

TEAM COMPENSATION PLAN

If you're new to Isagenix, welcome! Isagenix International is a global leader in the health and wellness industry.

Our success is based on providing no-compromise products and solutions to consumers worldwide. We also recognize that most people looking to change their habits benefit from having a support structure to reinforce a new positive behavior and lifestyle. Therefore, we developed a way to reward Isagenix Independent Associates who share our products.

The Isagenix Team Compensation Plan was established on sound financial principles and built to last. Since 2002, Isagenix has helped hundreds of thousands earn extra money — thousands of who have been paid over ₩100,000,000* and hundreds more whom have been paid over ₩1 billion* since getting started.

Please keep in mind that your individual results and success will ultimately be determined by many factors, including your personal effort, time commitment, social and sales skills, and sphere of influence. Isagenix cannot guarantee any level of earnings. Even Associates who dedicate a significant amount of time, effort, and personal funds may not achieve a meaningful level of success.

This document is intended to provide you with an overview and details on our business and the Compensation Plan. The plan is broken into key sections:

- How to earn an income with Isagenix.
- Rank advancement opportunities.
- Important plan features.
- Glossary of terms.

Whether your goal with Isagenix is weight management, improving your health, living a healthier life, or earning some extra income, we recommend everyone at Isagenix get started on the products. Any individual can choose to open a Customer or Associate account and enjoy discounts of up to 25% off retail prices. See below for ways to get started using the products:

MEMBER TYPE	ELIGIBLE FOR AUTOSHIP	BUSINESS TOOLKIT FEE	PRICING
Associate	Yes	₩30,000	25% off retail
Customer	Yes	N/A	10% off retail
Retail Customer	No	N/A	Retail

HOW TO EARN AN INCOME WITH ISAGENIX

■ Overview

The Isagenix Team Compensation Plan encourages people to work together to accomplish their financial goals. Upon enrollment, Members are assigned a unique place in their Enrolling Sponsor's marketing organization, which is composed of two Sales Teams or "legs," one on the right side ("Right Sales Team") and one on the left side ("Left Sales Team"). An Associate's compensation is derived from product purchases by those in his or her marketing organization. As an Associate's marketing organization grows, more product sales are made, and as more product sales are made, the earnings opportunity increases.

*All values shown in ₩ are converted at a rate of US\$1:₩1,000 .



■ Ways To Earn

Isagenix offers Associates several ways to earn money:

- Retail profits
- Retail direct profits
- Product Introduction Bonuses
- Team Bonuses (Cycles)
- Rank Advancement Bonuses
- Pool Bonuses
- Matching Team Bonuses
- Reorder (Autoship) Bonuses

Getting Started

■ Associate

Any person who wishes to participate in the Compensation Plan can apply to become an Isagenix Independent Associate by completing the Associate enrollment form and purchasing their Business Toolkit. Associates receive a personal website where their own Retail Direct Customers can purchase products. Associates are eligible to earn **RETAIL PROFITS**, **RETAIL DIRECT PROFITS**, and **PRODUCT INTRODUCTION BONUSES**.

RETAIL PROFITS – Associates can order products directly from Isagenix at discounted prices and resell the products in person to their Retail Customers. The difference between the Associate’s cost of goods sold and the selling price is referred to as the Associate’s retail profits. Note that business volume from any products you order for retail sales is treated as personal volume.

RETAIL DIRECT PROFITS – Associates can also refer or direct Retail Direct Customers to order products directly from Isagenix through the Associate’s personal website and earn retail direct profits. Retail direct profits are paid weekly and are calculated by subtracting the wholesale price and an administration fee. The business volume from any retail direct sales is treated as personal volume.

PRODUCT INTRODUCTION BONUSES – Associates can earn a bonus by sharing qualified packs or systems with a new Korea Associate on their initial order. These bonuses vary depending on the product pack or system purchased.

■ Active Status

Your active status is assigned each day based on meeting the qualification requirements in the immediately preceding 30-day period. To receive compensation, you must remain active.

TIP #1

Becoming an active Associate can be completed by purchasing the Business Toolkit and placing an order of 100 BV or more at the same time.

PERSONAL VOLUME (PV) – The combined business volume of (1) an Associate’s personal orders purchased directly from Isagenix (whether personally consumed or resold to Retail Customers) and (2) orders purchased by the Associate’s Retail Direct Customers (ordering through the Associate’s personal website).

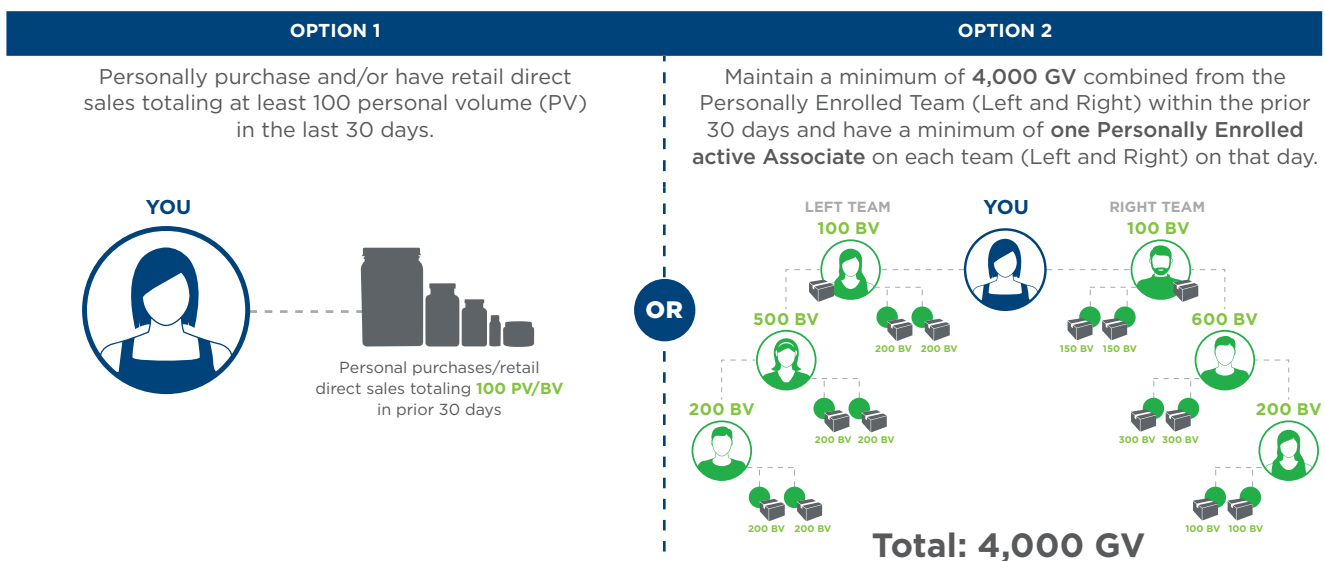
PERSONALLY ENROLLED – An Associate or Customer whom another Associate has enrolled.

PET – Personally Enrolled Team (Left and Right Sales Teams).

BUSINESS VOLUME (BV) – Point value assigned to each commissionable product.

GROUP VOLUME (GV) – The total BV that accumulates in an Associate’s Left or Right Sales Teams.

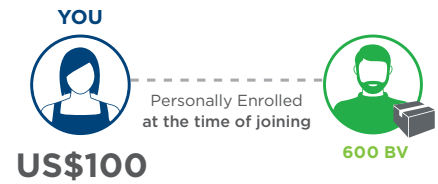
A Member is considered an active Associate on any given day if they:



Qualified active Associates are eligible to accumulate **GROUP VOLUME**. However, no Team Bonuses (Cycles) will generate until an Associate qualifies for a daily active rank of Consultant or higher.

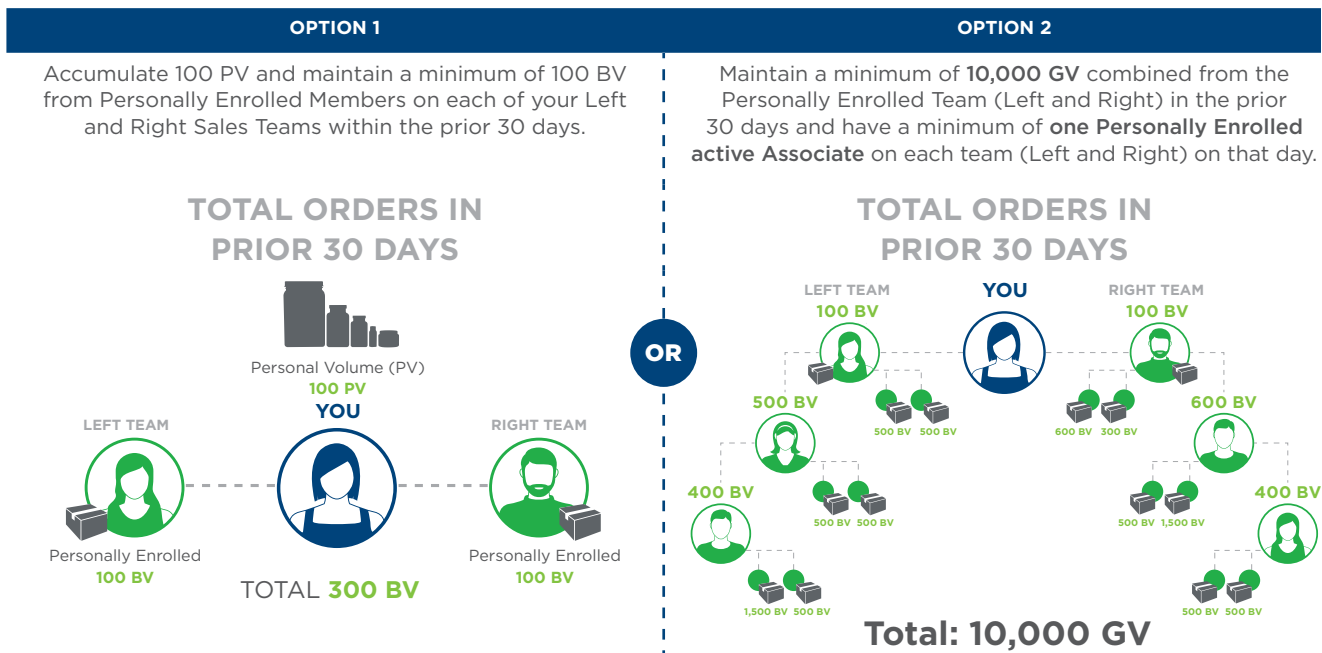
■ Product Introduction Bonus

You will be eligible to earn a Product Introduction Bonus (PIB) if you are active on the day your Personally Enrolled Associates in Korea choose to order one or more of the company’s optional Product Introduction Packs (600 BV Packs) directly from Isagenix at the time of joining.



■ Consultant

When you’re personally sharing products on both of your Sales Teams, Left and Right, you are eligible to become a Consultant. A Member is considered a Consultant on any given day if they:



As a Consultant, you are eligible to earn Team Bonuses (Cycles).

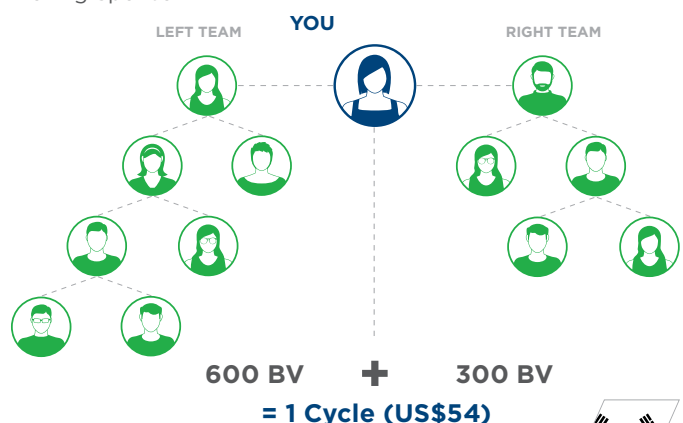
■ Team Bonuses (Cycles)

Team Bonuses are the foundation of the Compensation Plan. Associates with a daily active rank of Consultant or above are eligible to earn Team Bonuses through product sales in their Sales Team. When a Consultant accumulates at least 900 BV in group volume (GV), with at least 600 BV on one side (Major Volume Sales Team) and 300 BV on the other side (Minor Volume Sales Team), the Associate earns a Team Bonus, also referred to as a Cycle, which equates to about US\$54. An Associate can earn multiple Cycles every day and up to 250 Cycles per week.

TEAM PLACEMENT TREE - An Associate’s marketing organization (Right and Left Sales Teams) in which newly enrolled Customers and Associates are placed, regardless of their Enrolling Sponsor.

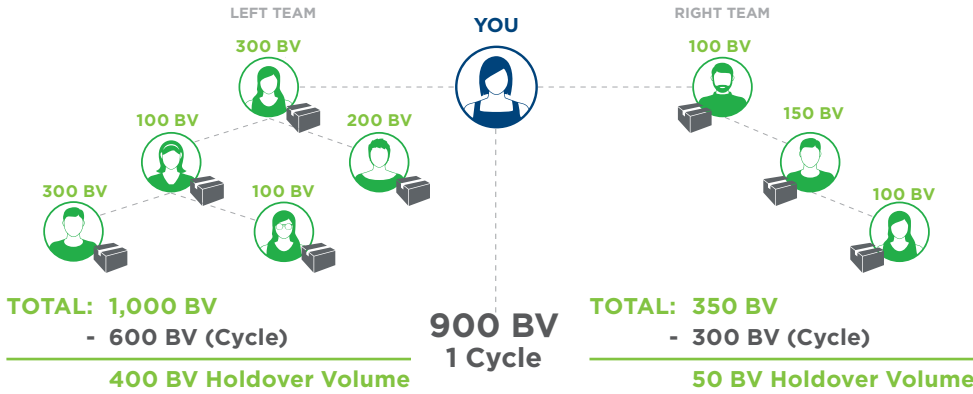
What does a Team Bonus (Cycle) look like?

Visualize your organization with a bank account below each of your Left and Right Sales Teams. As sales occur anywhere in your **TEAM PLACEMENT TREE**, whether you personally enrolled those people or not, BV accumulates in each of these bank accounts. Every time you, as a Consultant, accumulate at least 600 BV on one side and 300 BV on the other side, you earn one Cycle.



Holdover Volume

As an example of how this works, let's say you've accumulated 1,000 BV on your Left Sales Team and 250 BV on your Right Sales Team. A new order of 100 BV is placed in your Right Sales Team, so now you have 350 BV on the right. Because you accumulated at least 600 BV on your left, and at least 300 BV on your right, a Cycle occurs. Once this happens, the 600 BV and 300 BV are deducted, leaving you with a **HOLDOVER VOLUME** of 400 BV on the left and 50 BV on the right:



TIP #2

The real power of the Compensation Plan comes from building a team of Associates selling Isagenix products. Your goal should be to identify, train, and support others in sharing the products with as many Associates as possible.

This holdover volume will continue to accumulate as long as you remain active or until you experience a Megacycle (see glossary for details). Cycles are calculated daily and paid weekly, and since you accumulate sales on your entire marketing organization no matter how deep it may grow, you can earn multiple Cycles a day, up to 250 times per commission week.

Rank Advancement Bonuses

There are eight **DAILY ACTIVE RANKS** Associates can achieve:

- 1. Associate
- 2. Consultant
- 3. Manager
- 4. Crystal Manager
- 5. Director
- 6. Crystal Director
- 7. Executive
- 8. Crystal Executive

DAILY ACTIVE RANK - Used primarily for promotions and contests, an Associate's daily active rank is based on their status and meeting the requirements on each day.

2PET VOLUME - Combined volume for first- and second-level Personally Enrolled Team.

To qualify for the rank of Manager or higher, the Associate must be a qualified Consultant and satisfy the following criteria:

- 1. **600 PERSONAL VOLUME (PV)** in the prior 180 days.
- 2. A **GROUP VOLUME (GV)** criteria in each Sales Team (Left and Right) within the prior 30 days.
- 3. A number of **ACTIVE PERSONALLY ENROLLED ASSOCIATES** in each Sales Team (Left and Right) on that day.
- 4. A minimum amount of **2PET VOLUME** in the past 30 days on each Sales Team (Left and Right).

Tip #3

Get started on a Business Builder Pack to immediately satisfy the first criteria for achieving a Rank Advancement Bonus.

Associates may earn Rank Advancement Bonuses for achieving certain ranks.

TO REACH THIS RANK	PERSONAL VOLUME (PV)	GROUP VOLUME (GV) (LEFT and RIGHT)	ACTIVE PERSONALLY ENROLLED (LEFT and RIGHT)	2PET VOLUME (LEFT and RIGHT)	BONUS
Crystal Executive	600	20,000L/20,000R	5L/5R	1,500L/1,500R	US\$500
Executive		10,000L/10,000R	4L/4R	1,200L/1,200R	-
Crystal Director		5,000L/5,000R	3L/3R	900L/900R	US\$375
Director		2,400L/2,400R	2L/2R	600L/600R	-
Crystal Manager		1,200L/1,200R	1L/1R	300L/300R	US\$125
Manager		600L/600R	1L/1R	300L/300R	-

Pool Bonuses

Earn a bonus every month for maintaining and growing your rank! Members must attain a minimum rank of Director in each month and maintain that rank for the remainder of the month to qualify. Pools are calculated daily, and Members can participate in multiple pools in a month.

POOL VALUE - Is calculated by multiplying the percentage listed below for the respective pool by the monthly BV generated by all Korea Members.

SHARE CALCULATION - Shares for each pool are calculated by multiplying the pool value times the Member's paid Cycles at each qualified rank and divided by the total Cycles of Members' in the pool each month.

	DIRECTOR	CRYSTAL DIRECTOR	EXECUTIVE	CRYSTAL EXECUTIVE
Pool value	0.5% of BV	1% of BV	1.5% of BV	2% of BV
Maximum monthly payout (each pool)	US\$5,000	US\$5,000	US\$10,000	US\$10,000
Total maximum monthly payout (all pools)	US\$10,000			

* If a Member's daily active rank is Crystal Manager or lower, they cannot participate in the pools.

* Cannot participate in Director or Crystal Director Pools after having participated in Executive Pools for a cumulative 24 months.

Matching Team Bonuses

Members with a daily active rank of Executive or above are eligible to receive a Matching Team Bonus on the daily Team Bonus of their first **GENERATION** based on the **ENROLLMENT TREE**.

ENROLLMENT TREE - Is based on the Members generated by the marketing organization of your Personally Enrolled Team (PET).



GENERATION - An Associate in your Personally Enrolled Team who has a daily active rank of Manager or above and one or more Cycles on that day, or who has a daily active rank of Crystal Manager or above and one or more Cycles in the commission week.

COMPRESSION - The system process of navigating the support team or Sales Team to find Members who meet the qualifying criteria.

The system will begin by looking at your 1PET. If you have any Managers or above in Korea, the system will then check to see if they have Cycled. If they have, they become your first generation, and there is no **COMPRESSION** of their Personally Enrolled Team. For any of your 1PET who do not meet the rank and Cycle requirement, the system uses compression to review that Member's 1PET (your 2PET). This process continues with each Sales Team until the system finds the next Manager who has Cycled and adds them to your first generation. There is no further compression of a Sales Team once a Member is identified who meets the rank and Cycle requirement. Below is an example of the Enrollment Tree being transferred into generations:



● Not a Manager or above with 1 Cycle or more



How is the Matching Team Bonus calculated?

The Matching Team Bonus is calculated daily and paid weekly. Qualified Members with a daily active rank of Executive or above who have earned at least one Cycle, may earn a 10% bonus on their first generation's Cycles for a maximum of US\$13,500 in Matching Team Bonuses per commission week.

■ Reorder (Autoship) Bonuses

Korea Associates that are active and on Autoship are eligible for an added US\$1 bonus from Members in their organization. Each Associate that is on an Autoship of 100 BV or more will generate up to US\$5 on every order, US\$1 per person, to be distributed up to five Enroller Sponsorship levels in the organization with compression. In order to earn the Autoship Bonus, Members must be active and have a minimum 100 PV Autoship that has shipped in the prior 30 days.



IMPORTANT PLAN FEATURES

■ International Sponsorship

Associates in good standing may participate in markets outside their home region where Isagenix is legally registered to operate and is officially open for business. To apply, Associates simply complete the online International Sponsorship Registration and Agreement. As an International Sponsor, you become eligible to earn commissions on sales made in international regions. Those approved active International Sponsors can earn on group volume generated by Members on their Sales Team who live outside of their home region. All commissions are subject to the Foreign Exchange Policy.

■ Foreign Exchange Policy

Isagenix develops a Commissions Multiplier based on the source of volume from each country where the Associate is conducting business. The new Commissions Multiplier will be a weighted average that is unique to the amount of volume coming from each country and will be used as the multiplier for their commissions. The new Commissions Multiplier will be calculated and updated each quarter and will apply to any Associate with at least 10% or more of their volume originating from outside of their home country.

■ Non-Active Associates

Associates who are not active will not accumulate any positive GV and will have any positive holdover volume reset to zero.

■ Consultant Maintenance

If you are active but fail to stay qualified at a daily active rank of Consultant or higher, you will hold existing GV and continue to accumulate additional GV.

■ Megacycle

A Megacycle occurs at the end of any day that a minimum of 100 Cycles has accumulated since the Associate's enrollment date or last Megacycle. To provide stability to the Compensation Plan, Isagenix will hold over up to 150,000 GV in the Major Volume Sales Team and all remaining GV in your Minor Volume Sales Team toward earning your next Team Bonus. Any GV above the 150,000 GV from your Major Volume Sales Team is removed.

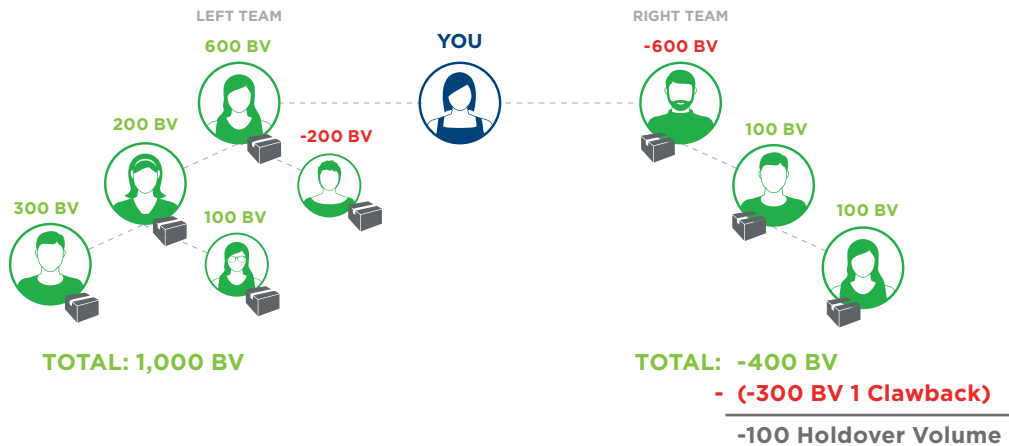
■ Cap Rule

Where a payment is expected to temporarily or accidentally exceed the legal payment threshold for annual sponsoring bonus, the company may adjust the total amount of payment of the sponsoring bonus for the purpose of compliance with the relevant laws and regulations. Bonuses will be capped in priority order:

- | | | |
|---------------------------|---------------------------|-------------------------------|
| 1. Matching Team Bonus | 4. Rank Advancement Bonus | 6. Reorder (Autoship) Bonus |
| 2. Pool Bonus (50% Cap) | (Crystal Director) | 7. Product Introduction Bonus |
| 3. Rank Advancement Bonus | 5. Rank Advancement Bonus | 8. Promotion Bonus |
| (Crystal Executive) | (Crystal Manager) | 9. Team Bonus |

■ Clawback

In the event that the day closes with negative 300 total volume on either leg (Left or Right), a clawback will be triggered. Each clawback equals -US\$18 as depicted below:



If an Associate falls out of active status, negative volume will not be flushed. In the case of an Associate resigning or being terminated, their volume will be calculated for 90 days following the resignation or termination. Any returns of items purchased after the resignation date will not be included in this calculation. Any sales of items after the resignation date will not be included in this calculation. The sum of the prior 90 days' Team Bonuses must be greater than or equal to the sum of the clawback.

If money is owed after 90 days, the Associate will pay Isagenix within 30 days of notification per the policies and procedures.

■ Weekly Pay

Weekly pay is a noteworthy feature of the Isagenix Team Compensation Plan. A commission week begins at 12 a.m. ET Mondays and runs through 11:59 p.m. ET the following Sunday. The earned compensation is paid to Associates effectively two weeks in arrears.

■ Reentry Position

An Associate with a daily active rank of Crystal Executive for three consecutive months and an average of 225 Cycles within 13 weeks may apply for a reentry position. The reentry position would be located immediately above the existing position (Primary Position). If the reentry position is approved, the Primary Position becomes one side of the Crystal Executive's Sales Team (i.e., Major Volume Sales Team). This means a Crystal Executive can leverage the volume from the Primary Position as one leg of the new reentry position.

GLOSSARY OF TERMS

ACTIVE STATUS – An Associate is considered active on a specific day if he/she has obtained at least 100 PV in the prior 30 days or has personally enrolled sales totaling a minimum of 100 BV in the prior 30 days in each Sales Team (Left and Right) or an Associate maintains a minimum of 4,000 BV combined with the Personally Enrolled Sales Teams (Left and Right) volume within the prior 30 days. Must also have one Personally Enrolled active Left and one Personally Enrolled active Right.

ASSOCIATE – An independent contractor who has met and continues to meet the eligibility requirements set forth in the Isagenix Independent Associate Application and Agreement, including the Policies and Procedures and the Compensation Plan. Associate is also the first rank of the Compensation Plan. The term “Associate(s)” by itself generally refers to all Associates regardless of rank, unless the context indicates that the rank of Associate is the intended meaning.

AUTOSHIP – An optional program of convenience permitting preselected, pre-authorized orders to be automatically shipped on a selected date each month. The Autoship program provides additional savings and convenience to Members who elect to participate.

BUSINESS CENTER – A position on the team placement tree that is eligible to generate income. It tracks placement and the group volume of Sales Teams.

BUSINESS TOOLKIT – This is purchased by Associates when enrolling with Isagenix to help guide them through starting their Isagenix business.

BUSINESS VOLUME (BV) – A point value assigned to each commissionable product.

CARRYOVER VOLUME – Unpaid GV in each of an Associate’s two Sales Teams that can accumulate toward the next earned Team Bonus.

COMMISSION WEEK – From 12 a.m. (ET) Monday to the following Sunday night at 11:59 p.m. (ET).

COMMISSIONABLE PRODUCT – Consumable Isagenix products that have a point value (BV) assigned to them as a means of calculating commissions and bonuses payable to Associates.

COMPENSATION – The commissions, bonuses, and other consideration received by an Associate under the Compensation Plan or through other incentives or promotions implemented by Isagenix for the sale of products. Compensation is calculated daily and paid weekly one to two weeks in arrears.

CONSULTANT – The second rank of the Compensation Plan. Active Consultants are eligible to earn Team Bonuses (Cycles).

CYCLE – When an active Consultant or above accumulates 900 GV, with at least 300 GV coming from the Minor Volume Sales Team and 600 GV from the Major Volume Sales Team, the Associate earns a Cycle (Team Bonus). An Associate can earn multiple Cycles on any given day and up to 250 Cycles per commission week.

DAILY ACTIVE RANK – An Associate’s daily active rank is based on their status and meeting the requirements on each day.

DAY – From 12 a.m. to 11:59 p.m. (ET).

ENROLLING SPONSOR – The person who is credited for personally enrolling a Member.

GRACE PERIOD – A five-day grace period is added to 30 days in determining active status, totaling 35 days.

GROUP VOLUME (GV) – The total BV that accumulates in an Associate’s Left or Right Sales Teams.

HOLDOVER VOLUME – Unused GV in each of an Associate’s two Sales Teams that can accumulate toward the next earned Team Bonus.

HOME REGION – The Isagenix region that includes the country or territory where the Associate resides at the time of enrollment. An Associate may enroll new Members in the Associate’s home region without registering for and receiving approval as an International Sponsor.

INTERNATIONAL SPONSOR – An Associate who has been approved to enroll Associates in regions other than the enrolling Associate’s home region and may qualify to earn compensation for product sales in other regions.

INTERNATIONAL SPONSORSHIP REGISTRATION AND AGREEMENT – Refers to the online registration form and agreement that an Associate must properly complete and submit to Isagenix as one of the prerequisites to becoming an International Sponsor.

LINE OF SPONSORSHIP – The line of Associates above a given position in a Sales Team.

MAJOR VOLUME SALES TEAM – The Sales Team holding the most unpaid group volume (GV) at any given time.

MARKETING ORGANIZATION – Associates who are situated below a given Associate in the Associate’s Placement Tree and from whose product purchases the Associate’s compensation is derived.

MATCHING TEAM BONUS – Qualified Members with a daily active rank of Executive or above are eligible to receive a 10% Matching Team Bonus on the Daily Team Bonus of the first generation of their Enrollment Tree. The Matching Team Bonus is calculated daily and paid weekly. Qualified Members with a daily active rank of Executive or above who have earned at least one Cycle, may earn a maximum of US\$13,500 in Matching Team Bonuses per commission week.

MEGACYCLE – A Megacycle occurs at the end of any day that a minimum of 100 Cycles has been accumulated since the Associate’s (1) enrollment date or (2) last Megacycle. To provide stability to the Compensation Plan, Isagenix will hold over up to 150,000 GV in the Major Volume Sales Team and all remaining GV in your Minor Volume Sales Team toward earning your next Team Bonus. Any GV above the 150,000 GV from your Major Volume Sales Team is removed.

MEMBER – An Associate or Customer who has created an account with Isagenix.

MINOR VOLUME SALES TEAM – The Sales Team holding the least unused group volume (GV) at any given time.



PERSONAL VOLUME (PV) – The combined BV of (1) an Associate's personal orders purchased directly from Isagenix (whether personally consumed or resold to Retail Customers) and (2) orders purchased by the Associate's Retail Direct Customers (ordering through the Associate's personal website).

PERSONALLY ENROLLED MEMBER – An Associate or Customer who has been sponsored or enrolled by another Associate. This is a direct line of sponsorship.

PLACEMENT SPONSOR – The sponsor directly under whom a new Member is placed in the Team Placement Tree. The Placement Sponsor can also be the Enrolling Sponsor.

POSITION – (1) the Business Center held by an Associate or (2) the placement location of Customers and Associates in the Enrolling Sponsor's Team Placement Tree.

PRODUCT INTRODUCTION BONUS (PIB) – Associates can earn a PIB by sharing qualified packs or systems with a new Associate on their initial order. These bonuses vary depending on the product, pack, or system purchased.

QUALIFYING VOLUME – A point value assigned to commissionable products that is used to determine an Associate's active status.

RANK – The title or status an Associate has achieved within the Compensation Plan. There are eight ranks in the Compensation Plan, three of which are paid Rank Advancement Bonuses.

RECOGNITION RANK – The highest rank in which an Associate has qualified within the Compensation Plan.

REGION – A country or a group of countries designated by Isagenix for purposes of distinguishing geographical areas of the world where an Associate may sponsor new Associates.

RETAIL CUSTOMER – A person who orders Isagenix products from Isagenix at the suggested retail prices through an Associate's personal website or buys directly at retail from an Associate. Retail Customers and Retail Direct Customers are not Members.

RETAIL DIRECT PROFITS – The profit an Associate earns from sales to their Retail Direct Customers. An Associate does not need to be active to earn retail direct profits.

RETAIL PROFITS – The profit an Associate earns from sales to their Retail Customers. An Associate does not need to be active to earn retail profits.

TEAM BONUSES (CYCLES) – When an active Consultant or above accumulates 900 GV, with at least 300 GV coming from the Minor Volume Sales Team and 600 GV coming from the Major Volume Sales Team, the Associate earns a Team Bonus. A Team Bonus is also referred to as a Cycle. An Associate can earn multiple Cycles on any given day.

TEAM PLACEMENT TREE – An Associate's marketing organization (Right and Left Sales Teams) in which newly enrolled Customers and Associates are placed.

WEEK – From 12 a.m. (ET) Monday to the following Sunday night at 11:59 p.m. (ET).

WHOLESALE OR WHOLESALE PRICE – Prices established by Isagenix that are less than a product's suggested retail price.

