



Compensation

EllieMD Compensation Pay Plan

Be part of our mission to promote longevity through customized products and services!



- Earn 20 - 40% on all personal volume from customer orders, including your own
- Earn level and team pay
- Earn Title Advancement and Lifestyle Bonuses
- Earn exciting incentives including cash, swag and travel
- Earn performance based recognition
- Join us at business retreats, leadership training & personal development

Pay on Personal Volume (PV)

Monthly PV	Earned % on PV
0	20%
500 PV	25%
1,000 PV	30%
2,500 PV	35%
5,000 PV	40%

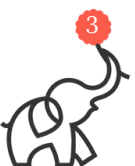


EllieMD Compensation Pay Plan

Level, Generation, and Bonus Pay

Rank	Personal Volume	Downline Volume	MVR	Outside Volume	Level Pay				Generation Pay					*One-Time Bonus	Monthly Bonus
					L1	L2	L3	L4	G1	G2	G3	G4	G5		
Qualified Brand Partner (QBP)	200		---		3%										
Advanced Brand Partner (ABP)	200	700	350		5%										
Lead Brand Partner (LBP)	300	1,200	600		7%	2%								\$100	
Senior Brand Partner (SBP)	400	2,000	1,000		8%	3%								\$200	
Team Manager (TM)	500	3,000	1,500		10%	4%	2%							\$300	
Advanced Manager (AM)	500	4,500	2,250		10%	5%	3%							\$400	
Senior Manager (SM)	500	7,000	3,500		10%	6%	5%	3%						\$500	
Director (D)	500	12,000	6,000	1,200	10%	7%	5%	3%	2%					Custom Jewelry	\$500
Advanced Director (AD)	500	24,000	12,000	3,000	10%	7%	5%	3%	3%	2%				Custom Jewelry	\$1,000
Senior Director (SD)	500	50,000	25,000	8,000	10%	7%	5%	3%	3%	3%	2%			Custom Jewelry	\$1,500
Executive Director (ED)	500	100,000	50,000	18,000	10%	7%	5%	3%	3%	3%	3%	2%		Branded TUMI Luggage	\$2,000
Advanced Executive Director (AED)	500	225,000	112,500	45,000	10%	7%	5%	3%	3%	3%	3%	3%	2%	Designer Bag + Charm	\$3,000

Earn a \$50 enrollment rebate by achieving 500 PV within your first 30 days of business.



EllieMD Compensation Pay Plan

Key Terms

Active Qualified	A Brand Partner must maintain at least 200 Personal Volume (PV) to be considered qualified for that period to earn level bonuses. Many bonuses require a Brand Partner to be Active Qualified to receive the bonus. Please refer to the individual bonus definitions for requirements for the respective bonus.																								
Advancement Bonus	<p>Advancement Bonuses are awarded to those who earn the title of Lead Brand Partner to Senior Manager. The amount paid is determined if the Paid-As requirement was achieved within or after the Bonus Time Frame.</p> <table><tr><th>Terms For Bonus</th><th>LBP</th><th>SBP</th><th>TM</th><th>AM</th><th>SM</th></tr><tr><td>Time Frame</td><td>2nd Full Month</td><td>3rd Full Month</td><td>4th Full Month</td><td>5th Full Month</td><td>6th Full Month</td></tr><tr><td>Earned Within Time Frame</td><td>\$100</td><td>\$200</td><td>\$300</td><td>\$400</td><td>\$500</td></tr><tr><td>Earned After Time Frame</td><td>\$50</td><td>\$100</td><td>\$150</td><td>\$200</td><td>\$250</td></tr></table> <p>Advancement Bonuses for each Rank Title may be earned once for each tier up to the Director level. Bonuses at the lower levels can be stacked if multiple rank advancements have been achieved in a single month.</p>	Terms For Bonus	LBP	SBP	TM	AM	SM	Time Frame	2nd Full Month	3rd Full Month	4th Full Month	5th Full Month	6th Full Month	Earned Within Time Frame	\$100	\$200	\$300	\$400	\$500	Earned After Time Frame	\$50	\$100	\$150	\$200	\$250
Terms For Bonus	LBP	SBP	TM	AM	SM																				
Time Frame	2nd Full Month	3rd Full Month	4th Full Month	5th Full Month	6th Full Month																				
Earned Within Time Frame	\$100	\$200	\$300	\$400	\$500																				
Earned After Time Frame	\$50	\$100	\$150	\$200	\$250																				
Brand Partner	A generic term for someone who has completed the Brand Partner Distributor Agreement and all enrollment requirements.																								
Cancellation Policy (Brand Partner)	<p>Brand Partners must have a minimum of 300 PV within a rolling 6-month period (Total PV from the current and previous 8 monthly periods) to remain a Brand Partner in good standing and keep their downline. If they fail to meet this requirement in any period, they will be canceled which causes them to be removed from the company downline organization. Their downline and customers will be compressed to the next upline Brand Partner who is in good standing.</p> <p>In addition to meeting a PV requirement each month, Brand Partners are required to pay a monthly recurring \$5 technology fee. Failure to pay any required recurring technology fee will result in the Brand Partner’s suspension which means that all commissions due will be held until the required fees have been paid. If the renewal is not paid within 1-month of suspension, then the Brand Partner’s account will be canceled.</p>																								
Career Title	A Brand Partner’s Career Title is their recognition title. It is the highest Rank Title they have achieved. This Title does not change unless they are promoted or demoted, unlike a Paid-As Title which may vary from month to month.																								



EllieMD Compensation Pay Plan

Key Terms Continued

Clawback	A term that represents when a sales transaction is returned, and the earnings issued in association to that transaction are paid back to the company.
Commissionable Volume (CV)	CV is 70% of QV and is used to calculate upline commissions. The percentages earned on CV is based on the Paid-As Title earned for the commission period.
Compression (General)	When a Brand Partner is canceled and no longer part of the company, their downline is compressed to their upline, filling the gap left by the canceled Brand Partner.
Compression (Director title and higher) Policy	<p>If a Brand Partner was Paid-As Director or higher in the last four periods is to be canceled (whether voluntarily or involuntarily), their downline will only be compressed up under the following conditions:</p> <ol style="list-style-type: none">1. If their Enroller/Sponsor has been Paid-As a Director or higher at least once in the last four periods, then the downline will immediately be compressed up.2. If their Enroller/Sponsor has not been Paid-As a Director or higher at least once in the last four periods, then they will be given the next six periods to be Paid-As a Director or higher at least twice. If the Enroller/Sponsor promotes to Director in the last of the six-month period, then they will be given the following period to qualify as a Director again (to meet the 2 periods of being paid-as Director or higher). <p>If the Enroller/Sponsor qualifies under either of these conditions, then the downline of the canceled Brand Partner will be compressed up upon the completion of the qualifications but no retroactive commissions will be paid.</p> <p>If the Enroller/Sponsor does not qualify under either of these conditions, then the position of the canceled Brand Partner will remain permanently vacant and will not be removed from the genealogy so that the lineage remains intact and continues to be considered one leg to the Enroller/Sponsor.</p>
Customer	A generic term for an individual who purchases products for personal use and has not signed a Brand Partner Distributor Agreement with the company.
Demotion	A Demotion occurs when a Brand Partner fails to requalify for their Career Title. Please refer to the Requalification Policy.



EllieMD Compensation Pay Plan

Key Terms Continued

Downline	All of the people below an individual within the genealogy tree are considered to be part of the individual's downline.
Downline Volume (DV)	<p>The total Qualifying Volume (QV) from a Brand Partner and their entire downline organization. It includes the Brand Partner and their customers and ALL downline Brand Partners and customers, regardless of their titles.</p> <p>This metric will utilize the Enrollment Genealogy. A DV Maximum Volume Rule (MVR) is in effect, please refer to the definition "DV Maximum Volume Rule (MVR)" below.</p>
DV Maximum Volume Rule (MVR)	<p>For purposes of title qualifications only, a maximum DV amount has been established (see Career Path table above) where no more than a specified amount will be counted towards the DV requirement from either:</p> <ul style="list-style-type: none">• The Brand Partner's total Personal Volume (PV) (the total QV from personal purchases and those of their customers)OR• The total QV from any single leg (all Brand Partners and customers within that leg).
Enroller	The person who introduces an individual to the company is considered to be the "Enroller." If the person who introduced an individual to the company is canceled, the person identified as the "Enroller" will be the person who was identified as the "Enroller" of the individual who was canceled.
Enrollment Rebate	New Brand Partners can earn a \$50 rebate within their first 30 days of business (enrollment day, plus the following 29 days) when they achieve 500 in personal sales volume (PV). When earned, this "rebate" will be issued in the following month's main monthly commission run.
Generation (Senior Manager)	A Generation is a group that has formed in a downline. It starts with a Career Title Senior Manager (SM) or higher and includes everyone below them, down to but not including the next SM or higher, based on Career Titles. If a Senior Manager or higher is not Paid-As a SM, they are still considered a Generation to their upline up to six months before they need to requalify as a Senior Manager or higher to be considered a generation.



EllieMD Compensation Pay Plan

Key Terms Continued

Generation Bonus	<p>Paid-as Director title and higher may receive Generation Bonuses on the Commissionable Volume (CV) from their downline Generations. For example, a G1 would pay out on the sales from the first downline Senior Manager or higher title (based on Career Title) and all the people below them, down to but not including the next Senior Manager or higher (Career Title).</p>
Group (Senior Manager)	<p>A Brand Partner themselves and their entire downline, down to but not including the next Senior Manager (SM) (Career Title) or higher (which would be the start of a generation).</p>
Leader Points	<p>At the Executive Rank Titles, a minimum of 250 Leader Points needs to be acquired and then maintained within a rolling 12-month period. Leader points are earned the following way:</p> <p>50 Points for each first-generation SM developed 20 Points each month when paid at the Executive or Advanced Executive Rank</p>
Level	<p>The position a Brand Partner has in a downline relative to another upline or downline Brand Partner within a genealogy tree. Brand Partners personally sponsored (i.e., first level) are Level One. Those Brand Partners sponsored by Level One Brand Partners are Level Two, relative to the original Brand Partner. Customers are not considered when counting levels and do not occupy a position in a Brand Partner's genealogy.</p>
Level Bonus	<p>Brand Partners may receive a percentage of the Commissionable Volume (CV) from the sales of their downline. The percentages and number of levels that a Brand Partner receives are based on their Paid-As Title regardless of the title of the people below them. Brand Partners with 0 Personal Volume (PV) within the period will have the bonus rolled over them to the next upline Brand Partner who does have PV.</p>



EllieMD Compensation Pay Plan

Key Terms Continued

Monthly Lifestyle Bonus	Paid-As Directors and higher may receive a Lifestyle Bonus based on their paid-as title within the monthly period.
Outside Volume Rule (OVR)	This metric represents the total Qualifying Volume (QV) that exists outside of a Brand Partner's two strongest volume sources. Each Brand Partner Leg of a Brand Partner as well as a Brand Partner's Personal Volume (PV) are considered as volume sources. In the event of a tie, no more than two volume sources will be considered as the two strongest volume sources for purposes of this metric.
Paid-as Title	Each Brand Partner is paid at the title for which they qualify during the period. The requirements to be Paid-As a title are the same as those to be promoted to that title. If in any period they fail to achieve their Career Title requirements, they are paid at the lower title to which they do qualify during the period.
Personal Volume (PV)	The volume associated with each retail sales SKU in the system. It does not represent the price of the product. Personal Volume is used to calculate Personal Sales Commissions and Volume requirements in the EllieMD pay plan. If a product is 'on sale' or discounted, the PV credited for the retail purchase may also be discounted.
Promote (Promotion)	A Brand Partner promotes to a new Career Title when they meet all of the qualifications for that title in the period. The promotion is effective the first day of the same period meaning that regardless of what day within the period the promotion was actually qualified for, the new Career Title is effective for the entire period. For example, if a Brand Partner meets the qualifications for a Director on July 23rd, they "promote" to the title of Director for the entire period of July (effective July 1) and will be Paid-As a Director for the entire period of July.
Qualifying Volume (QV)	Each inventory item has both a Qualifying Volume (QV) and Commissionable Volume CV assigned to it. QV is a currency-neutral point value used for various volume metrics and is used to determine if the Brand Partner is qualified based on the terms of their respective title.



EllieMD Compensation Pay Plan

Key Terms Continued

Recognition Awards	A one-time gift is earned at each leader level, starting with the Director rank. Awards include exclusive jewelry, luggage, and designer bag awards. More information is included in commission and bonus training in the BP back office.
Requalification Policy	Senior Directors and higher must be Paid-As their Career title at least once every 12 months to keep their Career Title. If a Brand Partner is not Paid-As their Career Title at least once within 12 consecutive months their Career Title will be demoted to their Paid-As title in the 12th month to be effective in that same period. There are no demotions for titles lower than Senior Manager. If the title they were Paid-As in the 12th month is lower than Advanced Manager the lowest, they will be demoted to would be Advanced Manager
Roll-up	Roll-up refers to the “rolling up” of payouts due to a Brand Partner being inactive, unqualified, or ineligible and giving it to a Brand Partner that is active, eligible, and qualified. In this plan, roll-up is used in some bonuses. Please refer to the individual bonuses for details and if roll-up is used for that bonus.

