MODERE CANADA COMPENSATION PLAN 10/22 · REV 3



INTRODUCTION

WELCOME TO MODERE.

MODERE IS CONNECTING DOTS. FROM CUSTOMER INNOVATION TO PRODUCT EXPERIENCES, OUR MODEL IS BOLD AND OUR COMMUNITY IS STRONG. TOGETHER WE ARE CREATING AN ENTIRELY NEW APPROACH, WHERE EVERY SINGLE PARTICIPANT CAN MAKE A POSITIVE IMPACT AND DEFINE THEIR UNIQUE LEVEL OF SUCCESS. WE ARE A VIBRANT TEAM OF INDIVIDUALS DEDICATED TO DELIVERING QUALITY EXPERIENCES AND SHAPING HEALTHY LIFESTYLES. OUR PASSION ALIGNS US, OUR BELIEF DRIVES US.

It all starts with the customer. If we provide them with the best experience possible, it creates the greatest opportunity for each of us. Our compensation model is built to support the behaviours, that define the experience, that create the value.

Our focus at Modere is about attracting, retaining and growing customers. We support that value proposition by providing a plan that rewards those entrepreneurs who have incredible abilities to attract customers and the drive to build strong sales organizations.

The details of the Modere Compensation Plan may appear complex, but it is implified by focusing on three behaviors: Acquire Customers. Become a Team Leader. Develop Team Leaders. Focus on these key activities and you will excel with Modere.

All dollar values represented in this document are in Canadian Dollars (CAD)

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MODERE CAREER PATH

Upon joining, an entrepreneur becomes a Social Marketer. As they begin to meet specific monthly requirements they progress through the Modere Career path. This opens new opportunities for recognition and increased earning potential.

Once a Social Marketer is promoted to a new title, the qualification becomes effective immediately, allowing them to be paid at their new title the same month they achieve it.

SOCIAL MARKETER BUILDER TITLE	SHORT TITLE	REQUIRED ORG. POINTS (OP)	MAXIMUM PERSONAL AND LEG ORG. POINTS (OP) *	ONE REQUIRED BUILDER TITLE IN ORG.*	REQUIRED ORG. POINTS IN FIRST THREE LEVELS (OP3)
Consultant	С				
Senior Consultant	SC	1,500	750 (no limit on personally generated OP)		1.5K
Team Leader	TL	3,000	1,500 (no limit on personally generated OP)		ЗК
Senior Team Leader	STL	6,000	3,000	1 SC	6K
Director 1	D1	12,000	7,000	1 TL	12K
Director 2	D2	25,000	15,000	1 TL	21K
Director 3	D3	50,000	35,000	1 TL	ЗОК
Elite 1	E1	100,000	70,000	1 TL	45K
Elite 2	E2	200,000	140,000	1 TL	60K
Elite 3	E3	400,000	280,000	1 TL	75K

To qualify for commissions a Social Marketer must have 150 Activity Points (AP) or a 75 Marketer Point (MP) Subscription. *One required Builder Title must be in your enrollment structure and qualified in the current month.

PROMOTER TITLE	СР	ACTIVE CUSTOMER COUNT
Promoter	1-499	1
Bronze	500	5
Silver	1,000	5
Gold	2,000	10
Platinum	3,000	15
Platinum 1	5,000	25
Platinum 2	7,000	35
Platinum 3	9,000	45

The Modere Career Path includes recognition and titles for Social Marketers who reach important milestones in monthly customer sales. This special recognition is added to the Social Marketer Builder Title allowing Social Marketers two ways to be recognized for their efforts: promoting product and building teams.

PROMOTER TITLE BREAK DOWN

For example, a Social Marketer who achieves the Social Marketer Builder Title of Director 1 (D1) and also earns the Promoter Sales Title of Silver would be known officially as Director 1—Silver, or Silver Director 1.

The typical Social Marketer in 2018 earned \$0-200 in commissions and bonuses, exclusive of profits.

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CUSTOMER POD BONUS

FIRST SALES - DAILY PAY*

UP TO A 36% COMMISSION on all customer sales

Social Marketers can earn up to 36% in commissions on the Commission Value (CV) of all customer orders. First sales from customers are paid daily.

As a new Social Marketer begins to increase volume throughout their first month, their first order daily commission will be paid dependent on the rank earned on a daily basis. At the end of the month the Social Marketer will be paid based on final volume for the month. Subsequent month first time order commissions will be paid based on previous months volume. For existing Social Marketers, Customer POD Bonuses paid daily are based on the Social Marketer's previous month paid Promoter Title.

*This bonus is paid as a prepayment of the monthly commissions (sales from first four days of the months are combined and paid on the fifth day). All Customer POD Bonuses for first sales are recalculated at the end of each month based on the aggregate of all customer sales, including all return, cancelled and/or other modified orders. The difference between any daily payouts and the final level at the end of the month are paid with the monthly calculations. Any additional payment calculated on first sales in the monthly commission run is paid as part of the monthly commission payout.

Please note that your commission statement will show your bonuses in two categories: you will see customer first orders listed under Customer POD Bonus First Orders and all other orders from your customers will appear under the Customer POD Bonus Reorders.

PROMOTER TITLE	СР	CUSTOMER COUNT	POD BONUS	Shopping Credits
PROMOTER	1-499	1	10%	-
BRONZE	500	5	18%	\$50
SILVER	1,000	5	20%	\$75
GOLD	2,000	10	22%	\$100
PLATINUM	3,000	15	30%	\$100
PLATINUM 1	5,000	25	32%	\$200
PLATINUM 2	7,000	35	34%	\$200
PLATINUM 3	9,000	45	36%	\$200

SHOPPING CREDITS

UP TO \$200 EACH MONTH

Social Marketers can earn up to \$200 in Shopping Credits each month based on the total Customer Points (CP) in their POD and the number of Active Customers. Shopping Credits are issued with the monthly commission run. They may be redeemed on a la carte or Subscription orders.

When a Shopping Credit is applied to an order, the Points for qualification (MP, CP, and OP) will remain the same, however the CV will be reduced based on the Shopping Credit. For example, if 50% of the purchase was paid for with a Shopping Credit, then the CV will be reduced by 50%.

Social Marketers can earn up to a combined maximum of \$200 Shopping Credits in a single month.

PROMOTER SALES DEVELOPMENT BONUS

Paid Promoter Title	Team Leader and Higher	Director and Higher	Elite and Higher
Silver	\$13.00	\$13.00	\$13.00
Gold	\$19.50	\$19.50	\$19.50
Platinum	\$52.00	\$52.00	\$52.00
Platinum 1	\$78.00	\$78.00	\$78.00
Platinum 2	\$97.50	\$97.50	\$97.50
Platinum 3	\$130.00	\$130.00	\$130.00

ENJOY \$13 TO \$390 WHEN YOU HELP A TEAM MEMBER DEVELOP A SOLID CUSTOMER POD.

The Promoter Development Bonus rewards a Social Marketer for helping their team develop sales in a Customer POD. The Promoter Development Bonus pays through the Enrollment Structure to the first qualified enroller with the Paid Builder Title of Team Leader, Director and Elite.

For example, when a Social Marketer achieves Platinum through customer sales, the enroller Team Leader receives a \$52 Promoter Development Bonus, the enroller Director also receives a \$52 Promoter Development Bonus and the enroller Elite also earns a \$52 Promoter Development Bonus.

Promoter Development bonuses are stackable. For example, if the next enroller Social Marketer for a Platinum Social Marketer is a Director, the Director will earn the \$52 Team Leader Bonus, plus the \$52 Director Bonus, for a total of \$104.

The typical Social Marketer in 2018 earned \$0-200 in commissions and bonuses, exclusive of profits.

The Promoter Development Bonus pays monthly.

FIRST SALE BONUS

First Sale Bonuses - Daily Pay*.

Earn 30% from the CV on new Social Marketers' First Sales.

The First Sale Bonus is paid for helping a new personally enrolled Social Marketer sell the contents of his or her first commissionable order. The First Sale Bonus is 30% of the CV from the Social Marketer's first order.

*This bonus is paid as a prepayment of the monthly commissions (sales from first four days of the month are combined and paid on the fifth day).

MONTHLY TEAM BUILDER BONUS

SOCIAL MARKETER BUILDER TITLE**	ENROLLMENT ORGANIZATION POINTS	MONTHLY TEAM BUILDER BONUS
Team Leader	1,800	\$130
Senior Team Leader	3,600	\$260
Director 1	7,200	\$650
Director 2	15,000	\$975
Director 3	30,000	\$1,950
Elite 1*	60,000	\$2,600
Elite 2*	120,000	\$3,250
Elite 3*	240,000	\$3,900

*Elite 1, Elite 2 & Elite 3 Social Marketers will earn either the Leadership Development Bonus or the Monthly Team Bonus, whichever is greatest. For Elite 1 and higher your Team Builder Bonus may be affected by the Leadership Development Bonus cap. Please read the Leadership Development Bonus for more details.

**The Monthly Team Builder Bonus is paid based on the actual calculated Builder Title.

Earn up to \$3,900 each month with the Monthly Team Builder Bonus. Social Marketers who achieve Team Leader or higher are eligible to earn the Monthly Team Builder Bonus. This bonus can be earned every month a Social Marketer meets the requirements. The bonus ranges from \$130 to \$3,900 and is paid in addition to the Generational Unilevel commissions.

To receive a Monthly Team Builder Bonus a Social Marketer must qualify no less than one title below the Builder Title. For example, if a Director 1 is the highest Builder Title, a Social Marketer must qualify as Senior Team Leader or higher to be eligible for a Monthly Team Builder Bonus.

Additionally, a Social Marketer must meet the Enrollment Organization Points(EOP) requirement to receive a Monthly Team Builder Bonus. EOP excludes any points from members and teams that have been placed under a Social Marketer, it is based on the Enrollment Structure. If a Social Marketer has less EOP than the required amount they will be paid the Monthly Builder Bonus equivalent to the actual EOP. For example, a Director 2 who has 11,000 EOP will be eligible for a Director 1 Monthly Team Builder Bonus.

The typical Social Marketer in 2018 earned \$0-200 in commissions and bonuses, exclusive of profits.

Monthly Team Builder Bonus is available to Canada Social Marketers only. Team Builder Bonuses are paid monthly.

GENERATIONAL UNILEVEL

CV from Customer and Social Marketer product sales made by your team members are paid through the Generational Unilevel. The CV from customer sales are first paid through the Customer POD Bonus and then are factored based on the associated Social Marketer's Paid Promoter Title and paid through the Generational Unilevel. The factors are 65% for Promoters, 64% for Bronze, 63% for Silver, 62% for Gold, 58% for Platinum, 57% for Platinum 1, 56% for Platinum 2 and 55% for Platinum 3 and above. A new Social Marketer's first sale CV is factored at 35% for Generational Unilevel payout. The enrolling Social Marketer does not earn a generation unilevel commission on the new Social Marketers first sale, instead they earn the 30% First Sale Bonus. As a Social Marketer progresses further through the career path, they can earn anywhere from 4-7% on a pay generation. The Generational Unilevel is paid monthly through the Placement Structure.

	SC	TL	STL	D1	D2	D3	E1	E2	E3
Gen 1	4%	7%	7%	7%	7%	7%	7%	7%	7%
Gen 2	4%	7%	7%	7%	7%	7%	7%	7%	7%
Gen 3		7%	7%	7%	7%	7%	7%	7%	7%
Gen 4			4%	5%	5%	5%	5%	5%	5%
Gen 5					4%	4%	4%	4%	5%
Gen 6						4%	4%	4%	4%
Gen 7							4%	4%	4%
Gen 8								4%	4%

PAYOUT COMPRESSION

The Generational Unilevel features compression, which allows Social Marketers to earn the highest possible payout. If a Social Marketer in your network does not qualify as SC or higher, his or her CV is added to the CV of the next Social Marketer below who meets the SC qualification requirements. This group of Social Marketers and their Customers are then considered one pay generation.



ELITES 3 ON 3 BONUS

Elite Social Marketers in Canada can earn up to an additional 3% on the Canada sales points generated within the first 3 levels of personally qualified Social Marketers (OP3) in their organization.

Payout is based upon the Paid Title of the Social Marketer in the month and the OP3 points that are generated within Canada, including first order points. Please note that Canada based OP3 may differ from your global OP3 value. This bonus is paid monthly.

Paid Title	Percentage
Elite 1	1%
Elite 2	2%
Elite 3	3%

LEADERSHIP DEVELOPMENT BONUSES

Earn a match on team members' Generational Unilevel and Customer POD Bonus earnings.

The Leadership Development Bonuses are the most attractive and exciting bonuses for Social Marketers. This bonus allows leaders to earn deep into their organization. Elite Social Marketers are eligible to earn Leadership Development Bonuses based on Generational Unilevel commissions paid to Team Leaders, Senior Team Leaders, Directors and Elites within the Elite Social Marketers Team. Additionally, Elite Social Marketers are also eligible to earn Leadership Development Bonuses based on Customer POD Bonuses paid to Gold, Platinum, Platinum 1, Platinum 2 and Platinum 3 Social Marketers. Leadership Development Bonuses are paid through the Enrollment Structure.

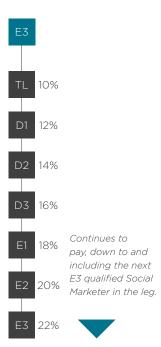
Elite Social Marketers are able to earn through two dynamic generations. A dynamic generation includes all Golds, Platinums, Team Leaders, Senior Team Leaders, Directors and Elite Social Marketers down to the first similar, or higher, qualified Social Marketer based on Builder Title.

Of the total commission payout, Modere reserves the right to cap at 10% the total Leadership Development Bonus plus the portion of Team Builder Bonus paid to Directors and Elites in both the US and Canada. Leadership Development Bonuses are paid monthly through the Enrollment Structure.*

Elite 1, Elite 2 & Elite 3 Social Marketers will earn either the Leadership Development Bonus or the Monthly Team Bonus, whichever is greatest. For Elite 1 and higher your Team Builder Bonus may be affected by the Leadership Development Bonus cap.

*Excludes earnings from First Sales

Social Marketers who qualify as E1 or higher, have the ability to earn down two dynamic generations of similarly or higher qualified Social Marketers. In this scenario the E3 qualified Social Marketer will earn 7% on promoter titles Customer POD Bonus, 10% on TLs, 10% match on STLs, 12% on D1s, 14% on D2s, 16% on D3s, 18% on E1s, 20% on E2s and 22% on up to two dynamic generations of E3 qualified Social Marketers. Leadership Development bonuses are distinctly different than other bonuses because of the rare way they allow a Social Marketer to be rewarded for building leaders within their team. Additionally, these bonuses provide the potential for a Social Marketer to be paid on the same CV, multiple times.



YOUR BUILDER TITLE

SOCIAL MARKETER BUILDER AND PROMOTER TITLES MATCHED ON

	PROMOTER TITLE*	TL	STL	D1	D2	D3	E1-E3	_	
E1	7%	10%	10%	12%	14%	16%	18%		
	PROMOTER <u>TITLE</u> *	TL	STL	D1	D2	D3	E1	E2-E3	
E2	7%	10%	10%	12%	14%	16%	18%	20%	
	PROMOTER	ΤI		וח	2	20	⊏1	E2	E3
F3			-						22%
E3	PROMOTER TITLE* 7%	tl 10%	stl 10%	D1 12%	D2 14%	D3 16%	E1 18%	E2 20%	

*Gold, Platinum, Platinum 1, Platinum 2 and Platinum 3.

**Dynamic Generation includes all leader and sales titles down to and including the first same or higher title.



SUBSCRIBE & SAVE

There are many benefits for participating in the optional Subscription program. One benefit is the reduced monthly Activity Point requirement to be eligible for commissions. Social Marketers who generate 75 MP for the resell of products ordered through Subscription, automatically meet the 150 AP monthly requirement. A Social Marketer can change, cancel, or re-enroll in Subscription at any time.

ROLLING QUALIFICATION

Social Marketers who join between the 15th and the end of the month are able to include their first month qualifying Customer Points (CP), Marketer Points (MP), Organizational Points (OP) and Active Customer Counts (ACC) with the Points generated in their 2nd bonus month. All Points in month 1 are commissioned in month 1, and are included as qualifying Points in month 2. Rolling qualifications in month 2 are specific to the new Social Marketer; the qualifying Points do not carry forward for enroller qualifications. Activity Points (AP) are not rolled forward and must be maintained in month 2 to qualify for all bonuses.

60 DAY PLACEMENT

An Enrollment Sponsor has 60 days to designate the Placement Sponsor of personally enrolled Social Marketers within his or her team. Once a Social Marketer has been placed, the move is permanent and the Social Marketer may not be placed again.

The 60 DAY PLACEMENT feature allows you the ability to create momentum by strategically linking your team members to maximize customer sales.

Placing someone from your first level to a different location in your team may reduce your income and impact your title qualifications. Use care when considering a placement on your team.

GLOSSARY

ACRONYM	TERM	DEFINITION
ACC	Active Customer Count	Total number of active customers in a Social Marketer's Pod who have purchased products in a given month.
AP	Activity Points	Combined Point value of products purchased and resold by a Social Marketer and Points from their new customers' purchases in their first calendar month, when new customers purchase directly from Modere.
-	Builder/Promoter Title	The highest Title ever achieved by a Social Marketer, utilized for recognition and correlation to certain commission qualification requirements.
CV	Commission Value	Commision Value is the value associated with CP, MP and OP after any discounts and Shopping Credits have been applied to an order. The CV value may be different than points on some enrollment collections and some specific products. The CV value can be found on the price list, and is used to calculate all commission payouts.
СР	Customer Points	Points from products purchased by customers directly from Modere in a Social Marketer's Pod for qualification purposes.
EOP	Enrollment Organization Points	EOP is similar to Organization Points, however it is based on the points in the Enrollment Structure. EOP excludes points from Social Marketer's, their Customer PODS and teams who have been placed into a Social Marketer's team. Enrollment Organization Points are for qualification purposes.
ES	Enrollment Structure & Enrollment Sponsor	The structure of a Social Marketer's team based on the original enrollment position and sponsor.
-	Factor	A percentage-based adjustment to the CV on specific sale types as explained in the Compensation Plan document. The Company has the sole discretion to adjust the percent factored up or down based on the needs for incentives, special promotions and marketing expense. The factor percentage will be published in the compensation plan section document each time the factor is adjusted up or down.
FS	First Sale	A Social Marketer's first commissionable order.
-	Leadership Development Generation	A generation includes all Golds, Platinums, Team Leaders, Senior Team Leaders, Directors and Elite Social Marketers down to the first similarly or higher qualified Social Marketer.

The Modere Compensation Plan, together with the Social Marketer Application and Agreement, the Modere Policies & Procedures, and the Business Entity Form (where appropriate) collectively form the agreement between the Social Marketer and Modere.

ACRONYM	TERM	DEFINITION
-	Leg	A Social Marketer on your first level based on Placement Structure. This Social Marketer and their team constitute a Leg in your team.
MP	Marketer Points	Points from products purchased for resale or consumption by a Social Marketer.
-	Maximum Personal and Leg Org. Points	Used to determine the maximum amount of Marketer Points and Leg that can count towards OP monthly qualifications.
OP	Organization Points	Includes a Social Marketer's own MP and CP and all MP and CP from the Social Marketer's entire team for qualification purposes.
OP3	Organization Points in First Three Levels	Includes a Social Marketer's own MP and CP and all MP and CP from the Social Marketer's first 3 levels of Social Marketers that are personally qualified. OP3 is used for qualification purposes and calculation of the Elites 3 on 3 Bonus.
-	Paid Title	The current payout qualification level of a Social Marketer according to the Compensation Plan. The Paid Title will determine the Commissions calculated and may fluctuate monthly depending on the SM meeting various qualifications outlined in the Compensation Plan for both Builder and Promoter qualifications.
Pod	Personal Customer Pod	A Social Marketer's personally sponsored customers and customers they refer.
PS	Placement Structure & Placement Sponsor	The structure of a Social Marketer's team based on the placement position as a result of a move within the 60 Day Placement Period. Placement Sponsor is the sponsor assigned by the Enrollment Sponsor within the 60 Day Placement Period.
-	Points	Qualification value associated with any given product.
-	Shopping Credit	Shopping credits are earned based on the total Customer Points in a POD and the number of Active Customers. Shopping Credits are issued with the monthly commission run. They may be redeemed on a la carte or Subscription orders.
-	Unilevel Generation	If a Social Marketer does not qualify as SC or higher, their CV is added to the CV of the next Social Marketer below who meets the SC qualification requirements. This group of Social Marketers and their customers are then considered one Generation.

The Modere Compensation Plan, together with the Social Marketer Application and Agreement, the Modere Policies and Procedures, and the Business Entity Form (where appropriate) collectively form the agreement between the Social Marketer and Modere.

