



LIFE ACTIVATED

BRANDS





Business Office Suite Fee \$49

The Business Suite Includes:

- Back Office
- Personalized Website
- System & Technical Support
- Access to a Fully Integrated Mobile App

There are 4 types of participants in the Life Activated Brands (LAB) program.

1 The first type of participant is a **CUSTOMER**. A customer is someone who purchases product - nothing more, nothing less. Customers may take advantage of different promotions and incentives that are non-commission related, including a discounted price on their personal order when they sign up for SmartShip, the LAB recurring order program. However, a customer never receives any direct or indirect monetary compensation through the LAB Compensation Plan.

2 The second type of participant is an **INDEPENDENT BUSINESS OWNER (IBO)**. An IBO is someone who expresses a desire and intention to begin selling LAB products to Customers and begin building a business for which they will be compensated through the LAB Compensation Plan. Anyone may become an IBO by simply paying the \$49 Sign Up Fee and agreeing to the LAB Policies And Procedures. The \$49 Sign Up Fee is waived for the first 12 months if the IBO decides to purchase a LAB Business Starter Pack. There is no initial or ongoing product purchase requirement to be an IBO, although it is certainly recommended and encouraged to use and familiarize one's self with the LAB products.

3 The third type of participant is an **AFFILIATE**. An Affiliate is someone who has not only expressed their intention to build a business by signing up as an IBO, but also has taken action steps toward growing their business by selling products to Customers and thus receives compensation through the LAB Compensation Plan. Affiliates may enjoy the benefits of the parts of the LAB Compensation Plan that are related more specifically to their own efforts in acquiring Customers. Anyone may become an Affiliate by simply paying the \$49 Sign Up Fee to become an IBO, agreeing to the Policies And Procedures and then enrolling at least one (1) Customer. The Sign Up Fee is waived for the first 12 months if the IBO decides to purchase a LAB Business Starter Pack. There is no initial or ongoing product purchase required to be an Affiliate, although it is certainly recommended and encouraged to use and familiarize one's self with the LAB products.

NOTE: *the main distinction between an Affiliate and an IBO is the fact that an Affiliate has enrolled at least one Customer. In other words, an Affiliate is simply an IBO that has made their first sale to a Customer.*



4 The fourth type of participant is an **AMBASSADOR**. An Ambassador is someone who has started to build a team, and, in doing so, has gained access to all parts of the compensation plan, including the more robust bonuses associated with building a team comprised of other Customers, IBO's, Affiliates, and Ambassadors. Any Affiliate may advance to the status of Ambassador by simply meeting the requirements outlined in the Rank Qualifications section of this document. Note that one of the requirements to become an Ambassador is to be ACTIVE with a Monthly Qualifying Order.

NOTE: the main distinction between an Ambassador and an IBO or Affiliate is the fact that an Ambassador has begun to build a team and assist others in selling products to Customers.

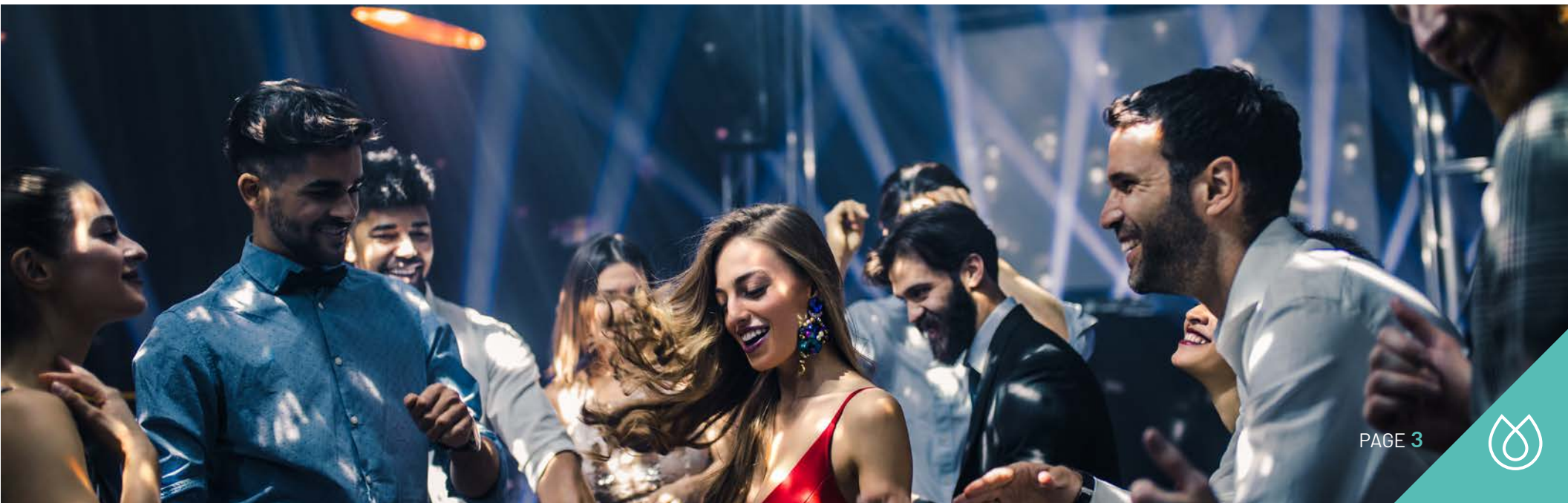
There is a clear and distinct difference between all four types of participants based upon their level of participation in the LAB program and, more importantly, based upon the actions that they take. In simple summation:

*A **Customer** buys products.*

*An **IBO** starts a business, indicating their desire to sell products to Customers.*

*An **Affiliate** sells products to one or more (1) Customers.*

*An **Ambassador** begins to develop a team of other IBO's, selling products to their own personal Customers AND helping other IBO's on their team sell products to Customers.*



There are seven (7) forms of Compensation inside the LAB Compensation Plan. The LAB Compensation Plan is divided into 2 segments, as there are 2 different types of IBO: *Affiliates and Ambassadors.*

1. Retail Profits (RP)
2. Enroller Bonus (EB)
3. Sponsor Bonus (SB)
4. Team commissions (TC)
5. Rank Advancement Bonus (RAB)
6. Leadership Check Match (LCM)
7. Leadership Pool (LP)

QUALIFYING FOR COMMISSIONS

Customers (*In binary Tree*) may purchase any LAB Products and may receive some special benefits and incentives for their repeat orders and loyalty to the LAB Products but may not receive Commissions from the LAB Compensation Plan.

IBO's may qualify for Commissions by becoming an Affiliate, which means making their first sale and enrolling their first Customer.

Affiliates (*Is a rank and is an IBO*) may participate in the first 3 types of compensation: Retail Profits (RP), Enroller Bonus (EB) and Sponsor Bonus (SB), whether or not they are Active with a Monthly Qualifying Order. There is no initial or ongoing product purchase required to be an Affiliate, although it is certainly recommended and encouraged to use and familiarize one's self with the LAB products.

Ambassadors may participate in all 7 forms of Compensation: Retail Profits (RP), Enroller Bonus (EB), Sponsor Bonus (SB), Team Commissions (TC), Rank Advancement Bonus (RAB), Leadership Check Match (LCM), and Leadership Pool (LP), assuming that they are Active with a Monthly Qualifying Order and have met all of the other requirements of becoming an Ambassador outlined in the Rank Qualifications section of this document. If they are not Active with a Monthly Qualifying Order, they will still be paid based on the parts of the LAB Compensation Plan that an Affiliate would participate in: Retail Profit (RP), Enroller Bonus (EB) and Sponsor Bonus (SB).



Basic Terms Glossary

PV - Personal Volume or Personal Commissionable Volume. This volume is credited to you personally when you purchase a product. Please note some products may have less than 70 CV attached to them, which will not satisfy the requirement for being Active and thus you would not be qualified for some features in the LAB Compensation Plan.

CV - Commissionable Volume. This is volume that is created when an item is purchased that has a volume value attached to it allowing commissions to be paid out to IBO's based on that value.

MONTHLY QUALIFYING ORDER - A purchase of a LAB Product(s) with a total combined Commissionable Volume (CV) of 70 CV or more inside the current calendar month. This sum can come from your personal purchases and your personally sponsored retail customers. There are NO personal purchase requirements to earn income. All of your personal volume can be achieved through customer sales.

SmartShip - A Customer that is on automatic monthly shipment of the product(s) of their choice. They may start or stop shipments anytime they choose by logging into their back office portal.

ACTIVE - To be considered Active requires a Monthly Qualifying Order of a LAB Product(s) with a total Commissionable Volume (CV) of 70 CV or more inside the current calendar month. This sum can come from your personal purchases and your personally sponsored retail customers. Being Active is not a requirement in the LAB Compensation Plan to get paid until one has advanced to the status of Ambassador and wishes to take full advantage of all the seven (7) different forms of Compensation in the LAB Compensation Plan. Both Affiliates and Ambassadors will be paid their earned RP, EB and SB regardless of whether or not they are Active.

BANKED VOLUME - As an IBO begins to develop their team by introducing other Customers and IBO's who also enroll with Life Activated Brands, the Commissionable Volume (CV) created by the sales activity of their team will accumulate in the form of Banked Volume until the IBO meets the qualifications to be paid on that activity as long as the IBO remains Active with a Monthly Qualifying Order. Any Commissionable Volume (CV) that was not paid out in the form of commissions in the current period will be carried over to the next period and will continue to carry over as long as the IBO meets all requirements and remains Active until the IBO is ultimately paid commissions on all of the Commissionable Volume.

Active Grace Period - An IBO's Active period begins when they have placed a personal order with a minimum of 70 CV and they will remain Active until the last day of the current month. Active Grace Period will allow you to continue to accumulate Banked Volume only* from your teams for a period of 5 days. *No TC, RAB, LCM or LP commissions will be earned during this Active Grace Period.

Example: John signs up July 4th, 2019 with a product purchase totaling 70 CV or more. He is now Active until 11:59:59PM July 31st, 2019.

If his Team Volume (Left & Right) is 10,000CV on August 31st and he does not have a personal Monthly Qualifying Order placed in the month of August, making him Active, and he does not place a personal Monthly Qualifying Order by 11:59:59pm on September 5th all Commissionable Volume (CV) in John's team will reset to zero.



Weekly Bonus Period - The weekly Bonus period starts each Saturday morning at 12:00:00 AM Central Time and ends on the following Friday Night at 11:59:59 PM Central Time. Retail Profits (RP), Enroller Bonus (EB) and Sponsor Bonus (SB) are paid out using the Weekly Bonus Period. Some special promotions may also be paid out using the Weekly Bonus Period.

Monthly Qualifying Period - The Commissionable Volume (CV) inside of each calendar month determines the Rank Qualification of an IBO. This period starts the first day of each month at 12:00:00 AM Central Time and ends on the last day of the month at 11:59:59 PM Central Time. Team Commissions (TC), Rank Advancement Bonus (RAB), Leadership Check Match (LCM), and Leadership Pool (LP) will be paid out using this Monthly Qualifying Period. Any other special promotional commissions and incentives will normally be paid out using this Monthly Qualifying Period.

- All monthly commissions will be calculated and paid on the 2nd Friday of the following month for the previous month's activity.
- All volume adjustments due to failed credit card charges, product refunds, etc. that occur during this calculation period, and that are applicable to orders processed during the previous month, will be factored into all commission calculations for that month

Active Independent Business Owner - An IBO who meets the minimum Active requirement, which is a personal purchase in the form of a Monthly Qualifying Order of 70 CV or more in the current calendar month.

Active Customer - A Customer who meets the minimum Active requirement, which is a personal purchase in the form of a Monthly Qualifying Order of 30 CV in the current calendar month.

Retail Customer or Customer - A person that buys at retail or SmartShip

price LAB product(s) either directly from an IBO or from an IBO's online store.

Enroller - The person that personally enrolls the new Customer or IBO.

Sponsor - The person that enrolled the person that enrolls the new Customer or IBO.

Pay Leg - The left or right binary leg that has the lesser amount of accumulated Commissionable Volume (CV), including all spill over volume.

Power Leg - The left or right binary leg that has the greater amount of accumulated Commissionable Volume (CV), including all spill over volume.

Spill Over Volume - Volume that is produced in the downline organization of an IBO, but was enrolled by another IBO above them in the binary tree and any volume that stems from that enrollment in the future.

RANKS

Achieved Rank: The highest rank ever achieved by an IBO. An IBO will always be referenced by this rank, which is permanently assigned for as long as they remain Active.

Paid Rank: The rank the IBO is qualified for in that particular week or month, which is the rank they are paid at. NOTE: Your monthly Paid Rank is confirmed on the 2nd Friday of the following month, after the calculation Period to process any refunds on orders placed in the previous month.

Current Rank: The rank at which an IBO has qualified for DURING the pay period, before it ends. This rank could go up or down once the period and pending period ends.



7 WAYS TO GET PAID

1. Retail Profits (RP) (paid weekly)

Pays out the difference between Retail and Wholesale prices. For example, if a Customer orders a LAB Product at the retail price of \$100 and the wholesale price of that same product is \$75, the IBO who enrolled that Customer would be paid \$25, which is the difference between the Retail Price and the Wholesale Price.

2. Enroller Bonus (EB) (paid weekly)

Pays out 25% of the CV on the first order; pays out 15% of the CV in perpetuity monthly as your Customer / IBO continues to order. *This bonus pays to the person who personally enrolled the new Customer or IBO.*

3. Sponsor Bonus (SB) (paid weekly)

Pays out 15% of the CV on the first order. *This bonus pays to the person who is the Enroller of the person who personally enrolled the new Customer or IBO.*

First Time Order Example:



Retail: \$100/50 CV
Wholesale: \$75/50 CV

Customer purchases \$100 product at Retail.

That product is \$75 at wholesale.
And has a Commissionable Volume amount of 50 CV.

IBO Would Earn:



Retail Commissions

\$25



Enroller Bonus

\$12.50

The IBO's Enroller Would Earn:



Sponsor Bonus

\$7.50

Repeat Order Example:



Retail: \$100/50 CV
Wholesale: \$75/50 CV

Customer purchases \$100 product at Retail.

That product is \$75 at wholesale.
And has a Commissionable Volume amount of 50 CV.

IBO Would Earn:



Retail Commissions

\$25



Enroller Bonus

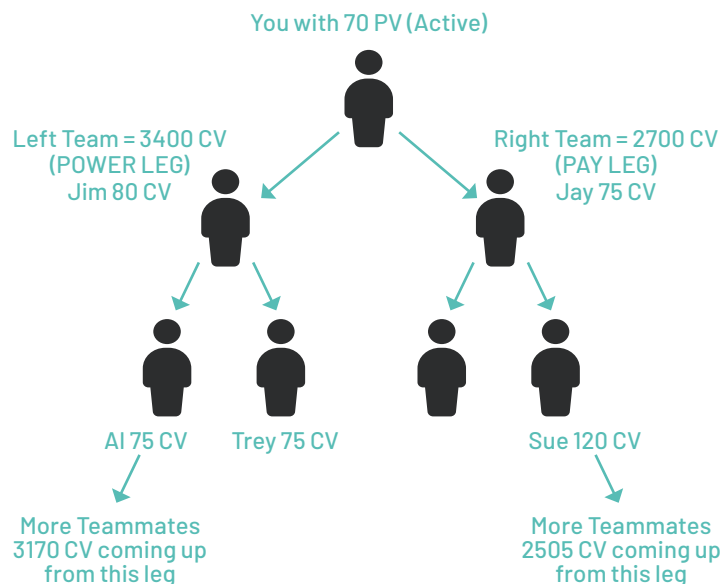
\$7.50



4. Team Commissions (paid monthly)

At the end of month, the leg (left or right on the binary tree) with the greater Commissionable Volume (CV) total is called the Power Leg and the leg with the lesser Commissionable Volume (CV) total is called the Pay Leg. A qualified IBO will earn 10% of the Pay Leg CV total with maximum Team Commissions (TC) pay from \$100 to \$15,000 per month based on Qualified Pay Rank.

In the example below, an IBO with a rank of "Ambassador 2K" has 2,700 CV in their Pay Leg and 3,400 CV in their Power Leg at the end of the Monthly Qualifying Period. They receive a Team Commissions payout of \$270 (10% of Pay Leg CV of 2,700 CV). Then 2,700 points is deducted equally from both legs and the remaining 700 CV from the Power Leg is carried over to the following month in the form of Banked Volume (BV). There is no "flushing" Commissionable Volume as long as the IBO remains Active.



5. Rank Advancement Bonus (one-time payout)

The chart to the right outlines the various Ranks and the corresponding one-time bonus for each Rank Advancement.

Each subsequent Rank assumes all previous Rank requirements are still met or superseded by the next higher requirement indicated.

Rank	Bonus
Affiliate	0
Affiliate Plus	0
Super Affiliate	0
Ambassador 500	\$100
Ambassador 1K	\$100
Ambassador 2K	\$100
Ambassador 4K	\$100
Ambassador 6K	\$250
Ambassador 8K	\$250
Ambassador 10K	\$250
Ambassador 12K	\$500
Ambassador 15K	\$500
Ambassador 18K	\$500
Ambassador 20K	\$500
Ambassador 25K	\$750
Ambassador 30K	\$750
Ambassador 35K	\$750
Ambassador 40K	\$750
Ambassador 45K	\$1000
Ambassador 50K	\$1000
Ambassador 60K	\$1000
Ambassador 70K	\$1000
Ambassador 80K	\$1250
Ambassador 90K	\$1500
Ambassador 100K	\$2000



6. Leadership Check Match (paid monthly)

As an IBO builds two teams and starts to earn Team Commissions (TC), they will help those IBO's that they personally enroll and their team members to do the same. As the teams grow and more members of the team start to earn Team Commissions, an IBO can earn a Leadership Check Match equal to a percentage of the Team Commissions earned by their personally enrolled IBO's (1st level), as well as the IBO's they enroll (2nd level).

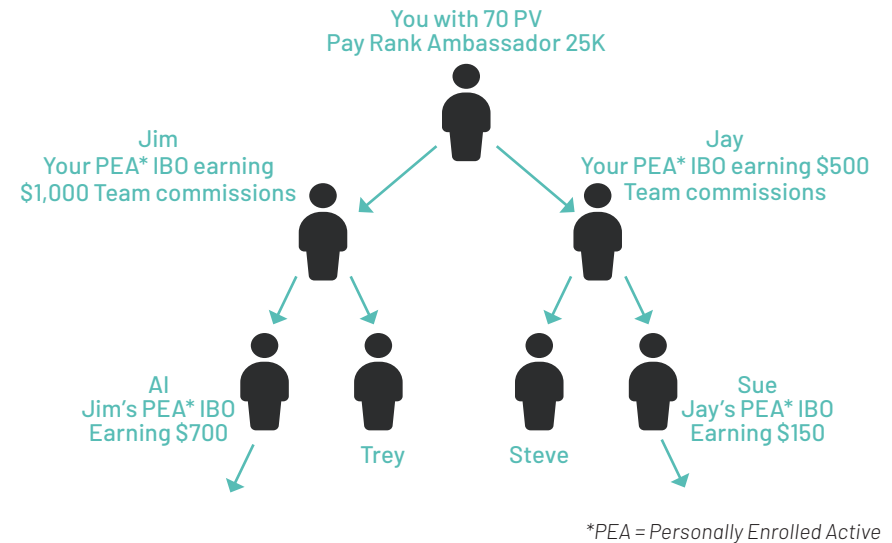
Earn Leadership Check Match of up to 50% of the Team Commission pay of your personally enrolled (1st level). Also earn up to 50% match of the Team Commissions of the personally enrolled of your personally enrolled (2nd level). The percentage and the number of levels an IBO is qualified to receive the Leadership Check Match Bonus is determined by the IBO's current pay rank.

**See Rank Advancement Quick Reference details at the end of this document.*

Example:

If your Rank is Ambassador 25K and your personally enrolled IBO's (Jim and Jay) are earning \$1,000 and \$500 Team Commissions and their personally enrolled IBO's (AL and Sue) are earning \$700 and \$150 Team Commissions. Then Life Activated would then pay you a \$587.50 Leadership Check Match (25% of the 1st level bonus of \$1,500 and 25% of the 2nd level bonus of \$850). As you achieve higher Qualified Pay Rank and higher Commissionable Volume due to your business growth, you will qualify to earn Leadership Check Match directly related to the success of the IBO's who's businesses you have helped to develop. The more IBO's you personally sponsor and help, the higher your LCM will be.

**Earn up to a 50% Leadership Check Match on 2 levels of Sponsorship*



7. Leadership Pool (paid monthly)

Each week, Life Activated Brands sets aside 1% of total company CV. Every Active IBO achieving and being paid at the Paid Rank of Ambassador 25K or higher qualifies to receive a bonus based on the allocation of share(s).

The pool will be split into total number of shares. See Rank Advancement Quick Reference details at the end of this document for shares per paid rank.

Example: Company CV for the week is 500,000 CV.
(500,000 CV X 1% = \$5,000.)

Total amount of Rank Shares for the week is 100 making the shares worth \$50 each and if your pay rank for this week is Ambassador 25K (2 shares) you would receive \$100



Rank Advancement Quick Reference



	RANK LEVELS	Volume Requirements	Customer Minimums	Duplication (Personally Enrolled)	Enroller and Sponsor Bonus	Team Commissions	Leadership Check Match	Rank Advancement Bonus	Leadership Pool
Affiliate	AFFILIATES								
	Affiliate	Meet minimum Active requirement of 70 CV to accumulate volume.	1		Y	N	N	N	N
	Affiliate Plus	Meet minimum Active requirement of 70 CV to accumulate volume.	2		Y	N	N	N	N
	Super Affiliate	Meet minimum Active requirement of 70 CV to accumulate volume.	2	1AFFILIATE	Y	N	N	N	N
Team Leader	AMBASSADORS								
	AMBASSADOR 500	Meet minimum Active requirement of 70 CV. Accumulate 500 Pay Leg Volume in a Qualifying Calendar Month.	2	1AFFILIATE	Y	10% with \$200 Monthly CAP	N	\$100	N
	AMBASSADOR 1K	Meet minimum Active requirement of 70 CV. Accumulate 1,000 Pay Leg Volume in a Qualifying Calendar Month.	2	1AFFILIATE	Y	10% with \$400 Monthly CAP	N	\$100	N
	AMBASSADOR 2K	Meet minimum Active requirement of 70 CV. Accumulate 2,000 Pay Leg Volume in a Qualifying Calendar Month.	2	1AFFILIATE	Y	10% with \$600 Monthly CAP	N	\$100	N
	AMBASSADOR 4K	Meet minimum Active requirement of 70 CV. Accumulate 4,000 Pay Leg Volume in a Qualifying Calendar Month.	2	2 AFFILIATES	Y	10% with \$800 Monthly CAP	N	\$100	N
	AMBASSADOR 6K	Meet minimum Active requirement of 70 CV. Accumulate 6,000 Pay Leg Volume in a Qualifying Calendar Month.	2	2 AFFILIATES	Y	10% with \$1,000 Monthly CAP	10% 1st Level	\$250	N
	AMBASSADOR 8K	Meet minimum Active requirement of 70 CV. Accumulate 8,000 Pay Leg Volume in a Qualifying Calendar Month.	2	2 AFFILIATES	Y	10% with \$1,200 Monthly CAP	15% 1st Level	\$250	N
Team Director	AMBASSADOR 10K	Meet minimum Active requirement of 70 CV. Accumulate 10,000 Pay Leg Volume in a Qualifying Calendar Month.	2	2 AFFILIATES	Y	10% with \$1,500 Monthly CAP	20% 1st Level	\$250	N



Rank Advancement Quick Reference CONTINUED



	RANK LEVELS	Volume Requirements	Customer Minimums	Duplication (Personally Enrolled)	Enroller and Sponsor Bonus	Team Commissions	Leadership Check Match	Rank Advancement Bonus	Leadership Pool
Team Executive	AMBASSADORS								
	AMBASSADOR 12K	Meet minimum Active requirement of 70 CV. Accumulate 12,000 Pay Leg Volume in a Qualifying Calendar Month.	2	1 SUPER AFFILIATE	Y	10% with \$1,800 Monthly Cap	25% 1st Level	\$500	N
	AMBASSADOR 15K	Meet minimum Active requirement of 70 CV. Accumulate 15,000 Pay Leg Volume in a Qualifying Calendar Month.	2	1 SUPER AFFILIATE	Y	10% with \$2,000 Monthly CAP	25% 1st Level 10% 2nd Level	\$500	N
	AMBASSADOR 18K	Meet minimum Active requirement of 70 CV. Accumulate 18,000 Pay Leg Volume in a Qualifying Calendar Month.	2	1 SUPER AFFILIATE	Y	10% with \$2,500 Monthly CAP	25% 1st Level 15% 2nd Level	\$500	N
Senior Executive	AMBASSADOR 20K	Meet minimum Active requirement of 70 CV. Accumulate 20,000 Pay Leg Volume in a Qualifying Calendar Month.	2	1 SUPER AFFILIATE	Y	10% with \$3,000 Monthly CAP	25% 1st Level 20% 2nd Level	\$500	N
	AMBASSADOR 25K	Meet minimum Active requirement of 70 CV. Accumulate 25,000 Pay Leg Volume in a Qualifying Calendar Month.	3	2 SUPER AFFILIATES	Y	10% with \$3,500 Monthly CAP	25% 1st Level 25% 2nd Level	\$750	1% Total Company Product Volume 2 Share
	AMBASSADOR 30K	Meet minimum Active requirement of 70 CV. Accumulate 30,000 Pay Leg Volume in a Qualifying Calendar Month.	3	2 SUPER AFFILIATES	Y	10% with \$4,000 Monthly CAP	30% 1st Level 25% 2nd Level	\$750	1% Total Company Product Volume 3 Shares
	AMBASSADOR 35K	Meet minimum Active requirement of 70 CV. Accumulate 35,000 Pay Leg Volume in a Qualifying Calendar Month.	3	2 SUPER AFFILIATES	Y	10% with \$4,500 Monthly CAP	35% 1st Level 25% 2nd Level	\$750	1% Total Company Product Volume 5 Shares
	AMBASSADOR 40K	Meet minimum Active requirement of 70 CV. Accumulate 40,000 Pay Leg Volume in a Qualifying Calendar Month.	3	2 SUPER AFFILIATES	Y	10% with \$5,000 Monthly CAP	40% 1st Level 25% 2nd Level	\$750	1% Total Company Product Volume 10 Shares



Rank Advancement Quick Reference CONTINUED



LIFE ACTIVATED
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	RANK LEVELS	Volume Requirements	Customer Minimums	Duplication (Personally Enrolled)	Enroller and Sponsor Bonus	Team Commissions	Leadership Check Match	Rank Advancement Bonus	Leadership Pool
Elite Executive	AMBASSADORS								
	AMBASSADOR 45K	Meet minimum Active requirement of 70 CV. Accumulate 45,000 Pay Leg Volume in a Qualifying Calendar Month.	3	3 SUPER AFFILIATES	Y	10% with \$5,500 Monthly CAP	50% 1st Level 25% 2nd Level	\$1000	1% Total Company Product Volume 10 Shares
	AMBASSADOR 50K	Meet minimum Active requirement of 70 CV. Accumulate 50,000 Pay Leg Volume in a Qualifying Calendar Month.	3	3 SUPER AFFILIATES	Y	10% with \$6,000 Monthly CAP	50% 1st Level 30% 2nd Level	\$1000	1% Total Company Product Volume 10 Shares
	AMBASSADOR 60K	Meet minimum Active requirement of 70 CV. Accumulate 60,000 Pay Leg Volume in a Qualifying Calendar Month.	3	3 SUPER AFFILIATES	Y	10% with \$7,000 Monthly CAP	50% 1st Level 35% 2nd Level	\$1000	1% Total Company Product Volume 10 Shares
Presidential Elite	AMBASSADOR 70K	Meet minimum Active requirement of 70 CV. Accumulate 70,000 Pay Leg Volume in a Qualifying Calendar Month.	3	3 SUPER AFFILIATES	Y	10% with \$8,000 Monthly CAP	50% 1st Level 40% 2nd Level	\$1000	1% Total Company Product Volume 10 Shares
	AMBASSADOR 80K	Meet minimum Active requirement of 70 CV. Accumulate 80,000 Pay Leg Volume in a Qualifying Calendar Month.	3	4 SUPER AFFILIATES	Y	10% with \$9,000 Monthly CAP	50% 1st Level 45% 2nd Level	\$1250	1% Total Company Product Volume 10 Shares
	AMBASSADOR 90K	Meet minimum Active requirement of 70 CV. Accumulate 90,000 Pay Leg Volume in a Qualifying Calendar Month.	3	4 SUPER AFFILIATES	Y	10% with \$10,000 Monthly CAP	50% 1st Level 50% 2nd Level	\$1500	1% Total Company Product Volume 10 Shares
	AMBASSADOR 100K	Meet minimum Active requirement of 70 CV. Accumulate 100,000 Pay Leg Volume in a Qualifying Calendar Month.	3	4 SUPER AFFILIATES	Y	10% with \$20,000 Monthly CAP	50% 1st Level 50% 2nd Level	\$2000	1% Total Company Product Volume 10 Shares

60% Cap Rule LIFE ACTIVATED will pay up to 60% of all company volume for the pay period through the Binary, and Check Match Pay bonuses. Payouts of these bonuses will be capped companywide at 60%.

