

The FreeLife Compensation Plan

November 2011

...FreeLife's
Compensation
Plan is the
most lucrative
plan in the
Direct Selling
industry.

Dear Friends,

In designing FreeLife's Compensation Plan, Kevin and I continually asked one simple question: "How would we want to be compensated if we were Marketing Executives in the field building a FreeLife business?" You see, Kevin and I were both distributors in the Direct Selling business before we started FreeLife. From that experience, we came to have a keen understanding of what it is like to be in your shoes. This gave us the ability to design a compensation plan by applying the Golden Rule: **Reward our Marketing Executives exactly the way we would want to be financially rewarded if we were Marketing Executives.**

As a result, we believe FreeLife's Compensation Plan is the most lucrative plan in the Direct Selling industry. Designed to reward those who are involved on a part-time or a full-time basis, FreeLife's Compensation Plan provides significant up-front as well as long-term income at every level of participation. We reward our engaged Leaders better than any company we know of.

The key to building a lucrative business with FreeLife is to be consistent, persistent, work hard, and develop your skills as a Leader. By applying these success traits, you have the ability to reach all your goals with FreeLife.

Here's to your health and wealth!



Ray Faltinsky
CEO & Co-Founder



Kevin Fournier
President & Co-Founder



FreeLife
Live It!™

How to Earn with FreeLife

BODY FOR FREE™ PROGRAM

Simply help 3 Customers join and stay on the TAIslim Challenge with you and you can get a Challenge Pack for free month after month after month! And the Points on the FREE product count toward your qualifications for the month! See the Body for Free Program flyer for complete details.

The Body for Free Program is only available in Australia, Canada, Mexico, New Zealand, Puerto Rico, and the U.S.

STAR DIRECTOR \$150* MONTHLY GUARANTEE!

All active Star Directors and above can be guaranteed a minimum of \$150* in monthly commissions! Simply purchase a Quick Start Pack and become a Star Director by personally enrolling three AC100†† Marketing Executives (MEs) by the end of your first full calendar month. As long as you remain active at the title of Star Director or above each month, the \$150 is guaranteed (product refunds excluded)! If you drop below the paid title of Star Director in any month, the \$150 is no longer guaranteed moving forward.

PRODUCT REBATE

As an active AC100, you earn a 10-20% product rebate on your Personal Points that exceed 100 points in a given month (certain special packs are excluded.)

Monthly Personal Points	Product Rebate
100 – 499	Earn 10% on all the points over 100
500 – 999	Earn 15% on all the points over 100
1,000+	Earn 20% on all the points over 100

Rebate Points count 100% for all bonuses, title advancements, qualifications and pools. 50% of Rebate Points is then paid Upline for the 9-level Organisation commissions and Ambassador Generational Bonus.

FAST START BONUS (FSB)

The Fast Start Bonus provides excellent immediate and long-term income for new and existing Marketing Executives. The FSB is paid on every new ME's first 2 months of product purchases, up to 100 Points, 5 enrolment levels deep. As an active AC100 ME, you earn 20% on the first 100 points ordered by your new Enrollees in their first two months. Active Star Directors and above earn 10% on the product purchases (up to 100 points/month; certain special packs are excluded) during the first 2 months of new MEs on your second, third, fourth, and fifth enrolment levels. This can become very significant as you are earning 10%, 4 additional enrolment levels deep, and each enrolment level can have an unlimited number of MEs.

QUICK START BONUS (QSB)

FreeLife's Quick Start Pack (QSP) provides you with some of the lowest prices available on many of FreeLife's top-selling products. The QSP can save the new ME off regular AC prices. All three packs (Silver, Gold, and Platinum) quickly get our best-selling products into your new MEs hands quickly! Each time a Marketing Executive within your 5 enrolment levels purchases a QSP by the end of his/her first full calendar month, the Quick Start Bonus will pay as follows:

1 st level	\$75 + \$25†
2 nd level	\$10
3 rd level	\$10
4 th level	\$10
5 th level	\$10

†When an ME enrolls two or more AC100 Marketing Executives with a Gold or Platinum QSP in a calendar month, that ME will earn an extra \$25 bonus on each Gold or Platinum QSP enrolment! You must be an active Star Director or above to earn on levels 2-5. QSPs may not be available in all countries.

In the Philippines an ME will earn an extra \$25 bonus on each QSP enrolment when the ME enrolls two or more MEs with a QSP.

DAILY PAY

FreeLife believes that getting money quickly into the bank account of your new MEs is an exciting way to make the business real for them! We do this with one of the most innovative compensation ideas found anywhere – Daily Pay. Every time you enrol a new AC100 ME with a QSP, you will be paid the \$75 first-level QSB within 3 business days of your enrolment. And because FreeLife pays this bonus every day, you literally could be receiving a deposit into your bank account every day!

Daily Pay is not available in all countries.

ORGANISATION COMMISSION

FreeLife's Compensation Plan provides a tremendous opportunity for long-term income. Each month that you qualify as an active FreeLife Marketing Executive, you will receive 1% on level 1 and 5% on levels 2-9 Commissionable Points. The Organisation Commission is paid after the 2-month Fast Start Bonus period. Certain adjustments are made for special packs and the Product Rebate.

ADVANCEMENT BONUSES

One-time Advancement Bonuses are paid to Marketing Executives the first time they advance from Star Director to Star Director III as follows:

Star Director	\$100
Star Director I	\$150
Star Director II	\$300
Star Director III	\$600

In Australia, Austria, Canada, Germany, Mexico, New Zealand, Puerto Rico, United States, and the Caribbean, the Advancement Bonus is paid when the new title is maintained for 3 consecutive months or when the ME advances to the next title. The Star Director Bonus is paid in the first month that the title is achieved.

In Hong Kong, Macau, Philippines, and Singapore, the Advancement Bonus is paid when the new title is maintained for 3 consecutive months. When the ME achieves multiple title

**Star Directors are guaranteed \$100 USD in Hong Kong, Macau, the Philippines, and Singapore.*

††Where the Advantage Program is not available, the requirement will remain as 100 personal points.

advancements in a month, 50% of the Advancement Bonus payout will be released in the month they reach that title and 50% in the following month assuming the title is maintained or exceeded. If the ME does not maintain his or her title in the second month, the ME will not lose the second 50% but instead will receive it the next month he or she either meets or exceeds that title.

In order to earn the Star Director Advancement Bonus, MEs in all countries must achieve the title of Star Director within the first full calendar month.

FAST TRACK*

For those looking to maximize their earnings in the shortest amount of time, become a Fast Track Achiever! Simply purchase a Gold or Platinum QSP, personally enroll 4 or more Marketing Executives and become a Star Director II (SDII) within your first full calendar month.

Fast Track Achiever Benefits:

- Company-wide recognition!
- Double your minimum Service Pool Earnings from \$125 to \$250 for 3 consecutive months!
- Earn the \$300 SDII bonus immediately!

** The Fast Track program is not available in all countries.*

LUX CAR CLUB*

Qualified Star Directors IVs and above who purchase a Gold or Platinum QSP can drive the car of their dreams with a luxury car paid for by FreeLife! Get behind the wheels of the white luxury car of your choice: either a BMW, Cadillac, Lexus, or Mercedes-Benz. And with only 10,000 Points required to achieve the title of Star Director IV and earn your \$600 Lux Car Club Bonus, not only is this the most flexible car reward program in the industry, but the most achievable! Please see the Lux Car Club Program guidelines for complete details.

** May vary by country. Please check the Lux Car Club rules found in My FreeLife Office for more details.*

STAR DIRECTOR DEVELOPMENT BONUS

Earn a one-time \$100 Star Director Development Bonus each time you develop a new Personally Enrolled Star Director. The Star Director Development Bonus is paid when your personal Enrollee maintains the Star Director title for 3 consecutive months or advances to Star Director I or higher title. You must be a Star Director or above each month that your Enrollee is a Star Director to qualify for this bonus.

MATCHING BONUS

Star Directors and above can earn a 20% to 60% bonus on the total 9-level commissions earned by all of their Personally Enrolled Marketing Executives*. There is no limit to the number of Marketing Executives you can enrol and the more they earn, the more you earn! The Matching Bonus is paid as follows:

Star Director	20%
Star Director I	22%
Star Director II	24%
Star Director III	26%
Star Director IV	28%
Star Director V	30%
Ambassador	32%
Ambassador I	34%
Ambassador II	36%
Ambassador III	38%
Ambassador IV and V	40%
Royal Ambassador and above	45% to 60%

... FreeLife's Quick Start Pack (QSP) provides you with the lowest price available on many of FreeLife's top-selling products and gets our best-selling products into your new ME's hands!

TITLE	QUALIFICATIONS					INCENTIVES				
Title	Minimum Monthly Personal Points (AC 100 Required)	Personally Enrolled Active AC100 Marketing Executives	Personally Enrolled Star Directors	Personally Enrolled Ambassadors Legs	Organisational Points Required / Max Per Leg	Levels Paid On, 1% on level 1, 5% on levels 2-9	Product Rebate	Advancement Bonus	Matching Bonus	Ambassador Generational Bonus
Executive	100					3	10%			
Executive II	100	2				4	10%			
Star Director*	100	3				7	10%	\$100	20%	
Star Director I	100	3	1		1,500/900	7	10%	\$150	22%	
Star Director II	100	3	2		3,000/1,800	8	10%	\$300	24%	
Star Director III	100	3	3		6,000/3,600	8	10%	\$600	26%	
Star Director IV	100	4	4		10,000/6,000	9	10%	Car	28%	
Star Director V	100	5	5		15,000/9,000	9	10%	Car	30%	
Ambassador	100	6	6		20,000/12,000	9	10%	Car + Pool	32%	Gen 1 – 2%
Ambassador I	100	6	6	1	40,000/24,000	9	10%	Car + Pool	34%	Gen 2 – 2%
Ambassador II	100	6	6	2	60,000/36,000	9	10%	Car + Pool	36%	Gen 3 - 2%
Ambassador III	100	6	6	3	80,000/48,000	9	10%	Car + Pool	38%	Gen 4 – 2%
Ambassador IV	100	6	6	4	100,000/60,000	9	10%	Car + Pool	40%	Gen 5 – 2%
Ambassador V	100	6	6	5	120,000/72,000	9	10%	Car + Pool	40%	Gen 5 – 2%
Royal Ambassador	100	6	6	6	150,000/90,000	9	10%	Car + Pool	45-60%	Gen 5 – 2%
Presidential Royal Ambassador	100	6	6	6 Royals	1,000,000/600,000	9	10%	Car + Pool	60%	Gen 5 – 2%

AMBASSADOR GENERATIONAL BONUSES

Qualified Ambassadors and above, who earn in the Service Pool, can earn an additional 2% Generational Bonus on the total points of 5 generations of Ambassadors deep, starting with their own personal Infinity Points. Infinity Points are defined as all points in an Ambassador's Organisation (excluding Personal Points), an infinite number of levels deep, down to the next qualified Ambassador. This means that you can earn 2% on your entire Organisation, potentially well beyond 9 levels.

ROYAL AMBASSADOR BONUSES

As you grow to leadership positions in the Company, you become eligible for many additional bonuses:

Royal Ambassador

- **Matching Bonus:** Automatically increase your Matching Bonus to 45% to as high as 60%!
- **Royal Advancement Bonus:** Earn up to \$15,000 Royal Advancement Bonus paid over your first 5 months as a new Royal Ambassador.
- **Royal Training Bonus:** Earn up to \$5,000 per month to help pay for your training expenses.

Ambassador Leadership Titles	Personally Linked Legs	Org. Points/ Max Per Leg
Ambassador		20,000/12,000
Ambassador, Ruby	1SDIII	25,000/15,000
Ambassador, Emerald	1SDIV	30,000/18,000
Ambassador, Diamond	1SDV	35,000/21,000
Ambassador I	1A	40,000/24,000
Ambassador I, Ruby	1SDIII, 1A	45,000/27,000
Ambassador I, Emerald	1SDIV, 1A	50,000/30,000
Ambassador I, Diamond	1SDV, 1A	55,000/33,000
Ambassador II	2A	60,000/36,000
Ambassador II, Ruby	1SDIII, 2A	65,000/39,000
Ambassador II, Emerald	1SDIV, 2A	70,000/42,000
Ambassador II, Diamond	1SDV, 2A	75,000/45,000
Ambassador III	3A	80,000/48,000
Ambassador III, Ruby	1SDIII, 3A	85,000/51,000
Ambassador III, Emerald	1SDIV, 3A	90,000/54,000
Ambassador III, Diamond	1SDV, 3A	95,000/57,000
Ambassador IV	4A	100,000/60,000
Ambassador IV, Ruby	1SDIII, 4A	105,000/63,000
Ambassador IV, Emerald	1SDIV, 4A	110,000/66,000
Ambassador IV, Diamond	1SDV, 4A	115,000/69,000
Ambassador V	5A	120,000/72,000
Ambassador V, Ruby	1SDIII, 5A	125,000/75,000
Ambassador V, Emerald	1SDIV, 5A	130,000/78,000
Ambassador V, Diamond	1SDV, 5A	135,000/81,000
Royal Ambassador	6A	150,000/90,000
Royal Ambassador Ruby	5A, 1A1	165,000/100,000
Royal Ambassador Emerald	5A, 1A2	180,000/110,000
Royal Ambassador Diamond	5A, 1A3	195,000/120,000
Royal Ambassador Gold	5A, 1A4	210,000/130,000
Royal Ambassador Platinum	5A, 1A5	230,000/140,000

Presidential Royal Ambassador

- **Cash Bonus:** Earn a cash bonus for \$100,000.
- **Rolex Watches:** Receive "his & hers" Rolex watches.
- **2% Bonus:** Earn based on total 9-level Organisational Points for an entire year!

AMBASSADOR ADVANCEMENT POOL

As you advance from Ambassador Ruby on up through Ambassador V Diamond, FreeLife rewards and recognises you every step of the way. Each time you advance to a new high title of Ambassador Ruby through Ambassador I Diamond, you are given 1 share in the Advancement Pool for that month. When you advance to Ambassador II through Ambassador V Diamond, you are given 2 shares for that month. You can earn these shares for up to 3 consecutive months as long as you at least maintain that new paid title. If you advance more than 1 title, you can earn more shares in a month. You must qualify to earn in the Service Pool for any month that you earn shares in the Advancement Pool. Each month FreeLife will assign a dollar value to the shares for each country. Share prices will vary per country based on sales and advancements in that country.

Ambassador Leadership Titles	Personally Linked Legs	Org. Points/ Max Per Leg
Royal Ambassador I	5A, 1R	250,000/150,000
Royal Ambassador I Ruby	4A, 1A1, 1R	275,000/165,000
Royal Ambassador I Emerald	4A, 1A2, 1R	300,000/180,000
Royal Ambassador I Diamond	4A, 1A3, 1R	325,000/195,000
Royal Ambassador I Gold	4A, 1A4, 1R	350,000/210,000
Royal Ambassador I Platinum	4A, 1A5, 1R	375,000/225,000
Royal Ambassador II	4A, 2R	400,000/240,000
Royal Ambassador II Ruby	3A, 1A1, 2R	425,000/255,000
Royal Ambassador II Emerald	3A, 1A2, 2R	450,000/270,000
Royal Ambassador II Diamond	3A, 1A3, 2R	475,000/285,000
Royal Ambassador II Gold	3A, 1A4, 2R	500,000/300,000
Royal Ambassador II Platinum	3A, 1A5, 2R	525,000/315,000
Royal Ambassador III	3A, 3R	550,000/330,000
Royal Ambassador III Ruby	2A, 1A1, 3R	575,000/345,000
Royal Ambassador III Emerald	2A, 1A2, 3R	600,000/360,000
Royal Ambassador III Diamond	2A, 1A3, 3R	625,000/375,000
Royal Ambassador III Gold	2A, 1A4, 3R	650,000/390,000
Royal Ambassador III Platinum	2A, 1A5, 3R	675,000/405,000
Royal Ambassador IV	2A, 4R	700,000/420,000
Royal Ambassador IV Ruby	1A, 1A1, 4R	725,000/435,000
Royal Ambassador IV Emerald	1A, 1A2, 4R	750,000/450,000
Royal Ambassador IV Diamond	1A, 1A3, 4R	775,000/465,000
Royal Ambassador IV Gold	1A, 1A4, 4R	800,000/480,000
Royal Ambassador IV Platinum	1A, 1A5, 4R	825,000/495,000
Royal Ambassador V	1A, 5R	850,000/510,000
Royal Ambassador V, Ruby	1A1, 5R	875,000/525,000
Royal Ambassador V, Emerald	1A2, 5R	900,000/540,000
Royal Ambassador V, Diamond	1A3, 5R	925,000/555,000
Royal Ambassador V Gold	1A4, 5R	950,000/570,000
Royal Ambassador V Platinum	1A5, 5R	975,000/585,000
Presidential Royal Ambassador	6RA	1,000,000/600,000

FreeLife's Service Pool

One of FreeLife's most lucrative bonuses, the Service Pool is available to all Star Director IIs and above. FreeLife's Service Pool rewards Leaders who are best living our mission of service to others by enrolling new Marketing Executives, developing Customers, Star Directors within their Organisation, advancing in title, and helping others reach their goals.

In order to participate in these lucrative pools, Marketing Executives are required to earn Service Points as follows:

Personally Enrolled (PE) Service Points are earned in three ways:

1. Personally enrol a new AC100* Customer or Marketing Executive with at least 100 points = 2 Points. 1 additional Service Point will be earned if a newly enrolled Marketing Executive purchases a Quick Start Pack.
2. Develop a new Personally Enrolled Star Director = 8 Points
3. Earn 15 Personal Service Points for any of your Personally Enrolled Marketing Executives who advance to a new high title of Star Director I through Ambassador I Diamond. Your paid title must be at least equal to the title of the advancing Marketing Executive in order to qualify for the points.

** Where the Advantage Program is not available, the requirement will remain as 100 Personal Points.*

Personally Enrolled Leg (PEL) Service Points are earned by Ambassadors and above when you:

Develop a new Star Director in a Personally Enrolled leg that is not blocked by a paid Ambassador or above in that leg = 4 Points

Star Director II-Star Director Vs must earn at least 10 Personally Enrolled Service Points to participate in the Service Pool each month. If a Star Director II-Star Director V earns 30 or more Personally Enrolled Service Points, he/she will receive double the Service Point credits for that month.

The Total Service Points for Ambassadors and above will be your Personally Enrolled Service Points plus your Personally Enrolled Leg Service Points. To participate in the Service Pools, Ambassadors and above must earn at least 10 Personally Enrolled Service Points each month. If an Ambassador or above achieves 60 or more Total Service Points, that Ambassador will receive double the Service Point credits for that month.

TOP EARNERS POOL

The top Service Pool earners in each pool will receive an additional bonus as follows:

Star Director II-Star Director V – Top 30 earners

Ambassador-Ambassador I Diamond Pool – Top 20 earners

Ambassador II and above Pool – Top 10 earners

MINIMUM EARNINGS

Qualify in the Service Pool and your minimum Service Pool earnings will be as follows:

Star Director II-Star Director V – \$125 each month

Ambassadors and above – \$300 each month

SERVICE POOL DETAILS

Total Service Points will count for up to 3 consecutive months as long as they remain active each month. If one month is missed, the Points will no longer count moving forward. For example, a Star Director must remain active in January, February, and March for Total Service Points to count in those three months. The same rule applies for a personal enrolment of a new Customer or Marketing Executive on the AC100 and any personally enrolled advancement from Star Director I to Ambassador I Diamond. First-time Ambassadors will not block Personally Enrolled Leg (PEL) the first month the advancement is obtained. During that first month, the new Ambassador will receive any Star Director II through Star Director V Service Pool payout that might apply. Any PEL points available that month will be counted toward the upline enroller for all 3 qualifying months. The maximum monthly total earnings in the Service Pool are: \$3,000 for Star Director II-Vs; \$7,500 for Ambassador-Ambassador I Diamonds; and \$15,000 for Ambassador IIs and above. Service Pool share prices and the Top Earner Pool vary per country based on country sales and shares earned in that country. Interpretation of the Compensation Plan is solely at the discretion of FreeLife.