



The Lifemax Compensation Plan Narrative

*A detailed guide to understanding
the Lifemax Compensation Plan
and applying it to your business for
immediate and residual income
as a Lifemax Independent Distributor*



The Road to Using this Narrative

The Lifemax Compensation Plan Narrative was written to give each distributor a full and complete understanding of what steps need to be taken to achieve ranks, earn commissions and bonuses, and to take full advantage of all that the lucrative Lifemax Compensation Plan has to offer. This narrative has been broken into easy-to-read sections as listed below.

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Things to Know

- The Lifemax Compensation Plan pays bonuses and commissions weekly, one week in arrears, with the exception of certain monthly bonus or incentive pools. Commissions are calculated each Saturday at 11:59 pm MT. Payment timing and minimum amounts will vary based on payment method and selected market.
- In order to remain eligible to rank advance and receive bonuses and commissions from the Lifemax Compensation Plan, you must pay an Annual Renewal Fee of \$49.95 (USD) in addition to meeting all other eligibility requirements.

The Road to EAQ

To fully participate in the Lifemax Compensation Plan, you'll need to first become EAQ, which stands for, Enrolled, Activated, and Qualified. Once you become Qualified, you have achieved EAQ (Rank 1) as outlined in *The Road to Rank Advancement*.

Step 1: Enroll

Enroll online by registering your distributorship for \$69.95 (USD). By enrolling, you receive a Business Builder Kit which contains a Launching Your Business training workbook and accompanying DVD. You also receive one year of the online Team Office suite, which includes two personal websites with e-commerce integration, and the rights and responsibilities of being a Lifemax Independent Distributor.

Step 2: Activate

The next step is to Activate your business by placing a qualifying *Product Activation Order (PAO)*. The Activation levels available in most markets are: Silver, Gold and Platinum.

Activation Levels	PAO BV	Examples
<u>Silver</u>	180 – 370 BV	6 (16 oz.) packages of Mila
<u>Gold</u>	720 – 800 BV	24 (16 oz.) packages of Mila
<u>Platinum</u>	2400 – 2500 BV	80 (16 oz.) packages of Mila

BV stands for *Business Volume* and it is a point value given to each *Unit* of *Mila*. For instance, one 16-ounce package of Mila generates 30 BV. Thus, a Gold Activation level containing 24 16-ounce packages of Mila generates 720 BV (24 x 30 BV = 720 BV). We recommend that you talk to your sponsor to determine the appropriate Product Activation Order for your personal business needs.

Step 3: Qualify

To become eligible for all elements of the compensation plan, you must Qualify your *Business Center* by inviting two people to Enroll (Step 1) and Activate (Step 2), placing one on the left side and one on the right side of your Business Center in your *Binary Enrollment Tree*. These two *Personally-Enrolled* (also called *Personally-Sponsored*) distributors are on *Generation 1* of your *Personal Enrollment Tree* along with all other distributors you personally sponsor in the future. Once you are a *Qualified Distributor* (Step 3), you have achieved the rank of EAQ (Rank 1 on *The Road to Rank Advancement*) and are now eligible for all elements of the Lifemax Compensation Plan, except for the *Senior Leadership Bonus*. (NOTE: Refer to the *Glossary* to understand how a Personally-Sponsored *Terminated Distributor* may affect you.)

Step 4: Remain Active

Beginning 60 days from the date you Activate, you will need to remain active in order to continue being eligible for all elements of the compensation plan. An *Active Distributor* must:

- Maintain a minimum *Personal Business Volume (PBV)* of 60 BV in each rolling 30-day period or 120 BV in a rolling 60-day period, which will prevent volume *Flushing*, and
- Retain at least one Personally-Enrolled, Activated distributor on each team leg.

The Road to Rank Advancement

The Lifemax Compensation Plan is built around the concept of **Rank**, the title associated with the level of professional achievement attained by a **Lifemax Independent Distributor**. The Lifemax Compensation Plan recognizes an **Enrolled Distributor's Qualified Rank** as of the close of the **Weekly Commission Cycle** (Saturday at 11:59 pm MT) when the Weekly Commission Cycle is finalized, typically occurring on the Tuesday following the end of the Weekly Commission Cycle

The weekly Qualified Rank is the basis for earning a majority of the bonuses and incentives within the Lifemax Compensation Plan. In addition to the weekly Qualified Rank, an Enrolled Distributor also has a **Pin Rank**, the highest Rank ever achieved within the Lifemax Compensation Plan, which is the basis for earning one of the weekly bonuses available.

EAQ Ranks

The first two Ranks recognized in the Lifemax Compensation Plan are classified as **EAQ Ranks** which makes an **Enrolled Distributor** eligible for all but one of the weekly and monthly bonuses available.

1. **EAQ**

An **Enrolled**, **Activated**, and **Qualified** distributor as defined in *The Road to EAQ*

2. **EAQ 360**

An **Enrolled**, **Activated**, and **Qualified** distributor with at least 360 in **Lesser Leg** BV.

Three Paths to Leadership Ranks

To advance through the **Leadership Ranks** under the Lifemax Compensation Plan, there are three different paths that can be followed each week when a Rank is recognized. The three roads to Leadership Rank advancement are as follows:

- A) **Individual EAQ 360** – Achieving a minimum number of Personally-Sponsored legs in which is found at least 1 EAQ 360 in your Personal Enrollment Tree during each Weekly Commission Cycle with a Lesser Leg BV requirement
- B) **TEAM EAQ 360** – Achieving a minimum aggregate number of EAQ 360s within 8 generations in your Personal Enrollment Tree and having a minimum number of Personally-Sponsored legs during each Weekly Commission Cycle with a Lesser Leg BV requirement
- C) **Individual EAQ 360 (4 Week Look-Back)** – Achieving a minimum total number of Personally-Sponsored legs in which is found at least 1 EAQ 360 in your Personal Enrollment Tree in the preceding 4 Weekly Commission Cycles with a Lesser Leg BV requirement

Leadership Ranks

3. Manager

- A) Achieve 2 Personally-Sponsored legs in which is found at least 1 EAQ 360, **OR**
- B) Achieve a weekly aggregate of 7 EAQ 360s within 8 generations in your Personal Enrollment Tree (all 7 EAQ 360s can be in 1 leg), **OR**
- C) Achieve a total of 7 Personally-Sponsored legs in which is found at least 1 EAQ 360 cumulative in the preceding 4 Weekly Commission Cycles

4. Director

- A) Achieve 3 Personally-Sponsored legs in which is found at least 1 EAQ 360, **OR**
- B) Achieve a weekly aggregate of 11 EAQ 360s within 8 generations in your Personal Enrollment Tree and a minimum of 2 Personally-Sponsored legs in which is found at least 1 EAQ 360, **OR**
- C) Achieve a total of 11 Personally-Sponsored legs in which is found at least 1 EAQ 360 cumulative in the preceding 4 Weekly Commission Cycles

5. Executive Director

- A) Achieve 5 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 3,000 in Lesser Leg BV, **OR**
- B) Achieve a weekly aggregate number of 19 EAQ 360s within 8 generations in your Personal Enrollment Tree and a minimum of 3 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 3,000 Lesser Leg BV, **OR**
- C) Achieve a total of 19 Personally-Sponsored legs in which is found at least 1 EAQ 360 cumulative in the preceding 4 Weekly Commission Cycles plus at least 3,000 Lesser Leg BV

6. Global Director

The below criteria must be attained for TWO consecutive Weekly Commission Cycles.

- A) Achieve 10 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 10,000 in Lesser Leg BV, **OR**
- B) Achieve a weekly aggregate number of 40 EAQ 360s within 8 generations in your Personal Enrollment Tree and a minimum of 5 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 10,000 Lesser Leg BV, **OR**
- C) Achieve a total of 40 Personally-Sponsored legs in which is found at least 1 EAQ 360 cumulative in the preceding 4 Weekly Commission Cycles plus at least 10,000 Lesser Leg BV

7. Diamond Director

The below criteria must be attained for TWO consecutive Weekly Commission Cycles.

- A) Achieve 20 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 25,000 in Lesser Leg BV with BV generated during the current Weekly Commission Cycle in the Large Leg equal to at least 25% of Lesser Leg BV, **OR**
- B) Achieve a weekly aggregate number of 80 EAQ 360s within 8 generations in your Personal Enrollment Tree and a minimum of 5 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 25,000 Lesser Leg BV with BV generated during the current Weekly Commission Cycle in the Large Leg equal to at least 25% of Lesser Leg BV, **OR**
- C) Achieve a total of 80 Personally-Sponsored legs in which is found at least 1 EAQ 360 cumulative in the preceding 4 Weekly Commission Cycles plus at least 25,000 Lesser Leg BV with BV generated during the current Weekly Commission Cycle in the Large Leg equal to at least 25% of Lesser Leg BV

8. Double Diamond Director

The below criteria must be attained for THREE consecutive Weekly Commission Cycles.

- A) Achieve 30 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 75,000 in Lesser Leg BV with BV generated during the current Weekly Commission Cycle in the Large Leg equal to at least 35% of Lesser Leg BV, **OR**
- B) Achieve a weekly aggregate number of 120 EAQ 360s within 8 generations in your Personal Enrollment Tree and a minimum of 5 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 75,000 Lesser Leg BV with BV generated during the current Weekly Commission Cycle in the Large Leg equal to at least 35% of Lesser Leg BV, **OR**
- C) Achieve a total of 120 Personally-Sponsored legs in which is found at least 1 EAQ 360 cumulative in the preceding 4 Weekly Commission Cycles plus at least 75,000 Lesser Leg BV with BV generated during the current Weekly Commission Cycle in the Large Leg equal to at least 35% of Lesser Leg BV

9. Presidential Diamond Director

The below criteria must be attained for FOUR consecutive Weekly Commission Cycles.

- A) Achieve 40 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 150,000 in Lesser Leg BV with BV generated during the current Weekly Commission Cycle in the Large Leg equal to at least 45% of Lesser Leg BV, **OR**
- B) Achieve a weekly aggregate number of 160 EAQ 360s within 8 generations in your Personal Enrollment Tree and a minimum of 5 Personally-Sponsored legs in which is found at least 1 EAQ 360 plus at least 150,000 Lesser Leg BV with BV generated during the current Weekly Commission Cycle in the Large Leg equal to at least 45% of Lesser Leg BV, **OR**
- C) Achieve a total of 160 Personally-Sponsored legs in which is found at least 1 EAQ 360 cumulative in the preceding 4 Weekly Commission Cycles plus at least 150,000 Lesser Leg BV with BV generated during the current Weekly Commission Cycle in the Large Leg equal to at least 45% of Lesser Leg BV

The Road to Earning Income

The Lifemax Compensation Plan offers eight bonus opportunities. Each of these opportunities, and the criteria required to earn them, is detailed below.

Bonus 1: Retail and Preferred Customer Direct Sales Commissions

Once Enrolled, you immediately earn income when *Retail* and *Preferred Customers* purchase *Units* of Lifemax products.

Requirement: Enrolled Activated Qualified Active
Earnings: \$5 (USD) per Unit to Preferred Customers;
 \$10 (USD) per Unit sold to Retail Customers
Paid: Weekly
Note: Retail and Preferred Customer purchases accrue BV toward the *Personal Business Volume (PBV)* requirement.

Bonus 2: Product Activation Bonus (PAB)

When you Enroll a new distributor who purchases a *Product Activation Order (PAO)*, you receive a *Product Activation Bonus (PAB)*. This bonus pays you 30% commission of the BV on the Activation level purchased by your Personally-Sponsored distributor. A percentage of the PAB, determined by your *Pin Rank*, is paid to you when your Personally-Sponsored distributor Activates and the remaining percentage is paid to you when he/she Qualifies within 90 days of Enrollment.

Activation Levels	PAO BV & Earnings Example	Pin Rank	
		Distributor & EAQ	EAQ 360 and Above
Silver	180 BV x 30% = \$54	50% at <u>A</u> ctivation / 50% if <u>Q</u> ualified within 90 days of <u>E</u> nrollment	75% at <u>A</u> ctivation / 25% if <u>Q</u> ualified within 90 days of <u>E</u> nrollment
Gold	720 BV x 30% = \$216		
Platinum	2,400 BV x 30% = \$720		

A distributor may upgrade from one Product Activation Order level to another (Silver to Gold, Silver to Platinum, or Gold to Platinum) at any time without restriction. Only upgrading within your first 60 days of Enrollment will qualify your sponsor for the increased PAB amount.

Requirement: Enrolled Activated Qualified Active
Earnings: 30% of BV from the *PAO*
Paid: Weekly
Note: BV generated from Product Activation Orders and Upgrades is excluded from the *Maximizer Bonus*, *Large Leg Stabilizer*, and *PBV Incentive*. See also *Points of Presence (POP)* and *Re-Entry Certificate* as it relates to Platinum Activation Level purchases.

Bonus 3: EAQ-Maker Bonus

When a Personally-Sponsored distributor reaches the rank of **EAQ** within 90 days of **Enrollment**, you earn a one-time **EAQ-Maker Bonus**.

Requirement: **Enrolled** **Activated** **Qualified** **Active**
Earnings: \$75 (USD) if he/she achieves rank of EAQ within 30 days of **Enrollment**,
 \$50 (USD) within 31-90 days
Paid: Weekly

Bonus 4: Maximizer Bonus – Unilevel

The **Maximizer Bonus** is a fully-integrated unilevel payout based on your **Personal Enrollment Tree**, also known as the **Unilevel Enrollment Tree**, (Fig. 1) that pays on BV from each order through eight fully-compressed generations. As your Rank increases, so does the number of **Generations** on which you are eligible to be paid a Maximizer Bonus.

When an order is placed, the BV from that order flows up the Unilevel Enrollment Tree until it hits the first **Active Distributor** with at least a Generation 1 **Qualified Rank** (EAQ or higher) at which point it will pay a 5% Maximizer Bonus for that Generation based on the chart below. The BV from that same order will then continue to flow up the Unilevel Enrollment Tree until it reaches the first active distributor with at least a Generation 2 Qualified Rank (Manager or higher) at which point it will pay a 5% Maximizer Bonus for that Generation based on the chart below. The BV from that same order will continue to flow up the Unilevel Enrollment Tree in the same fashion until it has paid out on all eligible Generations at the percent corresponding to each Generation. It is possible that your Qualified Rank is higher than the Generation on which you earn a Maximizer Bonus for a specific order.

Paid as Rank	EAQ/ EAQ 360	Manager	Director	Executive Director	Global Director	Diamond Director	Double Diamond Director	Presidential Diamond Director	Total
Generation Paid	1	2	3	4	5	6	7	8	
Percent of BV Paid	5%	5%	5%	10%	6%	5%	2%	2%	40%

Requirement: **Enrolled** **Activated** **Qualified** **Active**
Earnings: Up to 40% of BV paid through 8 fully-compressed generations
Paid: Weekly
Other: BV generated from **Product Activation Orders** and Upgrades is excluded from the Maximizer Bonus.

Bonus 5: Group Volume Bonus (GVB) – Binary

The Group Volume Bonus is calculated from your *Binary Enrollment Tree*, which consists of two legs, a left leg and a right leg (Fig. 2). You are compensated for BV within your Binary Enrollment Tree including BV generated from those you've Personally-Sponsored, those Personally-Sponsored by your *Sponsor* and placed in your Binary Enrollment Tree, or those Personally-Sponsored by anyone else in your Binary Enrollment Tree. You are entitled to be paid 10% of the BV generated in your *Lesser Leg* on a weekly basis, unless the *Large Leg Stabilizer (LLS)* current week Large Leg BV requirement applies as outlined below. At the close of each *Weekly Commission Cycle*, the BV accumulated in your Binary Enrollment Tree's left and right legs will be separately totaled and the GVB will be calculated. The BV of the Lesser Leg upon which the GVB is calculated is subtracted from both Binary Enrollment Tree left and right legs each time the GVB is calculated, unless the Large Leg Stabilizer (LLS) applies, regardless of whether or not you are Qualified to earn the GVB. Any remaining unpaid BV in the *Large Leg* carries over to the following week.

Effective February 1, 2012, the amount paid as GVB may be limited during any Weekly Commission Cycle in which the LLS applies if the following criteria is not met. For distributors with an enrollment date on or before December 31, 2011:

- For Weekly Commission Cycles ending between February 1, 2012 and June 30, 2012, if the Large Leg BV generated during the Weekly Commission Cycle is less than 25% of the Lesser Leg BV, the total BV on which GVB will be paid will be reduced by 25%.
 - Example: 1) Lesser Leg BV = 5000 BV
2) Large Leg BV generated during the Weekly Commission Cycle = 500 BV
3) Large Leg BV (500) / Lesser Leg BV (5000) = 10%
4) Reduction of current week BV for GVB = 5000 * 25% = 1250 BV
5) Current week GVB = 5000 BV – 1250 BV = 3750 BV * 10% = \$375
- For Weekly Commission Cycles ending between July 1, 2012 and December 31, 2012, if the Large Leg BV generated during the Weekly Commission Cycle is less than 30% of the Lesser Leg BV, the total BV on which GVB will be paid will be reduced by 30%.
- For Weekly Commission Cycles ending between January 1, 2013 and June 30, 2013, if the Large Leg BV generated during the Weekly Commission Cycle is less than 40% of the Lesser Leg BV, the total BV on which GVB will be paid will be reduced by 40%.
- For Weekly Commission Cycles ending between July 1, 2013 and December 31, 2013, if the Large Leg BV generated during the Weekly Commission Cycle is less than 45% of the Lesser Leg BV, the total BV on which GVB will be paid will be reduced by 45%.

- For Weekly Commission Cycles ending after January 1, 2014, , if the Large Leg BV generated during the Weekly Commission Cycle is less than 50% of the Lesser Leg BV, the total BV on which GVB will be paid will be reduced by 50%.

For distributors with an enrollment date on or after January 1, 2012:

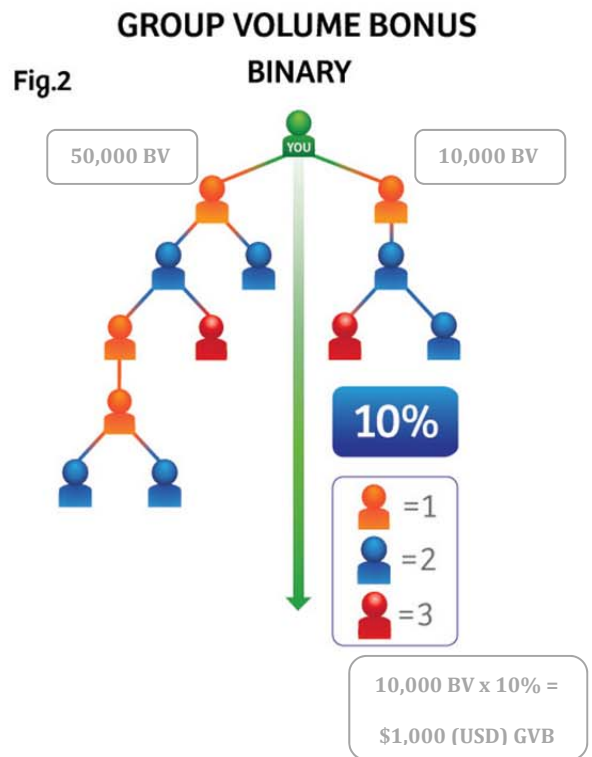
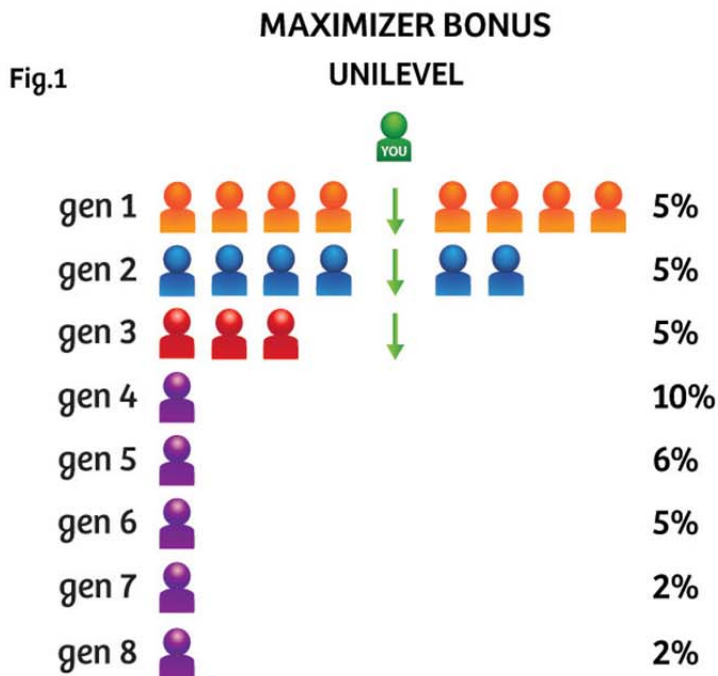
- For Weekly Commission Cycles ending after February 1, 2012, , if the Large Leg BV generated during the Weekly Commission Cycle is less than 50% of the Lesser Leg BV, the total BV on which GVB will be paid will be reduced by 50%.

Requirement: Enrolled Activated Qualified Active

Earnings: 10% of Lesser Leg BV paid once Lesser Leg volume accrues to a minimum of 300 BV, unless the *Large Leg Stabilizer (LLS)* current week Large Leg BV requirement applies.

Paid: Weekly

Other: See Large Leg Stabilizer for explanation on how to retain Large Leg BV that would otherwise be deducted. The Lifemax Compensation Plan has a weekly maximum payout of \$50,000 per *Business Center* for the GVB.



Bonus 6: Business Partnership Bonus (BPB)

Each time your Personally-Sponsored distributor earns a **GVB**, you qualify for a matching bonus of that distributor's GVB check, called a **Business Partnership Bonus (BPB)**. The Business Partnership Bonus starts at 10% and increases to 50% based on your **Qualified Rank**. If your Personally-Sponsored distributor earns a \$1,000 (USD) GVB and you were qualified at the 10% level (EAQ), you would earn a \$100 (USD) Business Partnership Bonus.

Paid as Rank	EAQ	EAQ 360	Manager	Director	Executive Director	Global Director	Diamond Director	Double Diamond Director	Presidential Diamond Director
Percent of Earned GVB	10%	15%	20%	25%	30%	40%	50%	50%	50%

Requirement: **Enrolled** **Activated** **Qualified** **Active**

Earnings: 10% to 50% of earned GVB from Personally-Sponsored distributors

Paid: Weekly

Other: Distributors who purchase or upgrade to a Gold or Platinum **A**ctivation level earn 20% beginning at the Rank 1 (EAQ). The Lifemax Compensation Plan pays up to 50% of all business volume (BV) sales and, after all the various ways to earn bonuses and rewards within the Lifemax Compensation Plan are calculated, any excess payable will be factored into the BPB paid each Weekly Commission Cycle.

Bonus 7: Developer Bonus

Lifemax sets aside \$5,000 each month and places it into a pool to support the Developer Bonus. Pro-rata shares of the Developer Bonus Pool are awarded to the top five winners who meet the eligibility criteria and create the most personal EAQs that month – that is, those who mentor the most Personally-Sponsored distributors to the **Pin Rank** of EAQ during the Weekly Commission Cycles ending within each specific calendar month. There is no time limit imposed on how long it might take to bring an **E**nrolled and **A**ctivated distributor to EAQ pin rank in order to be counted as a new EAQ for purposes of Developer Bonus eligibility.

Requirement: **Enrolled** **Activated** **Qualified** **Active**

Earnings: \$5,000 split among the top five EAQ-Makers with individual earnings based on the pro-rata share of each winner's total EAQs for that month.

Paid: Monthly

Other: Must have a minimum of 2 personally-sponsored EAQs to be eligible. Ties will be broken based on PBV accrued during each calendar month.

Bonus 8: Senior Leadership Bonus

Once you achieve the highest Leadership Rank in the Lifemax Compensation Plan, Presidential Diamond Director, you qualify to receive a special Senior Leadership Bonus.

Additional Lifemax Rewards

In addition to eight bonuses of the Lifemax Compensation Plan listed above, Lifemax also rewards you for exceeding specific levels of PBV through the *Large Leg Stabilizer (LLS)*.

Large Leg Stabilizer (LLS)

At the conclusion of each Weekly Commission Cycle, Lifemax measures your PBV, excluding BV from *Product Activation Orders* and Upgrades, accrued during the previous rolling 30-day period. By achieving specified PBV thresholds, you can qualify to retain a portion, or all, of the BV that would otherwise be deducted from your *Large Leg* as a part of the *GVB* for each Weekly Commission Cycle. For distributors enrolled on or before December 31, 2011, the LLS earns retention of BV based on the 30-day PBV thresholds below and is calculated and credited weekly:

- Between 150 PBV and 299 PBV = 50% LLS (i.e. 50% of the BV that would otherwise be deducted is retained and remains in the Large Leg)
- 300 PBV or greater = 100% LLS (i.e. 100% of the BV that would otherwise be deducted is retained and remains in the Large Leg)

For distributors with an enrollment date on or after January 1, 2012, the LLS earns retention of BV based on the 30-day PBV thresholds below and is calculated and credited weekly:

- 300 PBV or greater = 50% LLS (i.e. 50% of the BV that would otherwise be deducted is retained and remains in the Large Leg) (NOTE: distributors are eligible for 75% LLS at Pin Rank of Diamond Director and above with 450 PBV or greater)

Glossary

Understanding Lifemax Terminology begins with the *Glossary*.

Activated Distributor	An Enrolled distributor who purchases a Product Activation Order (Silver/Gold/Platinum).
Active Distributor	A distributor who satisfies the minimum Personal Business Volume (PBV) requirements.
Annual Renewal Fee	The fee required to remain a Lifemax Independent Distributor that is payable on your anniversary date and which keeps you eligible for the Lifemax Compensation Plan.
Autoship	Automatic monthly or bi-monthly delivery of Lifemax products available to all distributors and Preferred Customers.
Binary Enrollment Tree	The enrollment tree which consists of two legs, a left leg and a right leg, and includes all Personally-Sponsored distributors, those distributors Personally-Sponsored by your Sponsor and placed in your enrollment tree, or those distributors Personally-Sponsored by anyone else in your enrollment tree. This enrollment tree is the basis for volume accrual of the GVB.
Business Center	A distributor's position or spot in the Binary Enrollment Tree of the Lifemax organization.
Business Partnership Bonus (BPB)	A matching bonus ranging from 10 to 50% of the GVB earned by your Personally-Sponsored distributors as determined by Qualified Rank.
Business Volume (BV)	Points assigned to certain Lifemax products for purposes of calculating certain commissions and bonuses. One 16-oz. Mila package = 30 BV Four 4-oz. Mila Minis = 33 BV One 30-count box of Mila Singles = 37 BV
Developer Bonus Pool	A bonus pool of \$5,000 split among the five distributors who create the most personal EAQs that month – that is, those who mentor the most Personally-Sponsored distributors to EAQ rank during the Weekly Commission Cycles ending within each specific calendar month. This bonus is calculated and paid monthly and is based upon the bonus period a new EAQ becomes Qualified regardless of Enrollment date. A distributor must have at least 2 new EAQs during a specific calendar month to be eligible for the pool.

<i>Distributor Net Price</i>	The wholesale price paid for Lifemax products by Lifemax Independent Distributors.
<i>EAQ 360</i>	An E nrolled, A ctivated, and Q ualified distributor with at least 360 in Lesser Leg BV.
<i>EAQ-Maker Bonus</i>	A tiered, one-time weekly bonus paid to the sponsor of any Personally-Sponsored distributor when that distributor attains the rank of EAQ for the first time within 90 days of E nrollment.
<i>EAQ Ranks</i>	Rank 1 (EAQ) and Rank 2 (EAQ 360) of the Lifemax Compensation Plan.
<i>Enrolled Distributor</i>	An individual who E nrolls by registering their distributorship for \$69.95 (USD). By E nrolling, you receive the rights and responsibilities of being a Lifemax Independent Distributor, including the ability to purchase Lifemax products at Distributor Net Price, and to earn Retail and Preferred Customer Direct Sales Commissions, PAB, and the PBV Incentive. An E nrolled Distributor also receives a Lifemax Business Builder Kit and one year of Team Office suite, which includes 2 personalized Lifemax websites which functions as a one-stop e-commerce site that allows prospects to learn about Lifemax, purchase product, or become a distributor.
<i>Flushing</i>	Flushing of BV retained from previous weekly commission cycles will occur when a distributor fails to remain active under the Lifemax Compensation Plan for a period of greater than 30 days. Flushing volume means that, at the end of each weekly commission cycle, any volume that has been carried forward on both left and right binary legs will be reset to zero. If a distributor has purchased or upgraded to a Platinum Product Activation Order, volume flushing rules will not apply for the first 12 months from the Platinum package purchase or upgrade date.
<i>Generation</i>	<p>The levels within the Personal Enrollment Tree relative to your Business Center with those that you have Personally-Sponsored comprising Generation 1. Those who are Personally-Sponsored by those you have Personally-Sponsored are on Generation 2 of your Personal Enrollment Tree and so forth.</p> <p>As it relates to the Maximizer Bonus, due to compression, it is possible that someone who resides more than 8 Generations beneath you in your Personal Enrollment Tree can compress up and land on 1 of the 8 Generations paid out on the bonus.</p>

Group Volume Bonus (GVB)	A weekly bonus paid to active and <u>Q</u> ualified distributors based upon a calculation of 10% of the Lesser Leg BV from your Binary Enrollment Tree once Lesser Leg volume accrues to a minimum of 300 BV, unless Large Leg Stabilizer current week Large Leg BV requirement applies.
Individual EAQ 360	Achieving a minimum number of Personally-Sponsored legs in which is found at least 1 EAQ 360 in your Personal Enrollment Tree during each Weekly Commission Cycle with a Lesser Leg BV requirement.
Individual EAQ 360 (4 Week Look-Back)	Achieving a minimum total number of Personally-Sponsored legs in which is found at least at least 1 EAQ 360 in your Personal Enrollment Tree in the preceding 4 Weekly Commission Cycles with a Lesser Leg BV requirement.
Large Leg Stabilizer (LLS)	At the conclusion of each Weekly Commission Cycle, Lifemax measures your PBV accrued during the previous rolling 30-day period. By achieving specified PBV thresholds, you can qualify to retain a portion, or all, of the BV that would otherwise be deducted from your Large Leg as a part of the GVB for each Weekly Commission Cycle.
Large Leg	The leg in your Binary Enrollment Tree, left or right, which has more BV at the conclusion of each Weekly Commission Cycle.
Leadership Ranks	Rank 3 (Manager) through Rank 9 (Presidential Diamond Director) of the Lifemax Compensation Plan.
Lesser Leg	The leg in your Binary Enrollment Tree, left or right, which has the less BV at the conclusion of each Weekly Commission Cycle.
Lifemax Independent Distributor	Any individual who <u>E</u> nrolls and pays the current registration fee, who may or may not have already purchased a Product Activation Order, and who agrees to abide by the Policies and Procedures set forth by Lifemax.
Mila	Lifemax's signature product, a proprietary selection of <i>Salvia hispanica</i> L., a whole, raw food. Mila is a combination of the Spanish words <i>milagro</i> , which means <i>miracle</i> , and <i>semilla</i> , which means <i>seed</i> . Therefore Mila is referred to as <i>The Miracle Seed</i> .
Maximizer Bonus	A weekly bonus paid to distributors on the BV from orders created in their Personal Enrollment Tree (i.e. Unilevel) up to eight fully-compressed generations.
Personal Business Volume (PBV)	The accumulated business volume from a distributor's personal

purchases (one-time or Autoship) and those of his/her Retail and Preferred Customers. PBV is measured to determine whether a distributor is “Active,” and therefore eligible to be paid certain bonuses and commissions.

Personal Enrollment Tree

Also known as Unilevel Enrollment Tree, this tree is comprised of a distributor’s Personally-Sponsored distributors (Generation 1) and those distributors which Enroll as a result of those Personally-Sponsored distributors, and is the basis for the Maximizer Bonus.

Personally-Enrolled

Those people whom you Enroll as a Lifemax Independent Distributor. This is also known as a Personally-Sponsored distributor.

Personally-Sponsored

A term synonymous with Personally-Enrolled.

Pin Rank

The highest rank ever achieved as a Lifemax Independent Distributor. Also known as “Business Card” rank.

Points Of Presence (POPs)

With your purchase of the Platinum Activation package, Lifemax will distribute 50 bags of Mila as POPs (Points of Presence) to whomever you choose, and pay the cost of shipping within the United States and Canada. The POP program is extended to you for a period of 12 months. After 12 months, any remaining product from your Platinum Activation level, which has not yet been designated for shipping to the customer or prospect of your choice, will be, upon your request, returned to you at the shipping address listed in your Team Office. Eighteen months from the purchase date of—or upgrade to—your Platinum Activation level any remaining product from that Platinum purchase will be forfeited and no longer available. This applies to initial purchases and upgrades to Platinum Product Activation Orders. POP program administration is not available in all markets.

Preferred Customer

A customer who elects to purchase Mila at a discounted price on a regularly scheduled Autoship (monthly or bimonthly), but does not become a Lifemax Independent Distributor. Preferred Customers also receive a position in both your Personal and Binary Enrollment Trees which remains their Business Center should they choose to Enroll as a Lifemax Independent Distributor at a later date.

Product Activation Bonus (PAB)

A bonus equal to 30% of the BV of the Activation level that is paid when your Personally-Enrolled distributor purchases a Product Activation Order (PAO).

Product Activation Order (PAO)

An initial product order generating at least a specified amount of BV: Silver (180-370 BV), Gold (720-800 BV), and Platinum (2400-2500 BV).

<i>Qualified Distributor</i>	An active distributor who has at least one Personally- <u>E</u> nrolled and <u>A</u> ctivated distributor placed on his/her left and right team legs; a distributor at the rank of EAQ.
<i>Qualified Rank</i>	The actual attained rank recognized at the completion of any given Weekly Commission Cycle based upon the current rank qualification metrics. This rank is used to calculate most commissions for Lifemax Independent Distributors and is also known as “Paid-as” or “Paid-on” rank.
<i>Rank</i>	The title associated with the level of professional achievement attained by a Lifemax Independent Distributor within the Lifemax Compensation Plan.
<i>Re-Entry Certificate</i>	The Platinum Product Activation Order also includes a certificate that allows you to place a second single Business Center in both your Personal and Binary Enrollment Tree at a later date once you have reached the rank of Diamond Director.
<i>Retail Customer</i>	A customer who purchases Lifemax products at retail price.
<i>Sponsor</i>	A distributor who takes the responsibility to personally <u>E</u> nroll and mentor a new distributor.
<i>TEAM EAQ 360</i>	Achieving a minimum aggregate number of EAQ 360s within 8 generations in your Personal Enrollment Tree and having a minimum number of Personally-Sponsored legs during each Weekly Commission Cycle with a Lesser Leg BV requirement.
<i>Terminated Distributor</i>	A distributor who either voluntarily terminates his/her distributorship or who violates Lifemax Policies and Procedures and is terminated by Lifemax with or without the return of product. A distributor's termination will result in the Sponsor becoming un- <u>Q</u> ualified if that distributor is the <u>O</u> NLY Personally- <u>E</u> nrolled and <u>A</u> ctivated distributor on either team leg of the Sponsor.
<i>Unilevel Enrollment Tree</i>	Another name for Personal Enrollment Tree
<i>Unit</i>	One unit of Lifemax Mila is equivalent to one 16-oz. Mila package, four 4-oz. Mila Minis or a 30-count box of Mila Singles.
<i>Weekly Commission Cycle</i>	Commission period beginning at 12 am MT Sunday and ending at 11:59 pm MT Saturday of each week.

LIFEMAX RANK ADVANCEMENT and BONUS/COMMISSION SCHEDULE AT-A-GLANCE

RANK ADVANCEMENT REQUIREMENTS	INDEPENDENT DISTRIBUTOR		EAO RANKS		LEADERSHIP RANKS								
	ENROLLED	ACTIVATED	EAO	EAO 360	MANAGER	DIRECTOR	EXECUTIVE DIRECTOR	GLOBAL DIRECTOR	DIAMOND DIRECTOR	DOUBLE DIAMOND	PRESIDENTIAL DIAMOND		
			RANK 1	RANK 2								RANK 3	RANK 4
A. INDIVIDUAL EAO 360 (Personal legs with EAO 360)					2	3	5	10	20	30	40		
B. TEAM EAO 360 (Personal legs with EAO 360/Aggregate EAO 360)					1/7	2/11	3/19	5/40	5/80	5/120	5/160		
C. INDIVIDUAL EAO 360 - 4 WEEK LOOK-BACK (Total personal legs with EAO 360)					7	11	19	40	80	120	160		
LESSER LEG BV			0 BV	360 BV	0 BV	0 BV	3,000 BV	10,000 BV	25,000 BV	75,000 BV	150,000 BV		
# of CONSECUTIVE WEEKS				1	1	1	1	2	2	3	4		

BONUS/COMMISSION

	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
1. RETAIL AND PREFERRED CUSTOMER DIRECT SALES COMMISSIONS	0	0	1	1	2	3	4	5	6	7	8	
2. PRODUCT ACTIVATION BONUS (PAB)	NO	NO	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
3. EAO-MAKER BONUS	NO	NO	50%/50%	50%/50%	75%/25%	75%/25%	75%/25%	75%/25%	75%/25%	75%/25%	75%/25%	75%/25%
4. MAXIMIZER BONUS - UNILEVEL	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
5. GROUP VOLUME BONUS (GVB) - BINARY	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
6. BUSINESS PARTNERSHIP (BPB)*	NO	NO	10%	15%	20%	25%	30%	40%	50%	50%	50%	50%
7. DEVELOPER BONUS	NO	NO	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
8. SENIOR LEADERSHIP BONUS	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO

* Gold and Platinum Activation levels earn 20% beginning of Rank 1 (EAO)

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The financial success of a Lifemax Independent Distributor depends entirely upon that Distributor's individual effort and dedication. There are no guarantees regarding income, and the success or failure of each Independent Distributor, like any other business, depends upon each Distributor's own skills and personal effort. Individual results may vary.