

# MEGA-MATCH COMPENSATION PLAN

### **UNITED STATES (ENGLISH)**

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IT IS IMPORTANT TO FULLY UNDERSTAND THE COMPENSATION PLAN OF THIS BUSINESS. WE ENCOURAGE YOU TO FAMILIARIZE YOURSELF WITH THIS UNIQUE COMPENSATION PLAN AND OUR OPPORTUNITY. WE LOOK FORWARD TO BUILDING OUR BUSINESS ALONG WITH YOU AND WISH YOU ALL THE BEST.

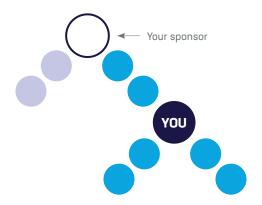
A compensation plan is what a company uses to calculate and distribute income to its distributors based upon the sales generated by distributors and their downline sales organizations. Synergy WorldWide has created a plan that represents a unique and revolutionary compensation system that goes beyond any existing system—we call it the Dual-Linear Mega-Match Compensation Plan.

One of the most powerful statements supporting our commitment to our Team Members is that Synergy always pays out 55% of our global commissionable volume each month after paying Elite Rebate Bonuses. Fifty percent is pooled to fund all Basic Commission, Mega-Match, and Global Share bonuses. Five percent is pooled to fund the Leadership Bonus. The Elite Rebate Bonuses are funded by removing CV from the qualifying order. Finally, you earn a retail mark-up on every Retail Sale.

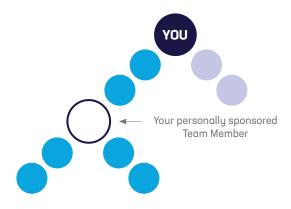
Our Dual-Linear Mega-Match Compensation Plan incorporates all of the best parts of other compensation plans and eliminates their weaknesses. We believe it is the most revolutionary compensation plan in the industry. The purpose of this document is to define and explain the details of the Mega-Match Compensation Plan.

# **QUICK OVERVIEW**

When you become a Synergy Team Member, or distributor of Synergy products, you are placed in the business matrix. This is also referred to as "the tree." Your position in the tree is somewhere below your sponsor.



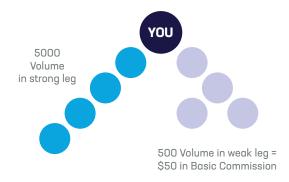
Each of the circles in the diagram represents a position in the business, called a Tracking Center (TC). When you start sponsoring people into Synergy, their Tracking Centers will be below you, either on your right or left side, also called your right or left "leg."



You earn money in this business each month in the following ways:

- 1. Resell products at a retail profit to product users. You determine the retail mark-up. Synergy recommends a 20% mark-up.
- 2. Sponsor new people who activate three Tracking Centers and thereby you earn a Fast-Start Bonus.
- 3. Additionally, by qualifying at the Elite level, you can earn an Elite Rebate through the purchase and sale of additional Tracking Center 1 orders each month.

4. Build two "legs" by sponsoring new people into the business. These people purchase products for resale. Every product has an assigned commissionable volume (CV). Basic Commission is up to 10% of the CV on the weak (lesser) leg, the exact amount determined by the payout pool. In the diagram, the right side is the weak leg, so the Basic Commission would be up to \$50 for that day.



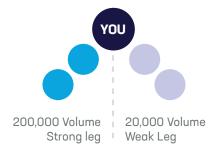
This payout is an estimation only based on the 50% Payout Pool.

5. When you sponsor someone into the business, and they earn Basic Commission, you can receive a matching amount or a Mega-Match. If you sponsor Kim, and she earned \$50 in Basic Commission, you can receive a Mega-Match of \$50. This is true regardless of where Kim is placed in your organization.



This payout is an estimation only based on the 50% Payout Pool.

6. As your business grows, you will become eligible for the Leadership Bonus. The Leadership Bonus is a powerful way to be paid on your strong leg volume. When your weak leg reaches a minimum of 6,000 CV, you can begin to earn the Leadership Bonus.



#### Leadership Bonus: 0.5% x 3(20,000) or \$300

This payout is an estimation only based on the 5% Payout Pool.

7. Once you reach at least 400,000 in new weak leg CV, and earn the title Presidential Executive or greater you are eligible to receive a share of the Global-Share Bonus. This bonus equals 1% of the total global CV, and is divided among all eligible earners. Distributors who meet the qualifications of Double and Triple Presidential Executive receive a double and triple share of that month's Global-Share Bonus, respectively.

THIS QUICK OVERVIEW IS ONLY THE BEGINNING OF THE DUAL-LINEAR MEGA-MATCH COMPENSATION PLAN. THE DETAILS OF THE PLAN ARE CONTAINED IN THE REST OF THIS BOOKLET.



# **TERMS TO KNOW**

Compensation plans have a vocabulary of their own. Take some time to familiarize yourself with the following terms before continuing:

Banked Volume: Remaining new monthly CV on the strong leg Tracking Center after removing all applicable CV to calculate Basic Commissions. This volume is "banked" on the strong leg, so long as the Team Member maintains at least the Standard Qualification level each month. If the strong leg ever becomes the weak leg, based on new monthly CV, available Banked Volume is added to the new weak leg to calculate Basic Commissions, and corresponding Mega Match bonuses. Banked Volume does not impact pin level, leadership bonus, or any other bonuses.

Synergy Pulse: The internet-based web tool used to manage your Synergy business.

**Customer:** Any individual or group that purchases product directly from a Team Member, or via a Customer Account.

**Commissionable Volume (CV):** Commissionable Volume (CV) is a value amount assigned to each product or product pack that is purchased for resale. This is not a dollar value, but a value used by our compensation system to calculate commissions. For most products, the CV equals the wholesale price. CV is accumulated through the purchase of products for resale. The more products you retail, the greater the CV.

**Leg:** When describing how other Team Members are placed below your Tracking Centers, we often refer to the "legs" of your business. New Team Members are placed on the right or left side of one of your Tracking Centers.

**Payout Pools:** Synergy pays out 55% of our global payout volume each month divided into a 50% Payout Pool and a 5% Payout Pool. The 50% Payout Pool funds all Basic, Mega-Match and Global-Share bonuses. Synergy determines the amount that every Team Member has earned in each of these three bonuses by applying the rules and limitations of each bonus. If the initially calculated bonus payout is more or less than the total dollar value of the

50% Payout Pool, the payout is adjusted evenly for all Team Members until the total amount paid equals the 50% Payout Pool. The 5% Payout Pool funds the Leadership Bonus in the same way. Retail Markup, Fast-Start Bonuses, Elite Rebates, and other promotions are not part of the payout pools.

**Rolling Up:** When the commissionable volume of each of your legs is calculated, the total applicable product volume "rolls up" to everyone above you in the business. The rolling up of volume enables everyone to benefit from the product sales on a specific leg.

**Sponsor:** Your sponsor is the person who brought you into the business and helped you sign up. When you bring people into Synergy, you will become their personal sponsor.

**Team Member:** You become a Team Member, or a distributor, of Synergy's products when you complete a Membership Application, and it is accepted by the Company.

**Tracking Center (TC):** A Tracking Center is the basic building block of your business. Your business will consist of one or three Tracking Centers.

**Wholesale/Retail:** As in every business, there is a wholesale price and a retail price. By virtue of being a Synergy Team Member, you may purchase Synergy products at wholesale prices. You then resell the products to your customers at a retail price.

# STEPS TO BECOMING A TEAM MEMBER

#### **STEP 1: APPLY FOR MEMBERSHIP**

With the help of your Sponsor, you can apply for membership online, calling in by phone, or by filling out a Getting Started Form and mailing or faxing it to the company along with all required attachments. Once your application is accepted by Synergy WorldWide, you become an official Team Member and will be issued a unique Synergy identification number.

#### Your Team Membership includes:

- The ability to purchase and resale product.
- · The potential to earn applicable commissions.
- · Additional support materials, included but not limited to:
  - Synergy Starter Kit
  - Free access to Synergy Pulse, your back-office support website.

All Membership Applications made online or by phone (also referred to as pre-enrollment) must be followed within 72 hours with a signed Membership Application. This signed Membership Application will protect the relationship of the sponsor to the new Team Member. If the completed Membership Application and attachments are not submitted to Synergy within 30 days of pre-enrollment, Synergy reserves the right to withhold payment of commissions until such documentation is received.

NOTE: Your Synergy ID number will be e-mailed to you, so be sure to put an e-mail address on the Membership Application. Keep your ID number for your permanent records. Your ID number is used when you purchase products and sign up new Team Members.

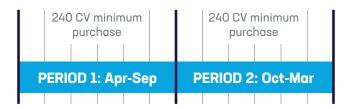
#### **STEP 2: ACTIVATION OF YOUR TRACKING CENTERS**

Enrollment requires the activation of at least one Tracking Center. There are three ways to activate Tracking Centers.

- 1. A single order of at least 200 CV will activate one Tracking Center (Leader Option). A \$50 Fast Start Bonus is paid to the sponsor.
- A single order of at least 600 CV will activate 3 Tracking Centers (Elite Option). A \$150 Fast Start is paid to the sponsor. By completing the requirements of the Leader, or Elite Tracking Center activation options, the new Team Member is able to retail product and becomes eligible to receive applicable bonuses and commissions for that commission month.
- 3. A Team Member may initially activate 1 Tracking Center and then upgrade to 3 Tracking Centers by placing one additional product order of at least 400 CV. This 400 CV must be a single order. A \$100 Fast-Start Bonus is paid to the personal sponsor. The upgrade order must be made within six months of the Team Membership signup date in order for Fast Start to be paid to the sponsor.

NOTE: With an upgrade order, you will be qualified to receive any available commissions for that commission month; you will also be able to maintain your monthly banked (roll-over) volume.

You may retain your position in Synergy as long as you purchase product orders totaling at least 240 CV every six (6) month period. Each calendar year will be divided into two periods.



#### STEP 3: QUALIFICATION (STANDARD & ELITE)

The third step is to maintain qualification of your Tracking Center(s) on a monthly basis. Your Tracking Center(s) will be qualified each month by purchasing a minimum of 120 CV of product for resale on Tracking Center 1.

#### **Standard Qualification**

Standard qualification allows you to earn all bonuses during that commission month except for Elite Rebate. Achieve Standard Qualification by:

• Placing 120 CV or more in total orders on your Tracking Center 1.

#### **Elite Qualification**

Elite qualification allows you to earn all bonuses during that commission month including the Elite Rebate. As with Standard qualification, the best way to qualify at the Elite level is by setting up a Subscribe & Thrive order of 200 CV or more on a specified date each month.

You can change the product or the ship date of your Subscribe & Thrive order any time; in order for the change to be effective on that month's Subscribe & Thrive, the change must be submitted no later than five business days prior to the shipment date.

All qualification orders must be placed on Tracking Center 1. Maintaining qualification of your Tracking Centers will enable any accumulated volume to roll over each month, also called banked volume.

#### **Personal Import Markets**

Synergy WorldWide has personal import markets in Canada. Team members from these markets have the following activation and qualification requirements:

COUNTRY	TC	FAST START	STANDARD	ELITE
	ACTIVATION	BONUS	QUALIFICATION	QUALIFICATION
Canada	200 CV = 1 TC 600 CV = 3 TC	1 TC = \$50 Upgrade = \$100 3 TC = \$150	120 CV	200 CV

#### **STEP 4: PURCHASE AND RESELL PRODUCTS**

Once you have received your Synergy ID Number, you can begin purchasing products at the Team Member whole-sale price. You may then resell those products to others. You determine the retail markup on the product you sell; Synergy recommends a 20% retail markup. Synergy has created product packs of highly resalable products for you to sell, making your retail profit potential even higher. Additionally, there are automated retail programs in which you can participate.



# **WAYS TO EARN MONEY**

#### **RETAIL PROFIT**

Synergy WorldWide requires its Team Members to resell our products to customers. The traditional method of earning retail profit is to purchase product from Synergy at a wholesale price and then sell it at a retail mark-up.

#### **RETAIL BONUS**

Retail Customers can sign up with their own account with Synergy. When they place orders, they pay retail prices (20% above member/wholesale price). The Sponsor of a Retail Customer will receive a Retail Bonus equal to the 20% markup from wholesale. Retail orders count as TC 1 Volume for the sponsor and are eligible for Elite Rebates.

#### **FAST-START BONUS**

When someone you sponsor purchases their initial product order (Activation order), you earn a Fast Start Bonus. If the product order is at least 200 CV, it activates 1 TC, with a \$50 Fast Start Bonus. A product order of at least 600 CV or more activates 3 TCs with a \$150 Fast Start Bonus. A Team Member who activates with 1 TC has 6 months to upgrade to 3 TCs by purchasing an Upgrade product order of at least 400 CV, with a \$100 Fast Start bonus to the sponsor.

#### To qualify for the Fast-Start Bonus during a given week a Team Member must:

- Have at least one activated Tracking Center and qualify at the Standard level or higher during the commission month, and
- Have a personally sponsored Team Member purchase an activation product order, or upgrade product order during that week

NOTE: The upgrade and 3 TC Fast-Start Bonus will only be paid if the new Team Member activates or upgrades within six months of their sign-up date.

#### **ELITE REBATE**

As a Team Member, you will become eligible for the Elite Rebate by qualifying at the Elite level, which is done by placing an order of 200 CV or more each month. The easiest way to do this is by choosing a 200 CV or greater Subscribe & Thrive order each month.

All CV on TC 1 that is at or below 200 CV will roll up as normal qualifying volume. 50% of all volume above 200 CV will also roll up.\* The remaining amount is then converted to a dollar amount and divided in half. That amount is

then paid directly to you in the form of an Elite Rebate bonus equal to 25% of the total CV above the Elite qualification level.

\*Certain products are exempt from generating Elite Rebate due to their unique pricing.

**Example:** In order to qualify at the Elite level, John places a 200 CV order on the first day of the month. Later in the month, he places an order for 40 CV of additional product on his TC 1. This 40 CV is then divided in half and 20 CV rolls up with the original 200 CV of his first order that month. The remaining 20 CV is converted to \$20, which is also cut in half. This leaves John with \$10 (a 25% rebate) which is paid to him directly in his next weekly commission check.



Any orders placed by your Retail Customers and Preferred Customers will automatically contribute to your volume on Tracking Center 1, thus adding to your potential Elite Rebate.

#### **BASIC COMMISSION**

Basic Commission is calculated using the commissionable volume (CV) accumulated by your Tracking Center(s) each commission month. A running total of your volume and commissions can be found in Synergy Pulse.

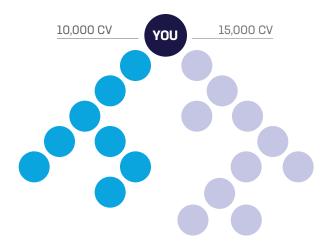
Basic Commission is calculated as follows: the total commissionable volume (CV) for the left and right leg of each Tracking Center is totaled each day. The qualified Team Member earns up to 10% of the total accumulated commissionable volume (CV) of the weak leg for each commission month. This bonus is part of the 50% Payout Pool.

#### To qualify for Basic Commission during a given month, a Team Member must:

- Have at least one activated Tracking Center and qualify at the Standard level or higher during the commission month, and
- · Generate CV on your weak leg through product sales.

In order to fund basic commissions, the CV paid out is subtracted from both the weak and the strong legs. The remaining new strong leg CV is called Banked Volume and is used to calculate additional Basic Commissions in the instance when new monthly weak leg CV exceeds new monthly strong leg CV (and the legs swap). Any time this occurs, Banked Volume is added to the new monthly weak leg CV up to the amount of new monthly strong leg CV. Basic Commissions are then calculated, as normal, with any applicable limitation, followed by the application of the 50% payout pool. To enable Banked Volume to roll-over from month to month, your account must be activated and be qualified at the standard level or higher each month.

**Example:** If you have an organization made up of two sides (1 TC), one side generating 10,000 CV (approximately \$10,000 of purchases by the entire group), and the other side of your organization generating 15,000 CV (approximately \$15,000 of purchases), your Basic Commission would be \$1,000 (10% of 10,000 CV = \$1,000) prior to the application of any payout pool adjustment.



This payout is an estimation only based on the 50% Payout Pool.

#### Earn up to 10% of your weak leg volume.

Weak leg = 10,000 CV

Basic Commission = \$1,000

(prior to the application of any payout pool adjustment)

To leverage Basic Commission, you can activate three TCs and build four legs to maximize commissions. There are no restrictive breakaway levels in this compensation plan. Your organization is unlimited in how large it can build. This offers an exceptionally unique and powerful advantage as you build an organization because it encourages team building.

Basic Commission is limited to \$20,000 per Tracking Center, before the application of any payout pool adjustment. This means that with three Tracking Centers you have the potential of earning a maximum of \$60,000 per commission period in Basic Commission, before the application of any payout pool adjustment.

NOTE: Synergy will not send out commission checks with a face value of less than \$25 U.S. If you earn a total commission check for less than \$25 U.S., that amount will carry over until you earn \$25 U.S. or more.

#### **MEGA-MATCH BONUS**

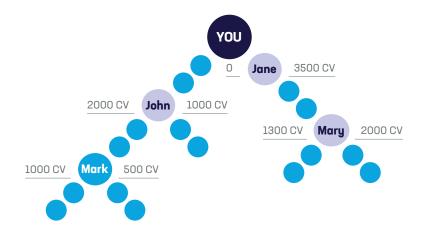
The most powerful feature of the Dual-Linear Mega-Match Compensation Plan is the Mega-Match Bonus. The Mega-Match Bonus allows you to earn up to a dollar-for-dollar matching commission on the Basic Commission paid to every Team Member you personally sponsor. There is no limit to the number of Team Members you can personally sponsor.

#### To qualify for the Mega-Match Bonus a Team Member must:

- Have at least one activated Tracking Center and qualify at the Standard level or higher during the commission month, and
- Personally sponsor Team Members who earn Basic Commission

The Mega-Match Bonus is paid on Basic Commission only. You can earn up to \$20,000 per month of Mega-Match Bonus from the Team Member(s) you personally sponsor with a Leader Option and up to \$60,000 per month from the Team Member(s) you sponsor with an Elite Option, depending on your personal weak leg volume, before the application of any payout pool adjustments.

Your total Mega-Match Bonus is limited to up to \$5000 each month if your Tracking Center (TC) 1 weak leg CV is less than 5,000 CV. If your TC 1 weak leg CV is greater than 5,000 CV, your total Mega-Match bonus is limited to your total TC 1 weak leg volume. This limitation applies before the application of any payout pool adjustment. Make sure that you generate enough weak leg volume to ensure that you are receiving the maximum Mega-Match Bonus possible.



**Example 1:** You personally sponsored John, who has a weak leg of 1,000 CV. John gets paid up to 10% of his weak leg volume. In this case, John would earn \$100 (prior to the application of any payout pool adjustment) in Basic Commission. Since you sponsored John, the company will pay you a matching bonus equal to John's Basic Commission, so you earn \$100 in Mega-Match (prior to the application of any payout pool adjustment).

**Example 2:** You personally sponsored Jane, who does not yet have a weak leg. Since Basic Commission is calculated from weak leg volume, and Jane does not have a weak leg to qualify for Basic Commission, you do not match anything from Jane at this point.

**Example 3:** You personally sponsored Mary, who has a weak leg of 1,300 CV. Mary gets paid up to 10% of her weak leg volume. Mary would earn \$130 (prior to the application of any payout pool adjustment) in Basic Commission. You sponsored Mary, so the company will pay you a matching bonus equal to Mary's Basic Commission, meaning you earn \$130 in Mega-Match (prior to the application of any payout pool adjustment).

**Example 4:** You did not personally sponsor Mark, but he is in your organization and you work with him. His personal sponsor earns the Mega-Match Bonus, but all of the CV he generates counts towards your group CV which is used to calculate your Basic Commission.

#### **LEADERSHIP BONUS**

As you continue to build sales on your Tracking Center 1 weak leg, you will begin to qualify for the Leadership Bonus. The Leadership Bonus allows you to earn up to 4% of your strong leg CV based on new monthly growth of your weak leg CV. The following diagram determines the payout percentage and qualifying volume used to determine your Leadership Bonus.

#### To qualify for the Leadership Bonus, a Team Member must:

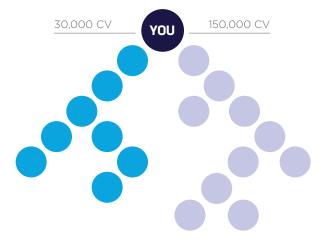
- Have at least one activated Tracking Center and qualify at the Standard level or higher during the commission month, and
- Achieve a specified level of CV on their weak lea

WEAK LEG VOLUME	PAYOUT PERCENTAGE	MULTIPLIER*
6,000 CV	0.25%	2x weak leg volume
14,000 CV	0.5%	3x weak leg volume
30,000 CV	1%	4x weak leg volume

100,000 CV	2%	5x weak leg volume
200,000 CV	3%	6x weak leg volume
300,000 CV	4%	6x weak leg volume

\*If the weak leg multiplier is greater than the strong leg CV, the qualifying volume amount is limited to the strong leg amount. This limitation applies before the application of any payout pool adjustment. This bonus is part of the 5% Payout Pool.

**Example:** You have a weak leg of 30,000 CV and a strong leg of 150,000 CV. The scale shows that 30,000 CV qualifies you to earn 1% of your weak leg volume multiplied by 4, so you would earn \$1,200 (prior to the application of any payout pool adjustment). As your volume increases, the percentage that you earn in the Leadership Bonus increases too.



This payout is an estimation only based on the 5% Payout Pool.

1% x (4 x 30,000 weak leg CV)

Leadership Bonus = \$1,200

(prior to the application of any payout pool adjustment)

#### **GLOBAL SHARE BONUS**

The Global Share Bonus is an additional payout based on 1% of total company-wide CV each month. When Team Members meet the qualifications of a "Presidential Executive" (TC1 weak leg volume of 400,000) or higher each month, they will participate in this bonus. Qualified distributors who earn the title "Presidential Executive" will receive one share, those who earn "Double Presidential Executive" will receive two shares and those who earn "Triple Presidential Executive" will receive three shares of the Global Share bonus.

The limitation of this bonus is determined by the number of qualifying Team Members; the bonus is divided by shares among them. This limitation applies before the application of any payout pool adjustment and is part of the 50% Payout Pool. The distribution of this bonus is included in the monthly commission check.

# **RECOGNITION**

Team Members are recognized as they increase sales volume and reach established goals. As illustrated in the diagram on the next page, these achievements are indicated by a Pin Level. Upon reaching a Pin Level, a Team Member will be recognized in the Synergy publication Leave a Legacy, receive the corresponding pin to his/her/its achievement, and may receive special recognition at company events.

NOTE: All pin levels are based on new monthly TC I weak leg volume.



STAR 500 CV



BRONZE



SILVER 3,000 CV



**GOLD** 4,500 CV



TEAM LEADER 6,000 CV



## **TEAM MANAGER**

14,000 CV



# **TEAM DIRECTOR**

30,000 CV



# **TEAM ELITE**

60,000 CV



## **PEARL EXECUTIVE**

100,000 CV



## **EMERALD EXECUTIVE**

200,000 CV



# **DIAMOND EXECUTIVE**

300,000 CV



# PRESIDENTIAL EXECUTIVE

400,000 CV



## **DOUBLE PRESIDENTIAL EXECUTIVE**

800,000 CV (Sponsor 1 Presidential Executive)



## TRIPLE PRESIDENTIAL EXECUTIVE

1,200,000 CV

(Sponsor 2 Presidential Executives (one on each leg) or 3 Presidential Executives)



## LEGACY PRESIDENTIAL EXECUTIVE

2,000,000 CV

(Sponsor four Presidential Executives—at least one on each leg)

SYNERGY WORLDWIDE WELCOMES YOU
AS A TEAM MEMBER. FOR FURTHER
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AND/OR THE SYNERGY CUSTOMER
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