4 | 81 | 4 | 324 |
| 5 | 243 | 3 | 729 |
| 6 | 729 | 2 | 1,458 |
| 7 | 2,187 | 1 | <u>2,187</u> |
| Totals: | 3,279 | | 4,893 |

This example is just a made-up scenario to show you how the Plexus Points would accumulate if everyone who came into your organization sponsored 3 new Ambassadors. In this example, if you were receiving Plexus Points 7 levels down, you would have a total of 4,893 Plexus Points. If the Plexus Points that month were valued at \$3.25, you would earn \$15,902.25 from your Plexus Points. And remember, since the Plexus Compensation Plan was introduced, Plexus Points have ranged from \$2.82 to \$4.89.

Here's another hypothetical example: To show you the potential of the Plexus Compensation Plan, if instead of everyone in your organization sponsoring 3 Ambassadors, everyone in your organization sponsored 4 Ambassadors, you would have a total of 21,844 Plexus Points. At \$3.25 per Plexus Point, that would earn you \$70,993.00 in one month. Again, this is not a guarantee of earnings. It is just a hypothetical example but it shows you the potential earning power of the Plexus Compensation Plan.

3. Achievement Bonuses

When you achieve certain bonus levels, Plexus pays you a one-time Achievement Bonus. Here are those bonuses:

Silver Ambassador \$100 Gold Ambassador \$250 Senior Gold Ambassador \$350 Ruby Ambassador \$500 Senior Ruby Ambassador \$750

4. Fast Start Achievement Bonus

Fast Start Achievement Bonuses are special bonuses that are paid to Ambassadors who achieve the level of Gold, Senior Gold, Ruby or Senior Ruby within 30 days of becoming a new Plexus Ambassador. Let's look at some examples:

Going for Gold

In becoming a Gold Ambassador, you would earn the following Bonuses:

| For going Silver | \$100 |
|------------------|-------|
| For going Gold | \$250 |
| Total Bonuses | \$350 |

If you became a Gold Ambassador within 30 days of becoming an Ambassador, under the Fast Start Achievement Bonus Program, that \$350 would be doubled to \$700.

Going for Senior Gold

In becoming a Senior Gold Ambassador you would earn the following Bonuses:

| For Silver | \$100 |
|-----------------|-------|
| For Gold | \$250 |
| For Senior Gold | \$350 |
| Total Bonuses | \$700 |

If you became a Senior Gold Ambassador within 30 days of becoming an Ambassador, under the Fast Start Bonus Program that \$700 would be doubled to \$1.400.

Going For Ruby

In becoming a Ruby Ambassador, you would earn a total of \$1,200 in Achievement Bonuses. If you did that in 30 days from the time you became an Ambassador, **the Fast Start Bonus Program would double that to \$2,400.**

Going For Senior Ruby

In reaching the level of Senior Ruby, you earn a total of\$1,950 in Achievement Bonuses. If you got to Senior Ruby in 30 days from the time you became an Ambassador, the Fast Start Bonus Program would double that to \$3,900.

5. Retail Rewards Program (Commissions)

You can become a Plexus Ambassador and earn generously through the Retail Rewards Program - building a_network is not required.

Here's how it works:

As an Ambassador, you will have your own Plexus replicated website and be able to purchase products at wholesale. You will be able to offer your retail customers two options; purchase directly from you out of stock on hand, or purchase on-line through your Plexus website via credit card. All product purchases made online via your ID# create Personal Volume. As your monthly Personal Volume builds, so do the percentages of your retail sales commissions.

Retail Rewards Commission Schedule

| Volume for Pay Period | Percentage Earned |
|----------------------------------|-------------------|
| Up to \$99.99 in Personal Volume | 0% |
| From \$100 to \$499.99 | 15% |
| From \$500 and up | 25% |

When you go over \$500 in Personal Volume, your 25% percentage earned rolls back to all Personal Volume over \$100!

Let's look an example to see how this would work. If you are in a position to retail large volumes of product and order 4 Retailers' Packs of Plexus Slim (8 30-day supplies each = 32 packages of Plexus Slim @ \$62.50 each), that purchase would generate \$2,000 Personal Volume. At the end of the month, you would be paid the following:

Retail Rewards Commissions

| Volume for Pay Period | Percentage Earned | Money Earned |
|--|-----------------------------|---------------------|
| Up to \$99.99 in volume | 0% | \$0.00 |
| From \$100 to \$499.99 | 15% | \$60.00 |
| (25 | % when total volume over \$ | 500) \$99.99 |
| \$500 and up | 25% | \$375.00 |
| Total Retail Sales Commissions Earned \$474.99 | | |

You would also earn retail profit on retail sales you make directly from stock-onhand.

By purchasing Plexus Slim in bulk for \$62.50 and retailing for an average price of \$84.95, you would make an additional profit of \$22.45 per package.

Retailing Profit 32 x \$22.45 = \$718.40

Combining the two amounts you would earn:
Retail Sales Rewards \$474.99
Retail Profit on Sales \$718.40
Total earnings for the month \$1,193.39

Based on an initial purchase of \$2,000 (32 Plexus Slims @ \$62.50), that works out to be nearly a 55% profit margin.

Note: Funds for the Retail Rewards Commissions are taken directly out of the Ambassador Pool and are not included in determining the value of a Plexus Point. However, because retail sales add to the total funds in the Ambassador pool, they actually increase the value of Plexus Points.

6. Retail Rewards Over-ride Commissions

If you sponsor an Ambassador that earns Retail Rewards Commissions, you will receive an Over-ride Commission as well as Plexus Points. That over-ride commission will be 5% of the qualifying retail sales over \$100.

For clarification, if you sponsored that Ambassador who purchased \$2,500 worth of product in one month, you would earn 5 Plexus Points for that Ambassador but, you would also earn an Over-ride Commission to 5% of the Personal Volume over \$100 or 5% of \$2,400 = **\$120.00**. This amount would be added to your monthly check.

7. Emerald Pool Bonus

The Emerald Pool is funded with 3% of the company's gross product volume and is divided equally among the Ambassadors who qualify. To participate in the Emerald Pool, you need to personally sponsor and maintain 6 Qualified Ambassadors and have a minimum of 1500 Plexus Points in your first 7 levels in a given month, with 375 of those Plexus Points coming outside of your primary leg.

8. Sapphire Pool Bonus

The Diamond Pool is funded with 1% of the company's gross product volume and is divided equally among those Ambassadors who qualify. To participate in the Sapphire Pool, you need to personally sponsor and maintain 6 Qualified Ambassadors and have a minimum of 3000 Plexus Points in your first 7 levels in a given month, with 750 of those Plexus Points coming outside of your primary leg. If an Ambassador qualifies for the Sapphire Pool, they would automatically qualify for the Emerald Pool.

9. Diamond Pool Bonus

The Diamond Pool is funded with 1% of the company's gross product volume and is divided equally among those Ambassadors who qualify. To participate in the Diamond Pool, you need to personally sponsor and maintain 7 Qualified Ambassadors and have a minimum of 4500 Plexus Points in your first 7 levels in a given month, with 1125 of those Plexus Points coming outside of your primary leg. If an Ambassador qualifies for the Diamond Pool, they would automatically qualify for the Emerald and Sapphire Pools.

10. Preferred Customer Program

Note: Because of the variance in the costs of international shipping, the Preferred Customer Program may be slightly different for each country. What is presented here is the Preferred Customer Program for the USA.

Preferred Customer Program Offers Huge Opportunity

Many people that will express an interest in the Plexus products will only want to become a retail or Preferred Customer, at least to begin with. Once they have personal success with the products, many of these people will decide to join your network.

Benefits for Your Preferred Customers

Those people who become Preferred Customers will save money on their purchases and receive their choice of Plexus products each month without having to remember to place an order. After their Preferred Customer status has been in place for 3 months, they will receive a further 10% off their purchases. That discount will continue as long as they remain a Preferred Customer.

There Are 5 Specific Benefits From Having Preferred Customers:

Let's Look at The Preferred Customer Program in Action!

Here's an example of the benefits of the Preferred Customer Program. If you had 5 Preferred Customers who each ordered one package of Plexus Slim each month, here's how that would benefit you.

Benefit #1: Save Money.

The Personal Volume for one package of Plexus Slim is \$79.95. That would be credited towards your personal requirement to have \$100 Personal Volume a month. You could qualify for the month by purchasing one bottle of Body Cream, an outlay of \$37.95. So, you would save over \$60 immediately.

Benefit #2: Earn Cash Bonuses.

You would earn a bonus of \$15 for every package of Plexus Slim sold to a Preferred Customer. So, If you had 5 Customers ordering Plexus Slim each month, you would earn 5 @ \$15 = \$75.

Benefit #3: Earn Retail Rewards Commissions.

If you had already reached your required volume of \$100 PV for the month, you would earn a Retail Rewards Commission of at least 15% on all the volume generated by your Preferred Customer. That is in addition to the cash bonus explained in Benefit #2. If you had 5 Customers ordering one package of Plexus Slim, your Retail Rewards Commissions would be 15% of 5 Plexus Slims at \$79.95.

Here is what that works out to: **5 PS** @ **\$79.95 X 15% = \$59.96**. That is in addition to the \$75 earned from Benefit #2.

Benefit #4: Create Income Stability.

The more Preferred Customers you have, the more stable your business. And, if you help the Ambassadors in your organization to do the same as you have done, your entire organization enjoys stability. You can count on your check staying strong month after month.

Benefit #5: Get New Customers and Ambassadors.

If every two months, one Preferred Customer decides to become a Plexus Ambassador, your organization will be growing steadily and so will your check! Furthermore, if every two months each of the Ambassadors in your organization had one Preferred Customer decide to become an Ambassador, you would see massive growth in your organization.

11. Earn a Diamond Re-Entry Position

virtue of your original position.

When you achieve the rank of Diamond Ambassador, you earn the opportunity to reenter the program with an additional (second) position that will be placed first level (direct) to your original position. Your re-entry position operates precisely as your original position and is subject to all of the same guidelines, qualifications and policies. The re-entry position is extremely exciting because it allows you double-leverage on the earning power of the network you build below it. You get paid once for the volume under your new position and you get paid again on the same volume by

***You must have 6,000 total Plexus Points in your organization in order to qualify for a Diamond Re-Entry Position.

Important Things to Remember about the Plexus Compensation Plan

First Product Order – A One-Time Opportunity for a Bargain

At the time of enrollment, the new Ambassador enjoys a **one-time opportunity** to buy one of our special "**Welcome Packs**." These Welcome Packs are a super bargain for new people. **Please advise new Ambassadors that the pricing on the "Welcome Packs" is so generous, they can only be purchased at the time of joining. They are not available to Ambassadors later on.**

Note: When an Ambassador signs up and purchases a Welcome Pack, their sponsor will begin receiving points for that Ambassador beginning in their second month as a Qualified Ambassador – <u>Unless the new Ambassador's Personal Volume is \$100.00 OVER the purchase price of their Welcome Pack for their first month.</u>

Commission Checks are Paid Monthly

Under this Plexus Compensation Plan, commission checks will be paid out monthly and will be issued the 15th of the following month. This includes any Achievement Bonuses and Fast Start Achievement Bonuses. Business Building Bonuses will be paid weekly. (See below.)

Business Building Bonus Checks Are Paid Out Weekly

Business Building Bonuses are paid out on the Friday of the week after the bonuses are earned.

Changing the Date of your Backup Order (AutoQualification) Order

If any Ambassador wishes to have their Backup Order (AutoQualification) order processed on a different date than the 25th, they need to contact Customer Service to make that change. Ambassadors can change the type of Backup Order (AutoQualification) they wish to receive by going into their back office but only Customer Service can change the order date.

Losing Achievement Status

If for some reason in a given month, an Ambassador fails to qualify for their level of Achievement, they will still retain their highest Achieved title, but will only be paid at their currently Achieved Level.

Retail Location Policy for Plexus Products

Please see the <u>Plexus Policies and Procedures</u> (located online at <u>www.plexusworldwide.helpserve.com</u> in Business Forms) for full rules and guidelines on where and how a Plexus Ambassador may retail the Plexus products.

Internet Sales of Plexus Products

Ambassadors are prohibited to sell Plexus Products via the internet except by way of the replicated web-sites that the company provides for its Ambassadors. For the protection of the Ambassadors and the company, this policy will be strictly enforced. Please see the <u>Plexus Policies and Procedures</u> (located online at www.plexusworldwide.helpserve.com in Business Forms) for full rules and guidelines.

Glossary of Terms

Levels

New Ambassadors often ask what we mean by Levels. Here's how Levels work: If you are an Ambassador and you sponsor Mary Jones personally, Mary Jones would be on your first level or Level 1. If Mary Jones then sponsored John Smith, John Smith would be on Mary Jones's first Level but John Smith would be on your second Level or Level 2. And, so on it goes. The Plexus Compensation Plan pays you up to 7 Levels down from your position.

Backup Order (AutoQualification): Protection for You!!

The Plexus Backup Order (AutoQualification) is designed to protect Ambassadors against accidentally missing their monthly qualification. If you do NOT have \$100 Personal Volume during the month, you will not be qualified to receive checks from Plexus. We never want that to happen to one of our Ambassadors. That's why we have put the Backup Order (AutoQualification) program in place. Here's how it works: if by the 25th of the month you do not have your required \$100 in Personal Volume, your Backup Order (AutoQualification) will automatically execute a qualifying purchase on your behalf. This makes sure that you qualify for the month. If you already have \$100 of Personal Volume by your Backup Order (AutoQualification) date, your Backup Order (AutoQualification) will NOT be executed; instead it will be moved forward to the next month. You will not be charged or sent a product order because you are already qualified for the month.

Plexus Points and Mock Points

Plexus Points are awarded to you for all qualified Ambassadors in your organization within the levels that you are entitled.

Mock Points are exactly the same as Plexus Points except for one thing. Mock Points can be used to qualify you for a Fast Start Achievement Bonus but not for any other direct payment. Here's how that works:

When you sponsor a new Ambassador into Plexus, they do not qualify you for Plexus Points because 50% of the money generated from their purchase of a Welcome Pack is paid out as a Business Building Bonus.

However, this new Ambassadors does qualify you to receive Mock Points. You are allowed to add Plexus Points and Mock Points together to qualify you for a Fast Start Achievement Bonus. Here is an example of that:

Let's say you signed up on June 10th, which means you have until midnight on July 10th (30 days) to go Gold or higher and double your Achievement Bonuses! If you had 85 Plexus Points in your first calendar month and then gained 15 more points in your organization before your 30 days are up, Plexus would count these as Mock Points.

85 Plexus Points and 15 Mock Points = 100 Plexus Points, which would qualify you to receive a Fast Start Bonus for reaching Gold Ambassador status.

Full Compression – a feature that is designed to pay you more money!! If an Ambassador in your organization fails to qualify in a given month, two things will happen:

First, any volume (points) in their Ambassadorship will roll up to the next qualified Ambassador above them and be credited to that qualified Ambassador.

Second, during the commission calculation, their position will temporarily disappear and the next qualified Ambassador will roll-up and take that position.

So, Ambassadors in your organization who are not qualified but have qualified Ambassadors underneath them will be ignored by the Compensation Plan when it comes to calculating commissions. The Compensation Plan will simply move up or "compress" a qualified Ambassador and their Plexus Points into the spot occupied by the unqualified Ambassador. This will not affect the overall downline structure but will ensure that you don't lose income because an Ambassador in your organization has failed to qualify for that month.

Gross Product Volume

The term "Gross Product Volume" means total product sales generated by Ambassadors.