



The **LIFE** You've Always Wanted

**MEMBER COMPENSATION PLAN**

---

**INCOME DISCLOSURE STATEMENT**

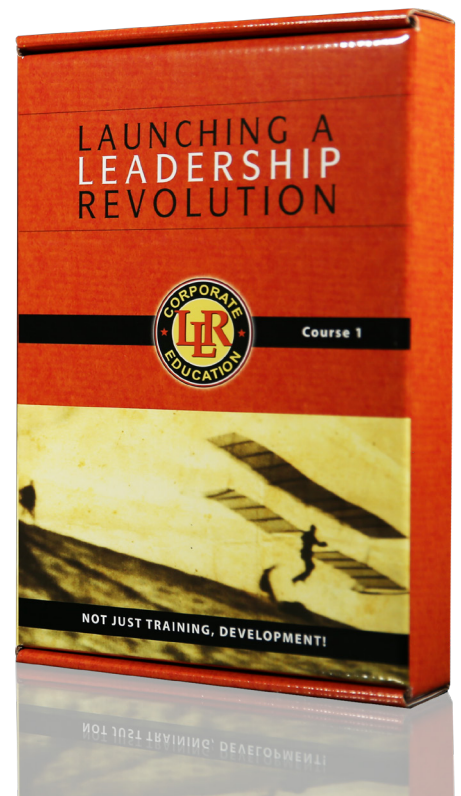
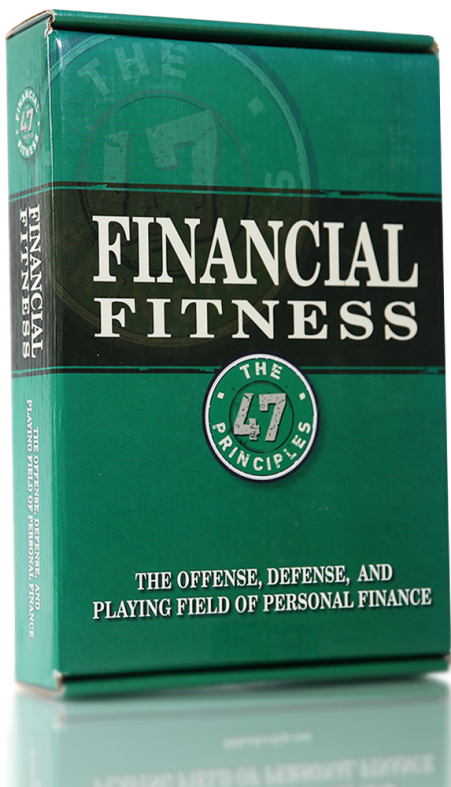


JANUARY 2018  
UNITED STATES - CARIBBEAN



# CONTENTS

Welcome.....	3
The 16 (and ½) Ways of Making Money .....	4
Rank Achievement .....	7
Retail Sales Contest .....	9
Customer Sales Requirements.....	10
Balanced Business Bonus (BBB) .....	11
Chart of the 16 (and ½) Ways of Making Money .....	13
Bonus Calculation Examples .....	14
Income Disclosure Statement .....	18





# WELCOME

Thank you for your interest in Life!

We are a direct sales company that produces informational and educational products and services in three primary categories: Financial Development, Professional Development, and Personal Development. Our products include audios, videos, and books in both physical and digital formats, interactive training platforms, as well as various services designed to aid people in their personal finances. Life Members earn money from the sale of our products to customers and from the overall sales volume of other Life Members they involve in the program, based upon performance.

Therefore, Life Members are in the business of improving people's lives by providing them Life-changing products. To do this, they invest their time in two main activities:

1. *Merchandising Life products to customers, and*
2. *For those who choose to, building sales forces of people who do the same thing.*

Life Members are compensated through a multifaceted pay plan. Depending upon how you slice it, there are 16 (and ½) ways for you to make money with Life. We will go through each one briefly, just to give you a feeling for what they are, followed by some examples, and then provide a bunch of details for each at the end. Furthermore, in the pages to follow, you will find average incomes, and highs and lows, for people at the various levels in the compensation plan (along with a lot of legaleeze you should be sure to read, if you want to skip ahead!)

\*All amounts presented in the document are in US dollars.



# THE 16 (AND 1/2) WAYS OF MAKING MONEY

## Point Value and Bonus Chart

We track sales volume through something called Point Value, or "PV," which are merely points assigned to each product. This is usually of the ratio \$1.2 = 1 PV, but for books on average it is \$1 = ½ PV. There are other exceptions, but this is a pretty good rule of thumb.

The following is called our Bonus Chart, and is used to calculate many of the ways of making money.

PV	Bonus %
8,000	30%
6,000	26%
4,000	22%
2,500	18%
1,500	15%
1,000	12%
600	9%
300	6%
150	3%

## #1. Retail Sales Commission

You make 15% on the PV of all products you merchandise to Registered Customers (those verified through a free registration on our website), all the time and every time. These are totaled up and paid to you monthly.

**15%**

## #½. The "3 for FREE" Customer Referral Programs

Okay, this isn't really an "income," per se. That's why we are calling it 16 and ½ ways of making money, because since you get something from it we thought we'd tell you about it anyway. And since we're talking about customers, this is the perfect place to do so.

You see, any month in which you get three Registered Customers who subscribe to products at or above the amount at which you are subscribing to products for yourself, you get yours for free! While that's pretty nice, this is actually designed to be a customer referral program to incentivize your *Registered Customers* to bring you more Registered Customers. So this really gets exciting when one of your customers attracts three additional Registered Customers for you, each of which are subscribing to products at or above *his or her* amount. In such a case, that referring Registered Customer gets *his or her* products for free! This all occurs monthly.\*

\*Financial Fitness Bullion Reserve products are excluded from this program.



## #2. Customer Pool Bonus (CPB)

In addition to the 15% Retail Sales Commission explained in #1, a Member can also earn additional money based on his or her total Registered Customer sales each quarter of the calendar year. The amount paid out will vary according to the overall sales performance of the company and the individual's total sales amount, but a minimum of at least \$50 is guaranteed, with no limits on the upside amount. To be eligible, a Member must have accumulated at least 600 PV in Registered Customer sales that quarter.

## #3. Cumulative Customer Bonus (CCB)

In addition to the 15% Retail Sales Commission explained in #1 and the Customer Pool Bonus explained in #2, you can earn yet another sales bonus based on the total amount of Registered Customer sales you make in a complete calendar year. Add up your total PV from Registered Customer sales from the beginning of January through the end of December, and look for the corresponding dollar amount on the chart below to determine your bonus. This amount will be paid along with your other December bonuses in the month of January.

Annual Registered Customer PV Total	Annual Bonus (\$)
5,000	500
10,000	1,000
15,000	1,500
20,000	2,200
30,000	4,000
50,000	7,000
100,000	15,000
200,000	40,000

## #4, #5, and #6. Bonus Chart Commissions

As you build a sales force of Life Members, each of them will also generate product flow through sales to customers and purchases for their own personal use. This means that you will have three types of product volume:

**Personal Volume** = products you buy for your own use (or for use in sales demonstrations or to sell to customers directly without registering them on the website) (See 3.19 of the Statement of Policies and Procedures).



**Customer Volume** = products sold to your Registered Customers (those who register on the website).

**Group Volume** = the total volume of the Life Members in your Sales Force(s) or Team(s).

**#4. Personal Bonus** – This is simply the money you get back on your personal volume.

**#5. Customer Bonus** – This is the money you earn on Customer Volume (product sales to Registered Customers). Note that this is *in addition to* the money you have earned from those sales in #1, #2, and #3 above, and is a *fourth* way of making money from those very same sales.

**#6. Differential Bonus** – This is the money paid to you based upon the differential of where your total volume is on the Bonus Chart and the total volume of each of your downline sales forces or teams. This is where you get compensated for helping develop sales for the Life Members in your sales organizations. The building of a Sales Force allows you to spread out the workload and serve a greater number of customers.

Each of these three bonuses (#4, #5, and #6) is paid monthly.

## #7. Product Scholarship Program

The Product Scholarship Program encourages a Member to assist with the sale of products\* through his or her Sales Teams. There are two ways to qualify:

Option 1 - Student 1,000 with a minimum of 300 PV in 2 Sales Teams.

Option 2 – Student 2,500 with a minimum of 1,000 PV in 2 Sales Teams.

Total PV	1st Team PV	2nd Team PV	Scholarship (\$)
1,000	300	300	60
2,500	1,000	1,000	120

This Bonus is paid monthly.

\*Financial Fitness Bullion Reserve products are excluded from this program.

## #8. Scholarship Development Bonus

The Scholarship Development Bonus is designed to reward Members for assisting downline Members with their sales efforts by helping those downline Members qualify for Product Scholarships (#7 way of making money explained previously). There are three levels for this bonus.

1. \$100
  - a. Student 2,500
  - b. 2 Scholarship Qualified Members with 1 in one Sales Team and an additional 1 outside of that Sales Team.
2. \$250
  - a. Student 4,000
  - b. 4 Scholarship Qualified Members with 2 in one Sales Team and an additional 2 outside of that Sales Team.
3. \$500
  - a. Student 6,000
  - b. 6 Scholarship Qualified Members with 3 in one Sales Team and an additional 3 outside of that Sales Team.
  - c. If you have a downline Leader(s), the maximum number of scholarship credits for all Leader Teams is 3. You then must have the remaining 3 qualifiers from non-Leader Teams.

Total PV	Total Downline Scholarship	Scholarship Outside of Sales Team 1	Bonus (\$)
2,500	2	1	100
4,000	4	2	250
6,000	6	3	500

This Bonus is paid monthly.

**NOTE: The developing of multiple Sales Teams is a key component in structuring the compensation plan so that it rewards those who are truly doing the work.**





## #9. Fun in the Sun Cruise

A Member who qualifies as a Leader or above (see page 7 for a definition of this rank) for all 12 months of the calendar year will be awarded this trip. The cruise destination may vary from year to year. First time qualifiers can do so by qualifying as a Leader or above for 6 consecutive months in a calendar year.

This is an annual award. See page 15 of this brochure for more details and the website for the information on the current year's cruise.

## #10. Balanced Business Bonus (BBB)

This is a monthly bonus paid to Life Members at the Leader rank and above for assisting in the development of Sales Teams that produce 8,000 PV or more on a consistent basis. This bonus is paid based upon a "balanced" number of Leaders in both width and depth, so 2 Leaders in width (2 Sales Teams of 8,000 PV or more) would establish a potential bonus grid of 2x2 (for Coordinators) because it would open up the bonus potential of 2 Leaders of depth across 2 Leaders of width. Likewise, three Leaders in width would establish a potential bonus grid of 3x3 (for Sr. Coordinators). The size of the bonus grid is based upon your rank. The bonus for each 8,000 PV Sales Team (Leader) ranges from \$1,000 to \$1,250.

For a full explanation of the Balanced Business Bonus, with examples, please see page 11.

## #11. Annual Cash Awards

Beginning at the rank of Leader, Members who achieve and maintain a Rank for all 12 months of the calendar year January through December (what we refer to as Q12, meaning 12 months of qualification) will receive a cash award. This is not a one-time award, but rather an award received each year the Member achieves that particular rank. The amounts are shown in the following table.

Rank	Cash Awards (\$)
Leader	5,000
Coordinator	7,500
Sr. Coordinator	10,000
Advisor	12,500
Sr. Advisor	15,000

A Member can only receive one of these awards per year and is paid at his or her highest qualification.

A Member who qualifies for the Leader rank for the first time may start his or her 12 month qualification immediately and not have to wait for the next calendar year to begin. Upon completion of the first 12 months, he or she will be awarded his or her first cash award. Assuming the Member continues to qualify in the months following, a prorated cash award, paid at the highest level achieved of those remaining months, will be given. Then moving forward, he or she will be on the standard calendar year cycle. (see the example on page 16)

## #12. Leader Bonus

The Leader Bonus rewards a Life Member for actively helping other Life Members in his or her Sales Teams accomplish the level of Leader themselves. For each month in which this occurs, the upline Leader receives a 4% bonus. This is paid monthly.

## #13, #14, #15, and #16.

### Depth Bonuses

Working in much the same way as the Leader Bonus from #12 above, the Depth Bonuses reward a Life Member for hitting higher and higher ranks (him or herself) and for developing more Leaders in each of his or her Sales Teams. As a result, he or she accumulates additional depth bonuses of first 2% then 1% more then .5% more, and finally .25% more, for each Leader in depth. (see the chart on page 13). One must be a Senior Coordinator to be eligible. These are also paid monthly.



# RANK ACHIEVEMENT

Now that you've seen the quick overview of the 16 (and ½) ways of making money, let's consider the recognition for achievement that is also available for Life Members. Recognition is provided at our live and web-broadcast events, and is further commemorated with a lapel pin program. Understanding Life's ranks will also help you make more sense of the various ways of making money.

## Student 150 through Student 8,000

During the time when a Life Member is working his or her way up our Bonus Chart, he or she is referred to as a "Student." As an example, a Life Member with a total volume of 2,500 PV would be called a "Student 2,500."

## Performer and Sr. Performer

There are two points along your journey up the Bonus Chart in the "Student" Ranks at which you can receive special Rank recognitions based upon your total PV and the total PV outside your first Sales Team:

- Performer – 4,000 Total PV with at least 1,000 PV Outside\*
- Sr. Performer – 6,000 Total PV with at least 1,500 PV Outside\*

*Note: The following Ranks (beginning at Leader) must be maintained for 6 consecutive months before receiving a lapel pin and official recognition..*

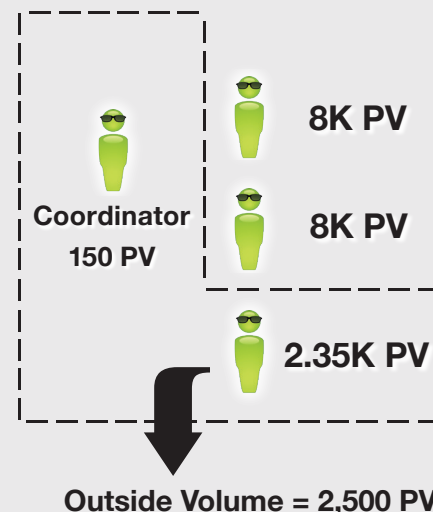
Once achieving the level of 8,000 PV or "the top of the chart," a Life Member can qualify for the rank of Leader in one of two ways:

1. *Registered Customer volume, personal volume and group volume all totaling 8,000 PV or higher, or*
2. *One downline Sales Team generating 8,000 PV or more, with at least 2,500 PV additional volume outside\* that Sales Team (This can be the total of personal volume, customer volume, and volume from additional outside Sales Teams.)*

## Coordinator

Coordinators are Life Members who have built a business that has:

1. *Two Sales Teams simultaneously generating 8,000 PV or more, and*
2. *Volume outside\* of those two Sales Teams of at least 2,500 PV.*



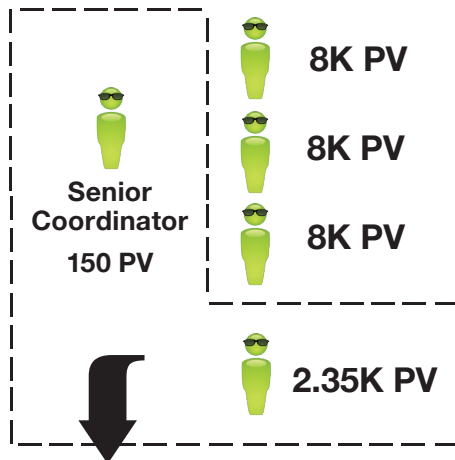
\*When we say "outside", we are referring to any and all PV generated in Sales Teams outside your largest Sales Team, as well as all of your customer volume and personal volume.



## Senior Coordinator

Senior Coordinators are Life Members who have built a business that has:

1. *Three Sales Teams simultaneously generating 8,000 PV or more, and*
2. *Volume outside of those three Sales Teams of at least 2,500 PV.*



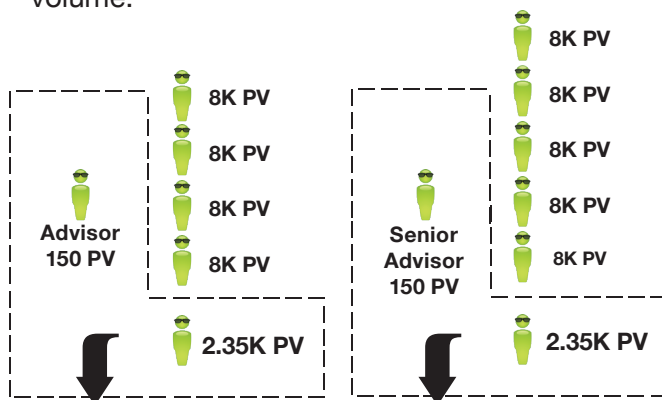
Outside Volume = 2,500 PV

## Advisor and Senior Advisor

Advisors and Senior Advisors are Life Members who have built a business that has:

Advisor = Four Sales Teams simultaneously generating 8,000 PV plus 2,500 PV outside volume.

Senior Advisor = Five Sales Teams simultaneously generating 8,000 PV plus 2,500 PV outside volume.



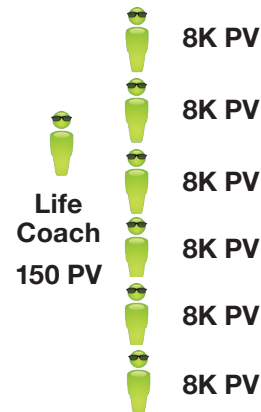
Outside Volume = 2,500 PV

Outside Volume = 2,500 PV

## Life Coach

Life Coaches are Life Members who have built a business that has:

1. *Six Sales Teams simultaneously generating 8,000 PV or more (with no outside volume requirement).*



## Executive, Double, Triple, Crown, and Crown Ambassador Life Coaches

Additional Life Coach Rank Achievements are as follows:

**Executive Life Coach** = Nine Sales Teams simultaneously generating 8,000 PV or more

**Double Life Coach** = Twelve Sales Teams simultaneously generating 8,000 PV or more

**Triple Life Coach** = Fifteen Sales Teams simultaneously generating 8,000 PV or more

**Crown Life Coach** = Eighteen Sales Teams simultaneously generating 8,000 PV or more

**Crown Ambassador Life Coach** = Twenty Sales Teams simultaneously generating 8,000 PV or more





## RETAIL SALES CONTEST

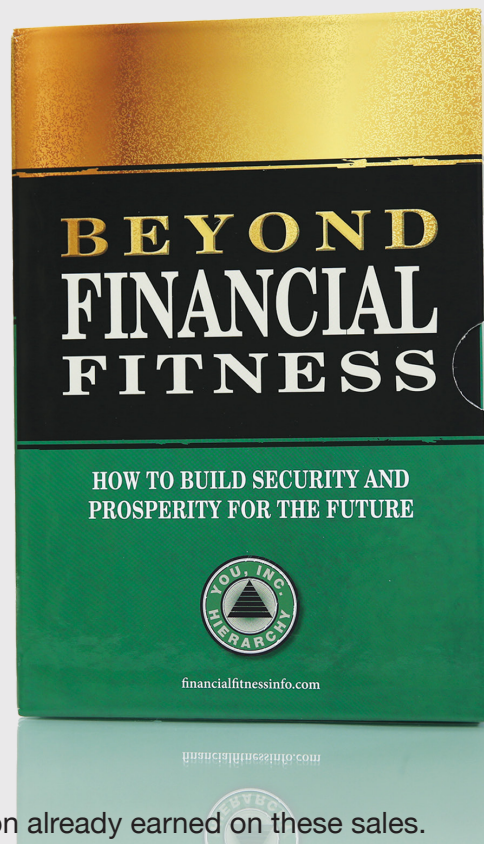
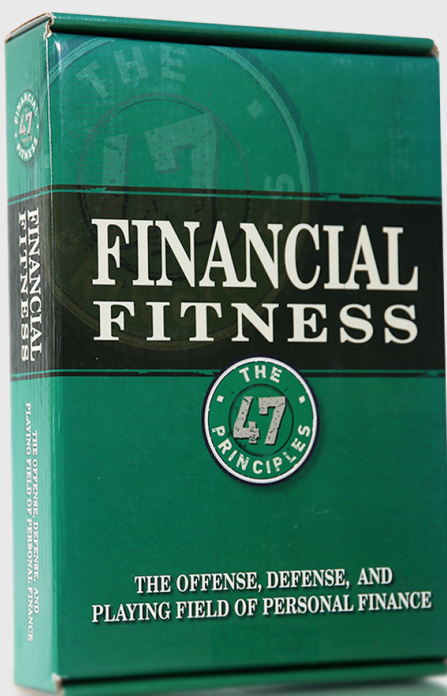
To provide further incentive and a little healthy competition for Life Members, we created the Financial Fitness Customer Sales Contest.

### Financial Fitness Customer Sales Contest

This contest focuses solely on retail sales of the Financial Fitness and Beyond Financial Fitness Packs, in either digital or physical formats. Every Member is eligible to participate in this individual competition and the sales include 100% of the sales made via Registered Customers, which are captured automatically by the website, and up to 10 self-reported customer sales.

This contest runs for a 6 month period (so twice a year), at the end of which the top 6 finishers are welcomed on stage at a Life Convention where the winner is announced. *The next column lists the prizes that are awarded to the top 6 finishers.\**

- 1st – A 4-night stay at an exclusive hotel in Waikiki Beach, Hawaii plus 50% of total contest PV in cash and a trophy
  - 2nd – A 3-night stay at the Fairmont Scottsdale Princess Resort in Scottsdale, Arizona plus 35% of total contest PV in cash
  - 3rd – \$500 plus 25% of total contest PV in cash
  - 4th – \$250 plus 15% of total contest PV in cash
  - 5th – \$150 plus 10% of total contest PV in cash
  - 6th – \$100 plus 5% of total contest PV in cash
- Members must be present at the convention to be eligible for the contest.



\*NOTE: These awards are in addition to all other compensation already earned on these sales.



# CUSTOMER SALES REQUIREMENTS

In order for Life Members to receive compensation in the Life Compensation Plan (beyond the money made from the Retail Sales Margin, Customer Pool Bonus, and Cumulative Customer Bonus), they must satisfy a minimum monthly customer sales requirement, as explained below:

- **Overall:** There is a \$100 minimum monthly customer sales requirement. All Life products and services are eligible, with the exception of the Financial Fitness Bullion Reserve products, which require \$400 in minimum monthly sales. A mixing of sales of the two types of products is acceptable (wherein \$4 of sales of Financial Fitness Bullion Reserve products will count as \$1 toward the \$100 requirement).

To check your customer sales progress at any given time, login to the website and select “My Team” from the “My Business” drop down menu. In the upper right corner there is a section titled “Customer Requirements” where your real time progress will be displayed.

- **Enrollment Month Plus Full Months 1 & 2:** There are no sales requirements for the new Member in the month in which he or she enrolls, plus his or her first two full months beyond that. This is designed to give a new Member time to learn to make sales and establish a customer base.
  - o Example: If the new Member enrolls on February 2nd, he or she does NOT have to meet the \$100 minimum monthly customer sales requirement in February, March, or April, but must do so in May.
- **Full Months 3 – 6:** The minimum monthly customer sales requirement is \$100 (or \$400 in FF Bullion Reserve products) with no sales type requirement, meaning that the \$100 (or \$400) can be generated from any combination of Self-Reported or Registered Customer sales.
  - o Example: Based on the new Member above, who enrolled on February 2nd, in the months of May – August, that Member will be required to meet the \$100 (or \$400) minimum sales requirement with no sales type requirement. (Any combination of Self-Reported or Registered Customer sales is acceptable).
- **Full Months 7 and beyond:** The minimum customer sales requirement is still \$100 (or \$400), but starting with full month 7, the Member is required to have at least \$50 of that as Registered Customer sales. (Note: All FF Bullion Reserve sales are Registered Customer sales, as the “Self Reported sale” option is not permissible for this product).
  - o Example: Continuing with our example, this requirement would begin with the month of September.



# BALANCED BUSINESS BONUS (BBB)

The Balanced Business Bonus is a monthly bonus paid to Life Members at the Leader Rank and above that rewards a Member for developing Sales Teams that consistently produce 8,000 PV or more (Leader Level). A bonus is given for each Sales Team that generates 8,000 PV (Leader Level). For each Sales Team in width, you can also receive an additional bonus for each downline Sales Team of 8,000 PV (Leader Level) in depth. The grid below outlines the maximum BBB for each Rank. For each new Leader Sales Team that you add in width, you can add a new Leader Sales Team in depth. The bonus for the first Leader (8,000 PV) in each Sales Team is \$1,000 dollars. If you go straight down the grid, you'll notice that the bonus increases by \$50 per Sales Team for the next 5 Leaders you develop in depth. As a result, the 6th Leader in depth (and beyond) carries a maximum bonus of \$1,250.

For example: By looking at the diagrams, a Coordinator's maximum BBB is \$4,100 based on having 2 Leader Sales Teams in width and 2 Leader Sales Teams in depth each generating 8,000 PV. A Coordinator isn't eligible to earn a BBB on more than 2 Leader Sales Teams in his or her 2 Sales Teams. The purpose of this is to encourage growth in width and depth in new Sales Teams. Moving up in rank, the same concept applies.

To understand how the grid works, the maximum bonus for your Rank is calculated by simply adding up the totals for each Sales Team vertically and horizontally based on the number of Leader Sales Teams you have developed in width and depth. As an example, at the Sr. Coordinator level, you can earn a maximum BBB of \$9,450 for developing a total of 9 Leader Sales Teams (3x3) each generating 8,000 PV:  $(\$1,000 \times 3) + (\$1,050 \times 3) + (\$1,100 \times 3) = \$9,450$  [4x4 for Advisor, 5x5 for Sr. Advisor, and so on].

## LEADERS IN WIDTH

Rank	Maximum Bonus \$
Leader*	\$1,000
Coordinator	\$4,100
Sr. Coordinator	\$9,450
Advisor	\$17,200
Sr. Advisor	\$27,500
Life Coach	\$40,500
Life Coach + 1	\$56,000
Life Coach + 2	\$74,000
Executive Life Coach	\$94,500

## LEADERS IN DEPTH

	LIFE COACH								
	SR. ADVISOR								
	ADVISOR								
	SR. COORDINATOR								
	COORDINATOR								
	LEADER								
	1	2	3	4	5	6	7	8	9 →
1	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
2	\$1,050	\$1,050	\$1,050	\$1,050	\$1,050	\$1,050	\$1,050	\$1,050	\$1,050
3	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
4	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150
5	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
6	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
7	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
8	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
9	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
↓									

\*Qualifications for the Leader BBB: A Member has to be a Leader with a Leader Sales Team and the BBB is based on the PV outside of the Leader Sales Team.

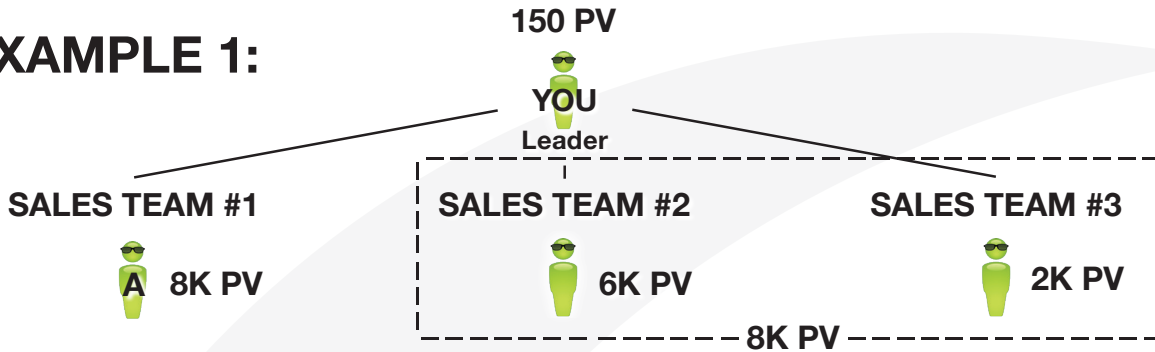


# BALANCED BUSINESS BONUS (BBB)

## (CONTINUED)

In example 1, you are at the rank of Leader and in Sales Team 1 you have one Leader (A) with 8,000 PV. In Sales Team 2, you have 6,000 PV and in Sales Team 3 you have 2,000 PV for a total of 8,000 PV outside. Your BBB in this example is \$1,000 because you are a Leader who has one Leader in depth with an additional 8,000 PV outside of that. This is the maximum BBB you can earn at the rank of Leader.

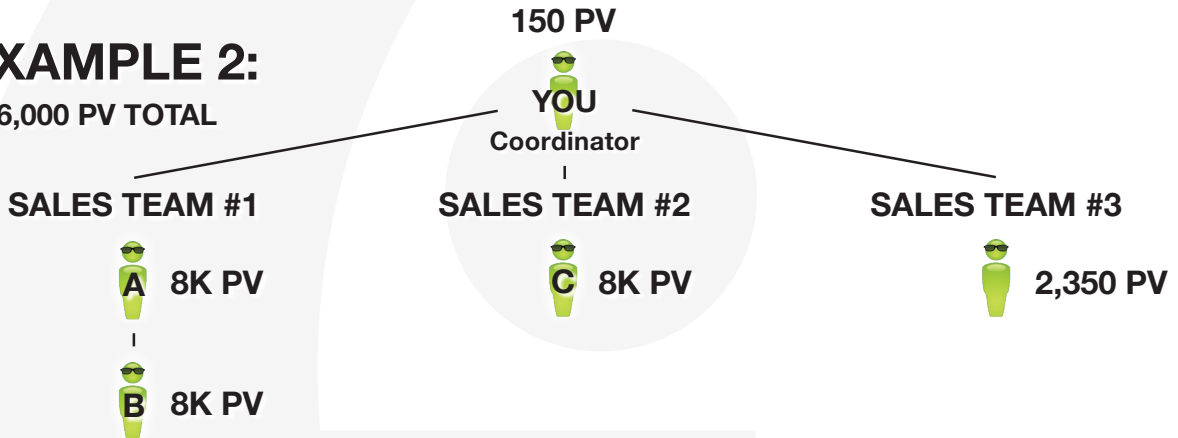
### EXAMPLE 1:



In example 2, you are at the rank of Coordinator and in Sales Team 1 you have a total of 16,000 PV, with Leader A having 8,000 PV and Leader B also having 8,000 PV. The BBB paid for Sales Team 1 is \$2,050 because you have two Leaders in depth generating 8,000 PV [Leader A = \$1,000] + [Leader B = \$1,050] = \$2,050. In Sales Team 2 you have one 8,000 PV Leader (C) and therefore your BBB is \$1,000. So your total BBB in this example would be [Leader A = \$1,000] + [Leader B = \$1,050] + [Leader C = \$1,000] = \$3,050. In order to earn the maximum BBB of \$4,100 in this example, you would need to develop another Leader Team in Sales Team 2.

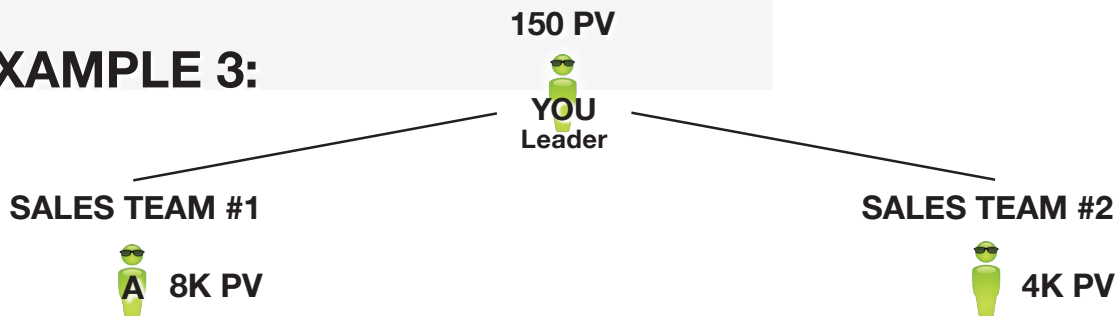
### EXAMPLE 2:

16,000 PV TOTAL



In example 3, you are at the rank of Leader earning a partial BBB. This is because in Sales Team 1 you have one Leader (A) with 8,000 PV and in Sales Team 2 you have 4,000 PV. Your total BBB in this example is \$500 because you have 4,000 PV (or half of the 8,000 PV required for a full BBB) in Sales Team 2 multiplied by \$1,000 [4,000 PV/8,000 PV x \$1,000 = \$500]. In order to earn the maximum bonus of \$1,000 in this example, you would have to generate another 4,000 PV in Sales Team 2 or in an additional Sales Team.

### EXAMPLE 3:



NOTE: The Balanced Business Bonus is based on developing Leader Sales Teams and therefore your personal volume is not factored into the qualifications or bonus calculations.



# CHART OF THE 16 (AND 1/2) WAYS OF MAKING MONEY

It may be helpful at this point to summarize the details of the various ways of making money, when they are paid, and the requirements for each.

The 16 and ½ Ways of Making Money	Amount	Paid Out	Customer Sales Requirement Necessary to Receive?
1. Retail Sales Commission	15%	Monthly	NA
1½. 3 For Free	Free Product Subscription	Monthly	NA
2. Customer Pool Bonus (CPB)	\$50 minimum	Quarterly	NA
3. Cumulative Customer Bonus (CCB)	(See CCB Chart page 4)	Yearly	NA
<b>Bonus Chart Commissions</b>			
4. Personal Bonus	3 to 30%	Monthly	NA
5. Customer Bonus	3 to 30% (In addition to 15% Retail Sales Commission)	Monthly	NA
6. Differential Bonus	3 to 30%	Monthly	Yes
7. Product Scholarship Program	\$60 - \$120	Monthly	Yes
8. Scholarship Development Bonus	\$100 - \$500	Monthly	Yes
9. Fun in the Sun Cruise	Fluctuates	Yearly	Yes
10. Balanced Business Bonus (BBB)	(See BBB Chart page 11)	Monthly	Yes
11. Annual Cash Awards	(See Chart page 6)	Yearly	Yes
12. Leader Bonus	4%	Monthly	Yes
<b>Depth Bonuses<sup>*1</sup></b>			
13. Senior Coordinator	2%	Monthly	Yes
14. Life Coach	1%	Monthly	Yes
15. Executive Life Coach	.5%	Monthly	Yes
16. Double Life Coach	.25%	Monthly	Yes

NA = Non applicable, since it's already a direct customer sale.

<sup>\*1</sup> These bonuses are additive as a Life Member grows through these ranks.





# BONUS CALCULATION EXAMPLES

PV	Bonus %
<b>8,000</b>	<b>30%</b>
<b>6,000</b>	<b>26%</b>
<b>4,000</b>	<b>22%</b>
<b>2,500</b>	<b>18%</b>
<b>1,500</b>	<b>15%</b>
<b>1,000</b>	<b>12%</b>
<b>600</b>	<b>9%</b>
<b>300</b>	<b>6%</b>
<b>150</b>	<b>3%</b>

Now, let's consider some examples to help you better understand the different ways of earning bonuses.

## 1. Retail Sales Commission

For this example, let's say you merchandise a \$120 (100 PV) product to a customer, and you do so by helping him or her register for free as a customer on our website.

Your Retail Sales Commission income from this sale would be calculated as follows:

**100 PV x 15% = \$15 (since Registered Customer retail sales pay a 15% commission)**

## 2. Customer Pool Bonus (CPB)

The CPB is earned each quarter, so in this example let's say you met the minimum Registered Customer sales total of 600 PV in the 1st quarter (January - March) of 2016. As a result, you qualified for at least the minimum payout of \$50. (But it could be more based upon your overall sales and the overall sales of the company.)

## 3. Cumulative Customer Bonus (CCB)

For the current year, January through December, let's say your Registered Customer sales totaled 15,000 PV.

Your Cumulative Customer Bonus would be (see the chart on page 4): \$1,500

## 4. Personal Bonus

You purchase \$180 (150 PV) in merchandise for personal use, sales demonstrations, and inventory for future direct sales to customers. Let's say your total PV for the month, which is the sum of personal volume, customer volume, and group volume, is 1,000 PV, which places you at the 12% level on the Bonus Chart (see Bonus Chart to the left).

Your Personal Bonus income from the 150 PV that you purchased would be calculated as follows:

**150 PV x 12% = \$18**

## 5. Customer Bonus

Remember the \$120 (and 100 PV) sale you made to a Registered Customer that we talked about in the Retail Sales Commission example (#1 to the left)? Well, in addition to earning the Retail Sales Commission, you also earn a Customer Bonus on that sale. This is calculated by multiplying the Registered Customer PV by your Bonus Chart bonus percentage, which in this example is 12% because your total PV is 1,000 (sticking with the level we used as an example in #4 above, see Bonus Chart to the left).

**100 PV x 12% = \$12.00**

(So effectively, given just the retail sales commission and customer bonus, you made \$27 on this sale).

## 6. Differential Bonus

The Differential Bonus is the money you earn based on the difference between your total PV Bonus Chart percentage and your downline Sales Team (or teams) total PV Bonus Chart percentage.

### Example #1 You have one downline team.

Let's say your total PV is 1,500 and therefore 15% on the Bonus Chart.

Let's also say that you have one downline Sales Team whose total PV is 1,000 and therefore 12% on the Bonus Chart.

Your Differential Bonus would be:

**15% - 12% = 3% x 1,000 PV = \$30**



500 PV



1,000 PV



**Your Total  
PV = 1,500**



## Example #2

### You have multiple downline teams.

Let's say your total PV is 6,000 and therefore 26% on the Bonus Chart.

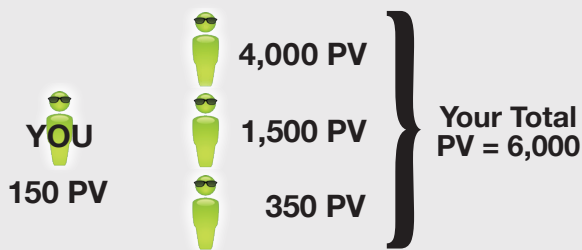
And that your 1<sup>st</sup> downline Sales Team has a total PV of 4,000, which is 22% on the Bonus Chart.

And that your 2<sup>nd</sup> downline Sales Team has a total PV of 1,500, which is 15% on the Bonus Chart.

And your 3<sup>rd</sup> downline Sales Team has a total PV of 300, which is 6% on the Bonus Chart.

Your Differential Bonus would be:

$$\begin{aligned}
 26\% - 22\% &= 4\% \times 4,000 = \$160 \\
 26\% - 15\% &= 11\% \times 1,500 = \$165 \\
 26\% - 6\% &= 20\% \times 350 = \$70 \\
 \$160 + \$165 + \$70 &= \$395
 \end{aligned}$$



## 7. Product Scholarship Program

You qualify for a product scholarship by generating sales in multiple Sales Teams.

Let's say that you are a new Member and you have met the Option 1 qualifications (see page 5 for both qualification options).

### Option 1

You are a Student 1,000 and you have 2 Sales Teams that each have a minimum of 300 PV.

Your Product Scholarship is **\$60**.

In this next example you have met the option 2 requirements:

### Option 2

You are a Student 2,500 and you have 2 Sales Teams that each have a minimum of 1,000 PV.

Your Product Scholarship is **\$120**.

## 8. Scholarship Development Bonus

Earning a Scholarship Development Bonus is based on assisting Sales Team Members in qualifying for a Product Scholarship themselves, as you did in #7.

In this example let's say you are a Student 6,000. You have helped a total of 6 Sales Team Members qualify for a Product Scholarship with 3 in one Sales Team and an additional 3 outside of that Sales Team.

As a result, your Scholarship Development Bonus is \$500. (See the chart on page 5).

## 9. Earning the Fun in the Sun Cruise

### Qualifications:

The Fun in the Sun Cruise is awarded to Members who meet one of the following qualifications:

- First time qualifiers - Achieves a rank of Leader or above for six consecutive months within the calendar year (for example, July - December).
- Repeat qualifiers - Achieves the rank of Leader or above for 12 months out of 12 months of the calendar year (for example January - December).

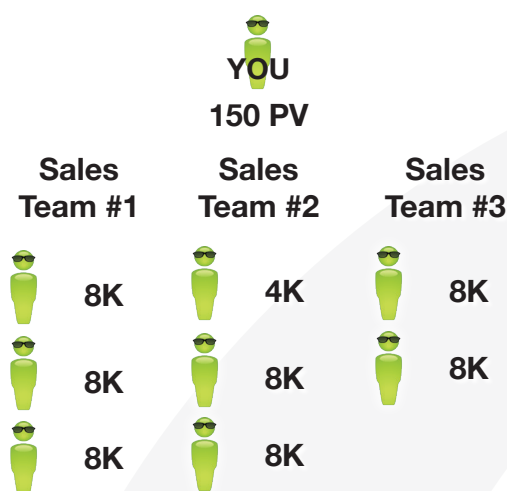


## 10. Balanced Business Bonus (BBB)

You qualify for a Balanced Business Bonus (BBB) when you are at least a Leader that has at least one Leader Sales Team producing 8,000 PV.

In the example below, you are a Sr. Coordinator, who is eligible for a 3 x 3 BBB, which is 3 Leader Sales Teams that each have 3 8K Leader Sales Teams. You have the following:

- Sales Team #1 - 3 Leaders each with 8K
- Sales Team #2 - 2 Leaders with 8K and 1 Leader with 4K
- Sales Team #3 - 2 Leaders with 8K



The Maximum BBB a Sr. Coordinator can earn is \$9,450 for having developed 3 Teams that each have 3 Leader Sales Teams producing 8,000 PV each. This is a total of 9 Leader Sales Teams with a reward of \$1,050 per Sales Team for a total of \$9,450. See the BBB Chart on Page 11. But in the example above, you are slightly below this maximum because Sales Team 2 has a Leader with only 4,000 PV on the side, and Sales Team 3 only has two 8,000 PV Leaders. Your BBB is therefore calculated as follows:

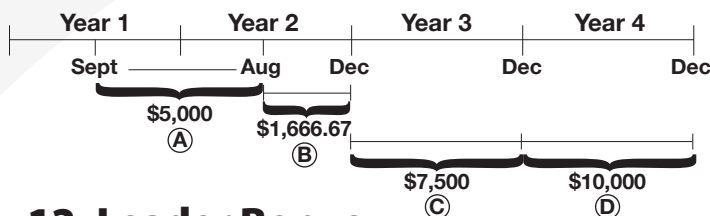
- Sales Team #1:
  - 1st Leader Sales Team = \$1,000
  - 2nd Leader Sales Team = \$1,050
  - 3rd Leader Sales Team = \$1,100
- Sales Team #2:
  - 1st Leader Sales Team = \$1,000
  - 2nd Leader Sales Team = \$1,050
  - 3rd Leader Sales Team =  $4,000\text{PV} / 8,000\text{PV} \times \$1,100 = \underline{\$550}$
- Sales Team #3:
  - 1st Leader Sales Team = \$1,000
  - 2nd Leader Sales Team = \$1,050

**Total: \$7,800**

## 11. Annual Cash Awards

Let's say that you are a new Leader in September of year 1 and you then go on to build your business as follows:

- As a new Leader who qualified for 12 consecutive months from September of year 1 through August of year 2, you would receive the Leader Cash Award for \$5,000. (see **A** below and the chart on page 6)
- You then qualified for a minimum of Leader from September through December of year 2 and therefore would earn \$1,666.67 (4/12 months \* \$5,000) (see **B** below) (we pro-rate your bonus for this partial year)
- In year three you qualified for Coordinator for the entire year, which earns you a Cash Award of \$7,500. (see **C** below)
- In year four you qualified for Sr. Coordinator for the entire year, which earns you a Cash Award of \$10,000 (see **D** below)



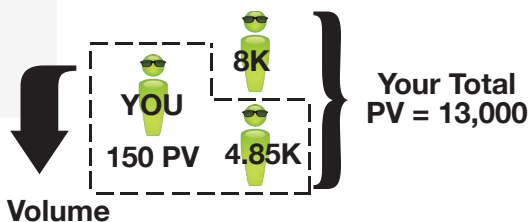
## 12. Leader Bonus

You qualify for a Leader Bonus when you have achieved the rank of Leader and have helped one of your Sales Teams generate a minimum of 8,000 PV, and at the same time you have more than 2,500 additional PV outside of that Sales Team (in other words, you are being rewarded for helping to build others and their sales up to the Rank of Leader).

Let's consider an example in which your total PV is 13,000 and you have one Sales Team with exactly 8,000 PV, which means you have 5,000 PV outside of that. Your Leader Bonus is calculated as follows:

$$13,000 \text{ PV} - 8,000 \text{ PV} = 5,000 \text{ PV} \times 4\% = \$200$$

Note that your 4% bonus is calculated on all your volume outside of that downline Leader.

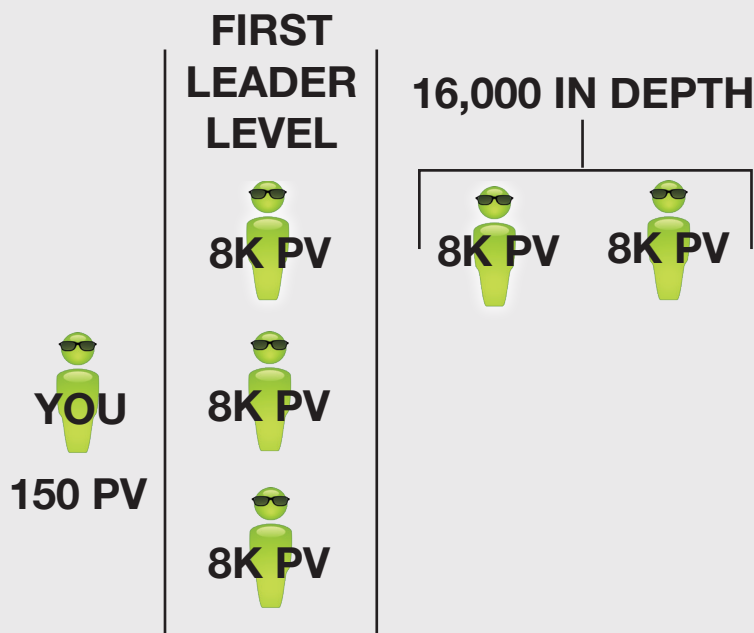




## 13-16. Depth Bonuses

Below is an example of the first Depth Bonus, which is the 13<sup>th</sup> way to earn income. The additional Depth Bonuses (#14 through #16 ways of making money) are calculated in the same way, and are simply cumulative.

Let's consider an example in which you are a Sr. Coordinator, and in one of your Sales Teams you have a Leader who also has 2 Sales Leaders (each having 8,000 PV) in depth. Therefore, you qualify for the Senior Coordinator Depth Bonus of 2% on the PV in depth below the 1<sup>st</sup> Leader (so 2% on that 16,000 PV shown).



$$.02 \times 16,000 = \$320$$



# INCOME DISCLOSURE STATEMENT (IDS)

Thank you for taking the time to review this in-depth look at Life's Income Disclosure Statement (IDS). The Life IDS is updated each year with the most recent year's Member performance. This year's IDS is based on Member performance from February 2015 through January 2017. In our effort to uphold our Founder's philosophy of integrity and transparent relationships, we present the following information.

It might be helpful to first explain that individuals join Life for a variety of reasons. However, there are basically only two ways to participate with Life: as a Customer or as a Member. Customers simply register for one or more of Life's monthly subscriptions, enjoy the material, and are free to shop for products at their leisure. That's it. If a Customer refers three other Customers who sign up for an equivalent value subscription, the original Customer's subscription is free! We call this our 3-for-Free Program. Those are the basics of being a Customer.

Members, on the other hand, join Life with the intention of building a business and earning income, and represent a broad spectrum of entrepreneurs. Some join with the goal of earning a little extra spending money, while others join with a very aggressive action plan and high aspirations. Members are still free to take advantage of the 3-for-Free Program, but the focus of a Member is on making sales, building a business, and earning an income.

One of the most attractive aspects of joining Life as a Member is the low start-up cost of \$19.95. For Members who choose the auto-renewal plan for their business, the membership fee is only \$15 per year after that (\$19 otherwise). Life proudly offers its Members a way to start their own business at an extremely reasonable price without having to invest thousands of dollars into capital or inventory. Instead of having to buy and store large amounts of merchandise to support customer orders, Life Members simply sell the products and subscriptions as if they have their very own warehouse—without the overhead costs!

Of course, as with any business, Life Members may incur various operational expenses such as those for their phone, computer, travel, etc. However, Life attempts to ensure the businesses of its Members are professionally operated at a fraction of the cost of more traditional businesses. After all, in order for the business to prosper and grow, so must the businesses of our Members. Therefore, in addition to the low start-up cost and no requirement for inventory, Life offers a complete online business management system, corporate-managed email blasts, and a variety of full-color, high-quality, low-cost brochures, pamphlets, and other sales aids that include the most recent and popular product information. And avoiding the costs of set-up charges, minimum orders, pre-loaded inventory, red tape, and so on saves Life Members not only money, but also time to make sales.

It's important to also point out that all of Life's products and training materials are backed by a no-questions-asked, 30-day, 100% money-back guarantee. (with the exception of our Financial Fitness Bullion Reserve products which have their own terms of purchase).

This business isn't for everyone. Just like joining a new fitness club or enrolling in college, it requires a commitment, and individual results are a direct reflection of the Member's effort. Consider too that just like college freshmen, many newcomers only last a handful of weeks before quitting, yet their short stay is included in the calculation of the retention rates for the entire year. In fact, according to an article published by the *New York Times* in January of 2013, "Almost half of the students who begin college at a two- or four-year institution fail to earn a degree within six years." With that in mind, we believe we are doing quite well with our retention rate.

The majority of our Members are ranked as "Students" and, as the term would imply, are still considered to be at some level of learning. The number following the Rank in the chart on the back page distinguishes a Point Value (PV) level associated with the title of Student, Leader, etc. The first six months of any new Membership are considered to be a "Trainee" level, so you can easily distinguish newer Members on the chart on the back page.





To give all new Members a chance to develop a customer base, Life does not require new Members to meet any customer sales requirements in their enrollment month plus their first two full months. For full months 3, 4, 5 and 6; the Customer Sales requirement is \$100 and those sales can come from any combination of Self-Reported or Registered Customer sales. Starting with the seventh month after enrollment, at least \$50 must come from Registered Customers. We consider this easily achieved. For a Member selling Financial Fitness Bullion Reserve, the sales requirements change slightly (see page 10 for a full explanation).

Prior to November 1, 2015 and during the time period of the data on the back page, there was a 6 month grace period to allow for customer acquisition. This has been discontinued and the customer requirements described above are now active.

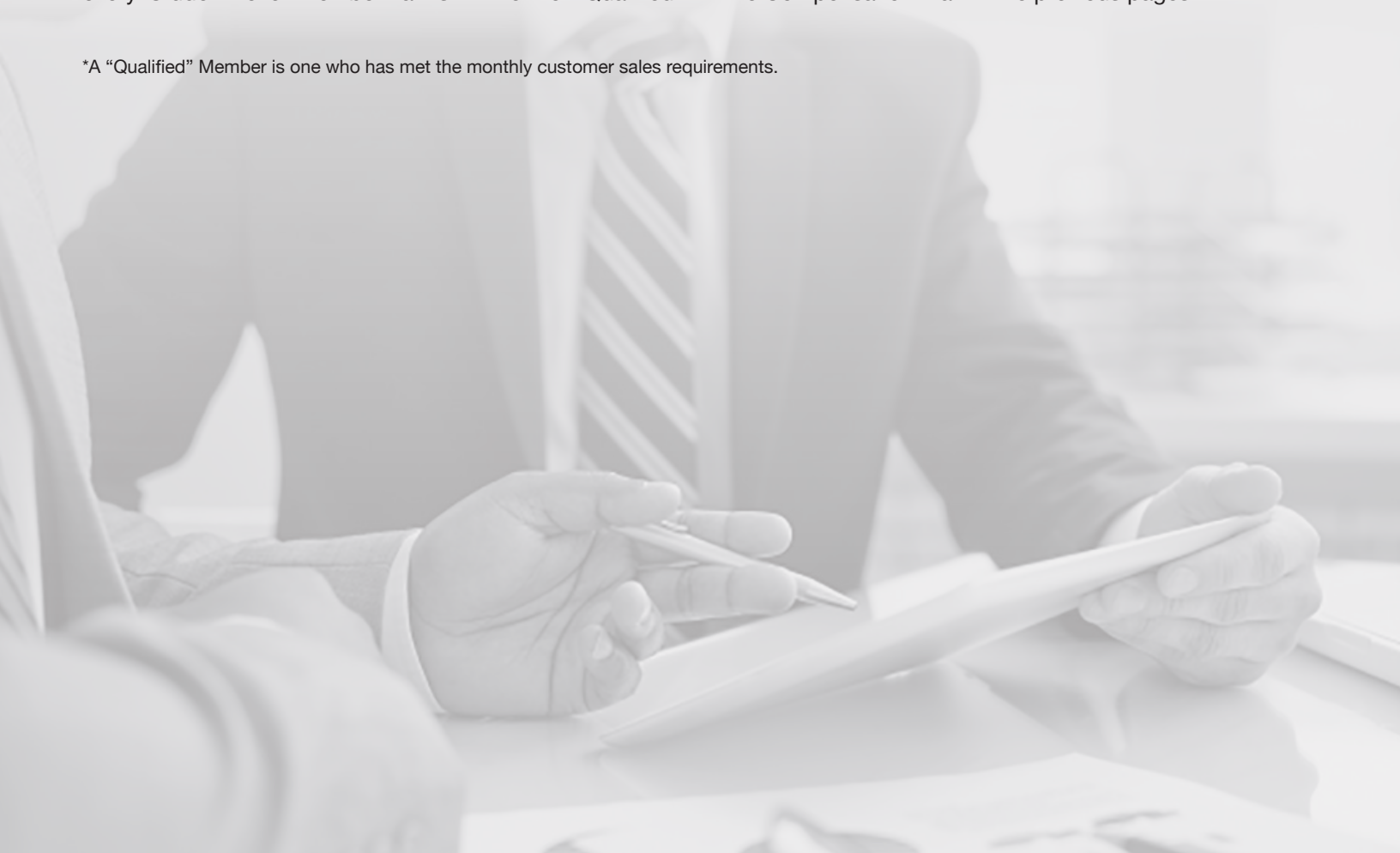
A close look at the IDS Chart on the following page reveals a “flip” of the percentages moving from the Non-Qualified column to the Qualified Members column.\* This is where the differences among Members can really be seen! Almost every Student level Member ranks in the Non-Qualified

Members column, which demonstrates that these people are very new or are not necessarily involved with Life to earn commissions. Those with the beginner rank of Student don’t begin to enter the Qualified Member list until they hit about the 1,500 PV level or higher. In other words, the Members who are genuinely trying to build a business and earn income are the ones listed in the Qualified Members column; these are the entrepreneurs who are committed and are making sales.

The IDS Chart on the following page reveals that the largest area of turnover in Life rests in the Student ranks. This is the group of Members who are trying out the business and deciding if it’s a good fit for them. Since most new Life Members make this decision within the first year, the greatest turnover is naturally seen in the beginner ranks.

We strongly urge anyone wishing to gain a full understanding of the data in this report to study the Life Compensation Plan. We are extremely pleased to present one of the industry’s most competitive plans! And the IDS will be a lot more fun to study and will make much more sense to those who have previously familiarized themselves with the Compensation Plan in the previous pages.

\*A “Qualified” Member is one who has met the monthly customer sales requirements.



# INCOME DISCLOSURE STATEMENT (IDS)

Member Rank	Percentage of All Members by Rank	Percent of Trainee Members Within Rank	Percent of Non-Customer Qualified Members Within Rank	Percent of Customer Qualified Members Within Rank	Feb. 2015 - Jan. 2017 Gross Monthly Income for Apprentice and Non-Qualified Members by Rank				Feb. 2015 - Jan. 2017 Gross Monthly Income for Customer Qualified Members by Rank				Number of Months as a Customer Qualified Life Member		
					High	Low	Average	Median	High	Low	Average	Median	High	Low	Average
Student	37.626%	32.846%	67.066%	0.076%	150.00	0.00	0.05	0.00	112.50	0.00	21.67	15.52	63	7	30
Student 150	10.770%	43.141%	55.291%	1.557%	154.00	0.00	2.23	0.00	693.22	0.00	29.92	25.65	63	9	35
Student 300	13.088%	36.483%	60.015%	3.487%	234.00	0.00	4.42	0.00	308.50	0.00	47.25	4320	63	7	33
Student 600	9.792%	29.415%	64.362%	6.194%	550.00	0.00	7.10	0.00	761.20	0.00	69.04	63.45	63	7	32
Student 1,000	7.477%	23.007%	67.154%	9.828%	1,512.00	0.00	9.75	0.00	751.20	0.00	96.36	86.74	63	7	34
Student 1,500	8.042%	15.925%	69.098%	14.975%	1,526.25	0.00	12.23	0.00	2,332.65	0.00	143.59	107.75	63	7	36
Student 2,500	5.217%	10.047%	69.470%	20.482%	1,854.80	0.00	14.70	0.00	3,084.80	0.00	207.42	152.00	63	7	40
Student 4,000	2.758%	6.881%	65.992%	27.104%	2,688.23	0.00	18.72	0.00	3,918.85	0.00	316.99	255.28	63	8	41
Student 6,000	1.930%	4.706%	62.229%	32.978%	3,525.40	0.00	23.84	0.00	5,118.35	0.00	557.28	319.50	63	9	45
Student 8,000	2.778%	2.234%	81.917%	15.801%	1,055.75	0.00	10.19	0.00	5,369.88	0.00	406.26	215.00	63	12	47
Leader	0.413%	0.911%	2.039%	97.050%	5,216.50	0.00	826.67	97.77	26,301.00	339.01	2,919.60	2,413.98	63	12	50
Coordinator	0.056%	0.161%	0.161%	99.677%	5,592.74	5,592.74	5,592.74	5,592.74	24,284.68	3,100.76	7,231.03	6,457.30	63	24	56
Sr. Coordinator	0.040%	0.000%	0.000%	100.000%	0.00	0.00	0.00	0.00	63,773.08	5,309.56	16,780.79	14,819.46	63	34	61
Advisor	0.0004%	0.000%	0.000%	100.000%	0.00	0.00	0.00	0.00	15,452.71	13,644.60	14,590.22	14,185.98	63	52	59
Sr. Advisor	0.0004%	0.000%	0.000%	100.000%	0.00	0.00	0.00	0.00	18,083.14	15,165.65	16,818.27	16,322.76	63	63	63
Life Coach +	0.012%	0.000%	0.000%	100.000%	0.00	0.00	0.00	0.00	1,212,392.44	15,004.40	136,431.05	44,864.52	63	63	63

The income statistics above are for all U.S. Life Members for the period February 2015 through January 2017. A “**Customer Qualified Member**” is defined as a Member who has met the minimum monthly customer sales requirements and is therefore eligible to earn commissions. **Non-Qualified Members** are Members who have completed 6 full months in business, but have not met the customers sales requirements. During the first 6 months there is a progressive sales requirement process that allows the Member time to build up their customer sales with the 7<sup>th</sup> full month in business being the first month in which the full sales requirements are in place. **The average monthly income for all Members (Trainee, Non-Customer Qualified, Customer Qualified) was \$56.43. The average monthly income for Customer Qualified Members is \$783.76.**

**53.77% of Members do not continue with Life after their first year. From February 2015 - January 2017, 43.09% of all Members received no income at all.** Note that these figures do not represent a Member's profit, as they do not consider operational or promotional business expenses incurred by the Member. The figures above refer to gross income (total income before expenses). The expenses a Member incurs in operating a Life business may vary widely. Expenses for Members can be several thousand dollars annually. You should factor in estimated expenses when projecting potential profits. Such operating expenses could include advertising and promotional expenses, product samples, training, travel, telephone, internet and miscellaneous expenses. The incomes displayed on this document include the cash value of Life's incentive trip programs.

## Receipt of Monthly Compensation and Average Monthly Earnings for Customer Qualified Members.

	1 Check	2 Checks	3 Checks	4 Checks	5 Checks	6 Checks	7 Checks	8 Checks	9 Checks	10 Checks	11 Checks	12 Checks
<b>Percent of All Qualified Members</b>	38.96%	11.76%	7.68%	5.64%	4.29%	3.67%	2.73%	2.38%	2.09%	2.12%	2.08%	16.59%
<b>Average Earnings per Check</b>	13.43	30.11	55.08	83.98	113.26	156.67	289.69	282.79	704.08	612.44	2,977.02	6,737.19

The table above shows the percentage of Customer Qualified Members who received compensation for 1 to 12 months during the period of February 2015 - January 2017. The earnings of the Customer Qualified Members in this chart are not necessarily representative of the income, if any, that a Customer Qualified Life Member can or will earn through his or her participation in the Life Member Compensation Plan. These figures should not be considered as guarantees or projections of your actual earnings or profits. Any representation or guarantee of earnings would be misleading. Success with Life results only from successful sales efforts, which require hard work, diligence, and leadership. Your success will depend upon how effectively you exercise these qualities.

