



KYÄNI COMPENSATION PLAN

USA/CANADA

WELCOME

Welcome to Kyäni.

Our mission is to help willing individuals Experience More and reach their potential, which includes **MORE HEALTH, MORE WEALTH, and MORE LIFE**. A portion of this mission is accomplished through the Kyäni Compensation Plan. The following pages will guide you through each of the areas within the compensation plan.

Understanding the compensation plan is important but becoming a master of the plan will not bring you the financial freedom you desire. In choosing between complete knowledge of the plan and hard work, hard work will win every time.

Again, welcome to Kyäni. We look forward to working with you for many years to come. Together we will build a living legacy and touch the lives of thousands of people.

The Kyäni Executive Team

Genealogy Trees

A genealogy tree is a means of tracking relationships between all the Distributors in Kyäni. In the Kyäni Compensation Plan, there are two genealogy trees, the Sponsor Tree and the Placement Tree. When a new Distributor joins Kyäni, they appear in both trees.

Sponsor Tree

The Sponsor Tree is similar to a family relationship tracker. Everyone you personally enroll is positioned directly under you on your first level. When you personally enroll team members and they enroll a new Distributor, the new Distributors are then positioned under your team members on your second level. This positioning is automatic and directly determined by who enrolled the new Distributor. The width of your Sponsor Tree is as wide as the number of people you personally enroll.

Bonuses calculated using the Sponsor Tree

- Team Bonus
- Sponsor Bonus
- Generation Check Match



Placement Tree

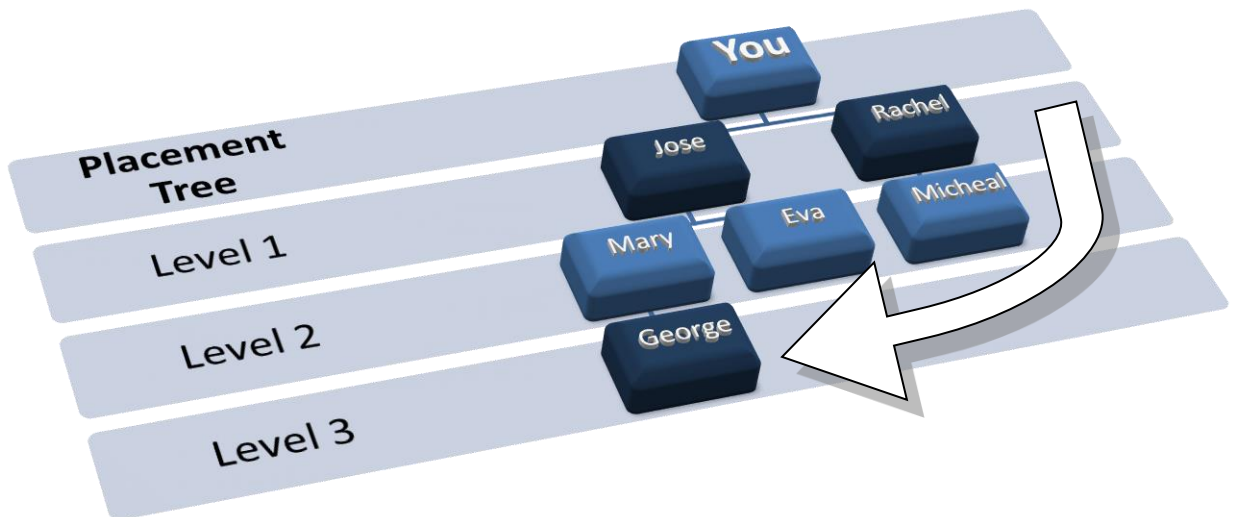
The Placement Tree is another relationship tracker. Unlike the Sponsor Tree, you have the freedom to place your personally sponsored Distributors anywhere you desire in your downline. There are different reasons why leaders may place newly enrolled Distributors in different positions of the Placement Tree. These include A) synergy of building a team; B) geographical considerations; C) personal relationship considerations; or D) building to the next rank. Proper placing of new Distributors in your Placement Tree is important and helps you build a wider, deeper, and more profitable organization.

When you personally enroll a new team member, you may immediately place them in the Placement Tree or you may place them in the Holding Tank where you have up to 72 hours to decide where to place them. If you do not place them within the allotted time, the system will automatically place them in first level of your Placement Tree. There is no limit to the width of the Placement Tree; you can build it as wide as you like. To be eligible for all bonuses, you only need to have three legs.

In the illustration below, you will notice that George was placed below Mary. The same organization is represented in both the Sponsor Tree and the Placement Tree.

Elements that are calculated using the Placement Tree

- Rank
- Fast Start
- Rank Bonuses
- Kyäni Monthly PayGate Accumulator



Qualification Requirements

There are two levels of qualification. The first is reached with 25QV per month. At this level, you are considered a Distributor. You are eligible for Weekly Customer Bonuses, and Sponsor Bonuses.

At 100QV per month you are considered a Qualified Distributor and are eligible for all bonus compensation. Qualification is required monthly. To qualify, you can either purchase adequate volumes of product to generate the 100QV, secure enough personal customers to generate the 100QV requirement, or a combination of both.

RANKS

Ranks are calculated based on QV from the Placement Tree. You may count 500QV volume from personal purchases towards ranks of Pearl and below and 1000QV for ranks of Sapphire and above. Ranks up to and including Pearl require two active (100QV) legs and Sapphire and above require three active (100QV) legs.

Rank Chart using Placement Tree QV

| Rank | MQV Required | Total GQV Requirement | QV Volume Outside Largest Leg | QV Volume Outside Largest 2 Legs |
|------------------------------|--------------|-----------------------|-------------------------------|----------------------------------|
| Member | | | | |
| Distributor | 25 | | | |
| Qualified Distributor | 100 | | | |
| Garnet | 100 | 300 | 100 | |
| Jade | 100 | 2,000 | 800 | |
| Pearl | 100 | 5,000 | 2,000 | |
| Sapphire | 100 | 10,000 | 4,000 | 500 |
| Ruby | 100 | 25,000 | 10,000 | 1,250 |
| Emerald | 100 | 50,000 | 20,000 | 2,500 |
| Diamond | 100 | 100,000 | 40,000 | 5,000 |
| Blue Diamond | 100 | 250,000 | 100,000 | 12,500 |
| Green Diamond | 100 | 500,000 | 200,000 | 25,000 |
| Purple Diamond | 100 | 1,000,000 | 400,000 | 50,000 |
| Red Diamond | 100 | 2,000,000 | 800,000 | 100,000 |
| Double Red Diamond | 100 | 4,000,000 | 1,600,000 | 200,000 |
| Black Diamond | 100 | 10,000,000 | 4,000,000 | 500,000 |
| Double Black Diamond | 100 | 25,000,000 | 10,000,000 | 1,250,000 |

Rank Determination Process

Use the following process to determine rank.

1. Calculate total GQV (Group Qualifying Volume) and compare to chart for possible rank.
2. Does the QV volume outside of the largest leg (including personal and customer volume) meet the minimum requirements for that rank? (If no, restart with next lower rank.)
3. Does the QV volume outside of the largest two legs (including personal and customer volume) meet the minimum requirements for that rank? If no, restart with next lower rank. If yes, you have reached that rank.

Examples

Below are two examples to illustrate calculation of rank.

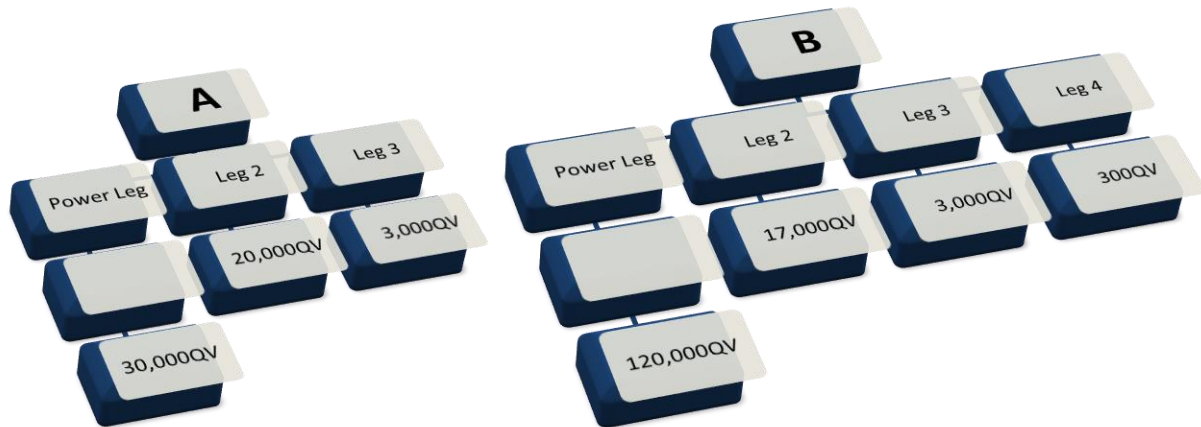
Example A: You have three legs. The largest leg has 30,000QV, Leg 2 has 20,000QV, and Leg 3 has 3,000QV. Take the volumes through the calculation process.

1. Total volume of all legs equals 53,000QV. Comparing this to the chart, you may qualify for Emerald.
2. QV outside the largest leg equals 23,000. For the Emerald Rank the chart shows that 20,000QV is needed. That requirement is met.
3. QV outside the largest two legs equals 3,000. For the Emerald Rank the chart shows that 2,500QV is needed. That requirement is met. You have reached the rank of Emerald.

Example B: This organization has 4 legs. The largest leg has 120,000QV, Leg 2 has 17,000QV, Leg 3 has 3,000QV, and Leg 4 has 300QV.

Take the volumes through the calculation process.

1. The total volume of the organization is 140,300QV. This is in the category for Diamond.
2. QV outside of the largest leg equals 20,300QV. This does not meet the minimum requirement for Diamond. We then look at the next lowest rank (Emerald).
3. QV outside of the largest leg equals 20,300QV. For the Emerald Rank the chart shows 20,000QV is needed. That requirement is met.
4. QV outside of the largest two legs equals 3,300QV. For the Emerald Rank the chart shows 2,500QV is needed. That requirement is met. You have reached the rank of Emerald.



BONUSES

Personal Customer Bonuses

Retail Profit Bonus

Every time you sell product to a registered customer, you make the difference between the wholesale price and the selling price. The difference between your wholesale pricing and what your Preferred Customer or Retail Customer paid is the Retail Profit Bonus. It will be paid to you with the weekly bonuses. This bonus is earned every time one of your personal customers purchases a product. You must have a Paid-As Rank of Distributor (minimum 25QV) when the bonus is calculated in order to earn this bonus.

Example: Assume a customer places an order of \$140 worth of products—an order which would cost a Distributor only \$120. The Distributor would then earn the Retail Profit Bonus of $\$140 - \$120 = \$20$

Customer Bonus

When your personal customers buy products from Kyäni, you will receive 60% of the CV for each order. This bonus is earned every time one of your personal customers purchases a product and will be paid out weekly. You must have a Paid-As Rank of Distributor (minimum 25QV) when then bonus is calculated to be eligible.

Example: Assuming a customer makes an order with 50CV. This would translate into \$30 profit for you. This is determined by multiplying the CV on the customer order by 60%. Customer Bonus ($60\% \times 50CV = \$30$).

Customer One-time CV Bonus

Kyäni rewards you for building your customer business. When you achieve a monthly personal Customer CV volume, you will receive a one-time bonus. There are two levels to this bonus at 500CV and 1000CV generated by your customers. You must have the rank of Qualified Distributor (minimum 100QV) in order to be eligible for this bonus.

500 Customer CV = \$100 Payout
 1000 Customer CV = \$500 Payout

Customer Pool

Every month Kyäni takes 2% of all Global Customer CV and puts the amount into the Customer Pool. All Distributors who have a minimum of 500CV from customers qualify for this pool. The amount you earn in the pool is determined by the amount of CV you personally put into the pool compared to the total of Qualifying Customer CV of all qualifying Distributors. For example, if a Distributor has a total of 1000CV from his/her personal customers and in that month there was 100,000 Customer CV from all qualified Distributors, then that Distributor would receive $1000/100,000 = 1\%$ of the pool.

*Your own personal orders do not count. Only orders made by your customers are eligible for payouts in the Customer Pool.

Distributor Bonuses

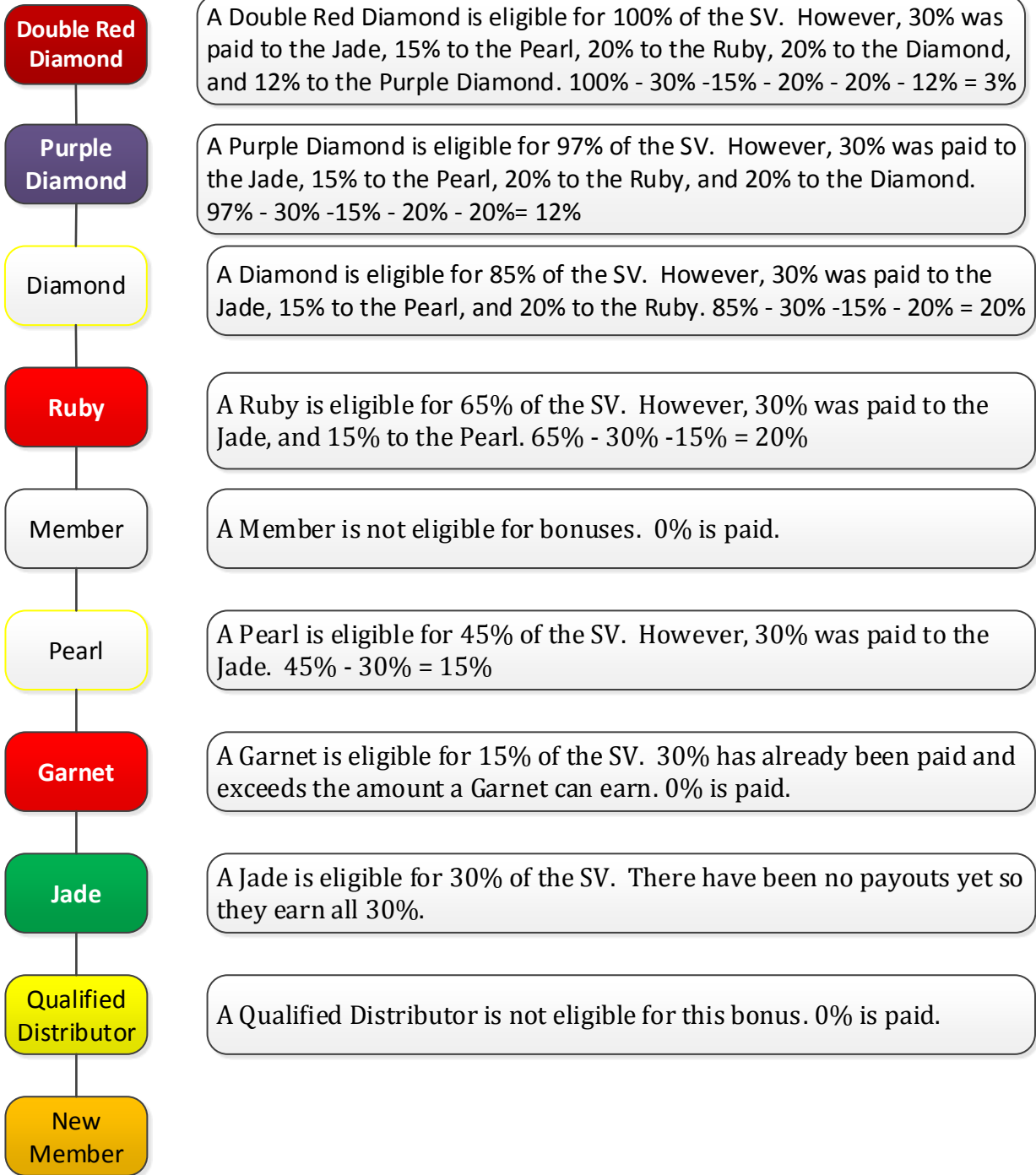
Team Bonus

Whenever someone in your downline enrolls a new team member, you may be eligible to receive the Differential Team Bonus. The Differential Team Bonus is calculated using the Sponsor Tree. It is paid based on the Starter Pack purchased by the new member, your rank, and the rank of the distributors between you and the enrollment.

The Team Bonus uses SV (Starter Pack Volume) to determine payouts. Each starter pack has an SV value associated with it. Depending on your rank you will receive a percentage of the SV as a bonus. The rank you achieve in your first 31 days is called your Grace Rank. This rank will be part of the evaluation of how much you will earn on the Team Bonus. After your 31 days are done the rank you have earned (Grace Rank) will be compared with the current calendar month rank and the previous calendar month rank. The highest of all three ranks will be the rank used in Team Bonus calculations. This Grace Rank will be used during your first 31 days, the remainder of the calendar month after the 31 day period, and the next full calendar month. For example if you joined on 15 August your 31 day period would end 15 September and you could use the Grace Rank from 15 August to October 31. You can always earn a higher rank through your efforts but during this time you will never be paid lower than your Grace Rank. (This rank is only used for Team Bonus Calculations). After this period is done your Team Bonus will only use the current month rank and the previous month rank for payouts. The chart below illustrates the percentage you will receive based on your rank.

| | | | | | | | | | | | |
|--------|------|-------|----------|------|---------|---------|--------------|---------------|----------------|-------------|--------------------|
| Garnet | Jade | Pearl | Sapphire | Ruby | Emerald | Diamond | Blue Diamond | Green Diamond | Purple Diamond | Red Diamond | Double Red Diamond |
| 15% | 30% | 45% | 55% | 65% | 75% | 85% | 90% | 94% | 97% | 99% | 100% |

Differential Team Bonus Example



Sponsor Bonus

The person who enrolls a new member that has a rank of at least a Distributor (minimum of 25QV) will receive a Sponsor Bonus based upon the Starter Pack purchased.

Fast Start Bonus

To help you get started, Kyäni provides a Fast Start bonus with 3 different payouts.

For the first payout you must reach the Paid-as Rank of Jade within your first 31 days (Your enrollment day is considered day 0).

In order to earn the second payout, you must reach the Paid-as Rank of Jade in the first full calendar month after earning the first payout.

The third payout is earned by reaching Paid-as Rank of Jade in the next full calendar month after earning the second payout. You will only receive these payouts if they are done consecutively. You will be paid according to the table below.

| First 31 Days | Calendar Month 1 | Calendar Month 2 | Total |
|---------------|------------------|------------------|-------|
| \$100 | \$200 | \$300 | \$600 |

Example: A distributor enrolls on April 5 and achieves Jade on May 3 (This is near the end of their 31 day period). They then achieve Pearl in May and Jade in June. They would be paid according to the following schedule. Although there is no payout in May the rank of Jade or higher must be maintained to earn the remaining bonuses.

| Month (Rank) | First 31 Days (Jade) | May (Pearl) | June (Jade) | July (Jade) | Total Payout |
|--------------|----------------------|-------------|-------------|-------------|--------------|
| Payout | \$100 | No Payout | \$200 | \$300 | \$600 |

Kyäni PayGate Accumulator

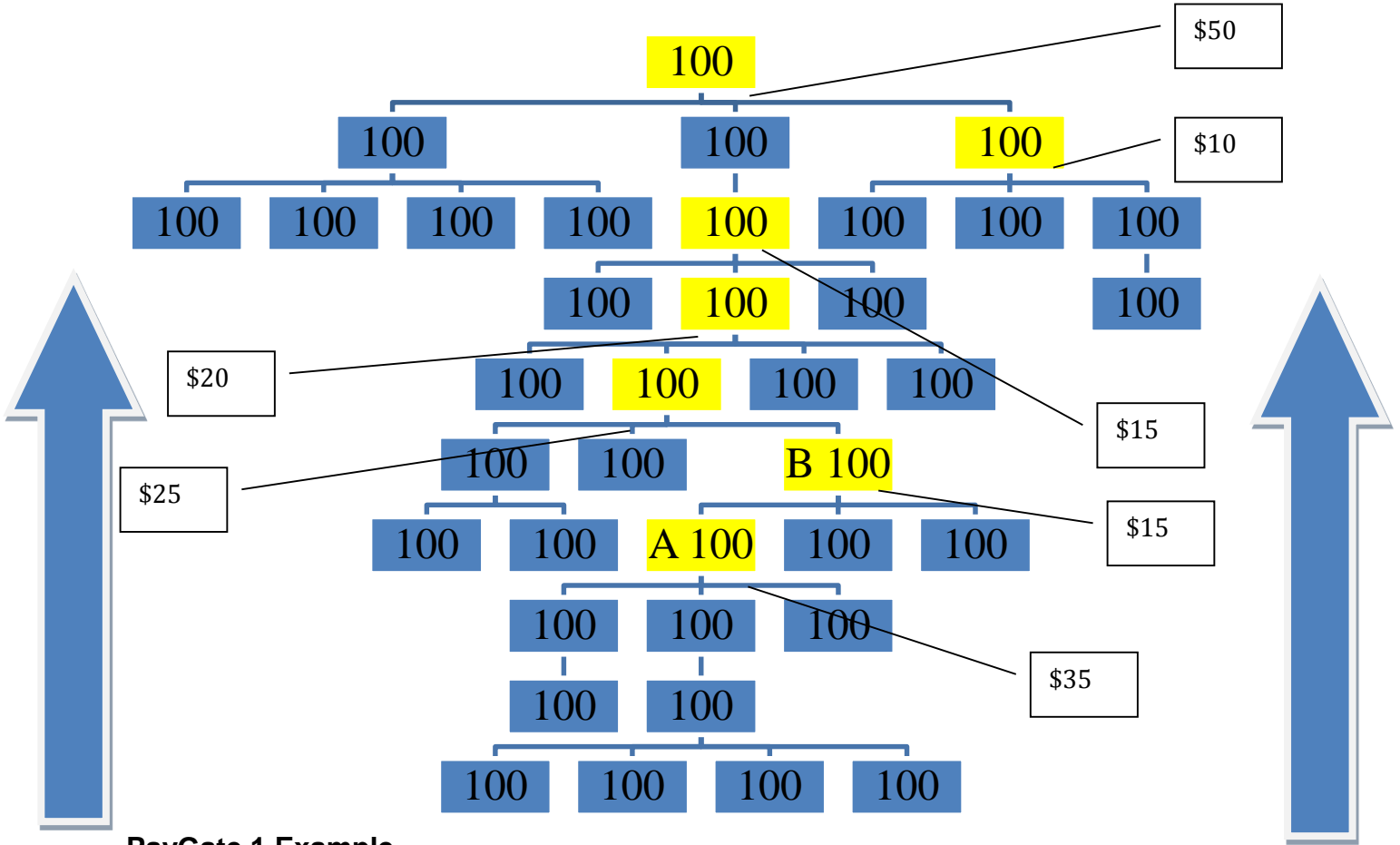
The Kyäni PayGate Accumulator is calculated on the monthly CV generated in your Placement Tree. The Kyäni PayGate Accumulator calculates residual income monthly by starting at the bottom of the Placement tree and accumulating volume flowing upward until it reaches a Distributor with a qualifying PayGate where it pays out the earned commission. This process is repeated for all PayGate levels. As your volume increases, you may qualify for new PayGates depending on the distribution of your volume in your Placement Tree. Each additional PayGate you qualify for creates additional residual payout for you.

Below is a chart of the PayGates, the percentage of CV for each level, and the volume requirements to earn the respective PayGate.

PayGate Accumulator Chart using Placement Tree CV

| PayGate | Rate | Largest Leg Requirement | Total of Small legs | 3rd leg Minimum |
|----------------|-------------|--------------------------------|----------------------------|------------------------|
| 1 | 5.00% | 200 | 100 | |
| 2 | 7.00% | 700 | 500 | |
| 3 | 8.00% | 2,200 | 1,500 | |
| 4 | 7.00% | 4,500 | 3,000 | |
| 5 | 6.00% | 9,000 | 6,000 | 400 |
| 6 | 5.00% | 18,000 | 12,000 | 1,000 |
| 7 | 3.00% | 40,000 | 27,000 | 2,000 |
| 8 | 1.00% | 90,000 | 55,000 | 6,000 |
| 9 | 1.00% | 200,000 | 125,000 | 12,000 |
| 10 | 0.50% | 400,000 | 260,000 | 18,000 |
| 11 | 0.25% | 1,000,000 | 450,000 | 40,000 |
| 12 | 0.25% | 2,000,000 | 900,000 | 100,000 |

PayGate 1 Chart



PayGate 1 Example

Review the example for PayGate 1 above. (All payouts are shown in US Dollars.) From the bottom of the organization, the volume flows upward and accumulates CV. As the volume reaches the first qualifying Distributor for PayGate 1, we calculate how much CV is to be paid out (indicated by the yellow box). A total of 900CV has accumulated at the first yellow box A (Distributor A). Once a PayGate is reached, the following process is used to determine the amount to pay on the PayGate:

1. Add all CV accumulated up through the organization from either the bottom or from the last PayGate payout—whichever is closer.
2. Subtract the PayGate base amount (Largest Leg Requirement). For PayGate 1 this is 200CV. This 200CV amount will flow up along with your Personal and Customer CV to the Distributor above them. For this example, you have $900\text{CV} - 200\text{CV} = 700\text{CV}$. This 700CV amount is multiplied by 5% for PayGate 1. This equals \$35.

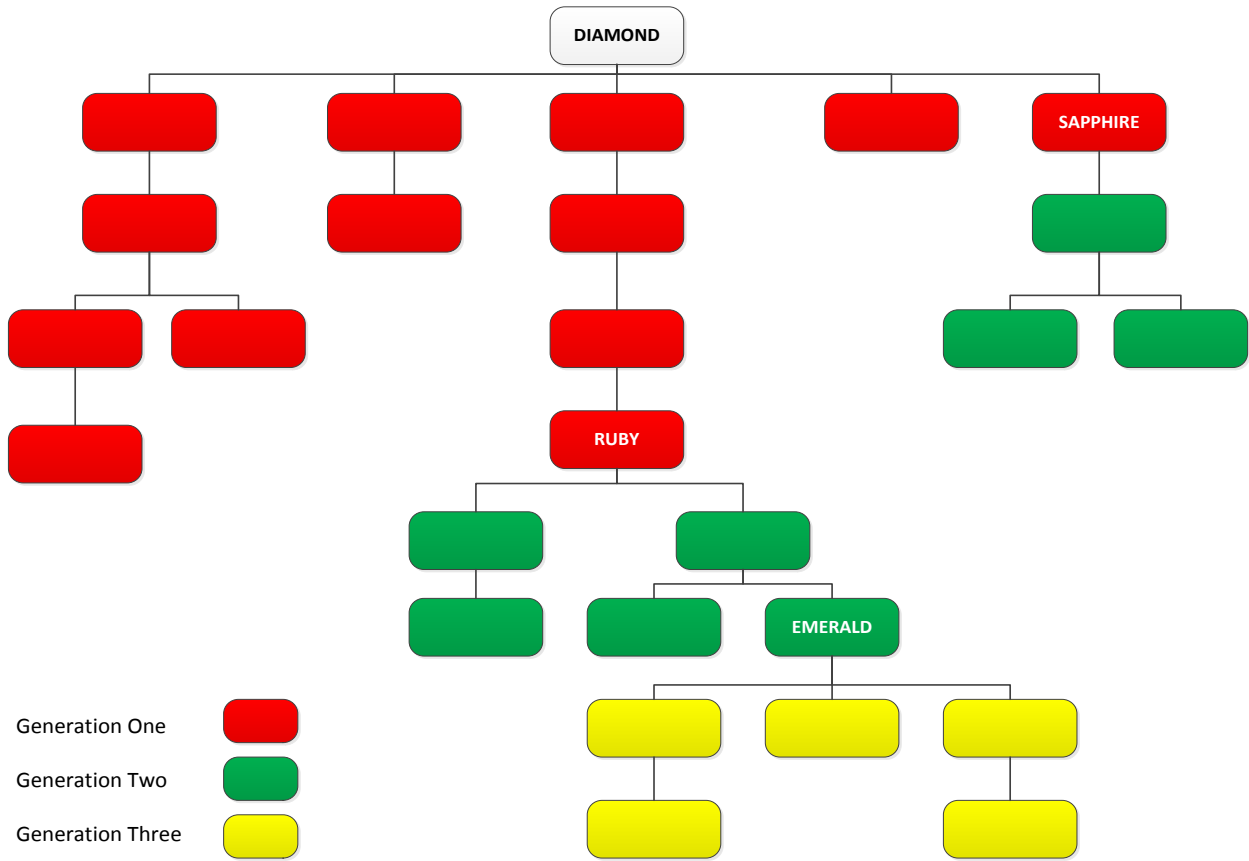
The volume that flows up from Distributor A (yellow box A) is now 300CV (200CV PayGate base amount + personal volume of 100CV). Distributor B (yellow box B) is the next Distributor to qualify for PayGate 1. The volume they receive is 500CV. Run it through the two step process above remembering that the PayGate amount of 200CV in addition to their personal CV of 100 flows up and repeat the process again. Distributor B would receive \$15. The personal volume of Distributor B (100CV) plus 200CV PayGate base amount volume flows up. Each of the yellow boxes represents Distributors who qualify for PayGate 1. Once a PayGate flows to the top of the organization-the next PayGate process starts again at the bottom of the organization using the same volume.

Generation Check Match

One of the most exciting bonuses is the Generation Check Match. You can earn a percentage of every PayGate payout from Distributors in your Sponsor Tree downline up to nine generations deep. A Generation is defined as a Distributor with a Paid-as Rank equal to or greater than Sapphire, down to, and including the next Distributor with a Paid-as Rank equal to or greater than Sapphire. Based on your Paid-as Rank you will earn a percentage of your downline's PayGate earnings. The chart below itemizes the breakdown of generations and percentages.

| Generations | Sapphire | Ruby | Emerald | Diamond | Blue Diamond | Green Diamond | Purple Diamond | Red Diamond | Double Red Diamond | Black Diamond | Double Black Diamond |
|-------------|----------|------|---------|---------|--------------|---------------|----------------|-------------|--------------------|---------------|----------------------|
| 1 | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% |
| 2 | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% |
| 3 | | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% | 10% |
| 4 | | | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% |
| 5 | | | | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% |
| 6 | | | | | 4% | 4% | 4% | 4% | 4% | 4% | 4% |
| 7 | | | | | | 3% | 3% | 3% | 3% | 3% | 3% |
| 8 | | | | | | | 2% | 2% | 2% | 2% | 2% |
| 9 | | | | | | | | 1% | 1% | 1% | 1% |

Generation Check Match Example



In the example above the Distributor at the top has a Paid-as Rank of Diamond which entitles them to five generation payouts (only three generations shown). The Distributors in red are in Generation one, and the Diamond would receive 15% of the Paygate bonus of each one. The Distributors in green are in Generation two, and the Diamond would receive 10% of the Paygate bonus of each one. The Distributors in yellow are in Generation three, and the Diamond would receive 10% of the Paygate bonus of each one.

Rank Bonus

Emerald Rank Bonus - Achieve the month-end Paid-as rank of Emerald for two total months and receive \$5000.

Blue Diamond Bonus - Achieve the month-end Paid-as rank of Blue Diamond for three total months and receive \$25,000.

Purple Diamond Bonus - Achieve the month-end Paid-as rank of Purple Diamond for three total months and receive \$100,000.

Double Red Diamond - Achieve the month-end Paid-as rank of Double Red Diamond for three total months and receive \$500,000 (\$100,000 per month for five months).

Double Black Diamond - Achieve the month-end Paid-as rank of Double Black Diamond for three total months and receive \$1,000,000 (\$100,000 per month for ten months).

LEADERSHIP BONUSES

Diamond Pool

1.5% of all Global CV every month is put into the Diamond Pool. This pool is calculated monthly and paid monthly on a 60 day delay. For example, pool earnings from January would be paid out to you in March.

To participate in the pool, a Distributor must have a Paid-as Rank of Diamond or above in the current month and one of the two previous months. Participants receive shares in the pool based on their rank as follows:

| | |
|----------------------|----------|
| Diamond | 1 Share |
| Blue Diamond | 2 Shares |
| Green Diamond | 4 Shares |
| Purple Diamond | 8 Shares |
| Red Diamond | 8 Shares |
| Double Red Diamond | 8 Shares |
| Black Diamond | 8 Shares |
| Double Black Diamond | 8 Shares |

A Red, Double Red, Black, or Double Black Diamond participates in this pool until he or she qualifies for the next pool. If a participant in the pool helps someone in their Sponsor Tree downline reach the same Paid-As Rank or higher, then their shares are multiplied by 1.5. A participant can only receive one multiplying factor. Qualification is determined by the monthly Paid-As Rank. A Distributor will never be paid in more than one leadership pools for the same month.

Red Diamond Pool

0.5% of all Global CV every month is put into the Red Diamond Pool. The pool is calculated monthly and paid on a 60 day delay. For example, pool earnings from January would be paid out to you in March.

To participate in the pool, a Distributor must be a Paid-as Rank of Red Diamond or above in the current month and one of the two previous months. Participants receive shares in the pool based upon their rank as follows:

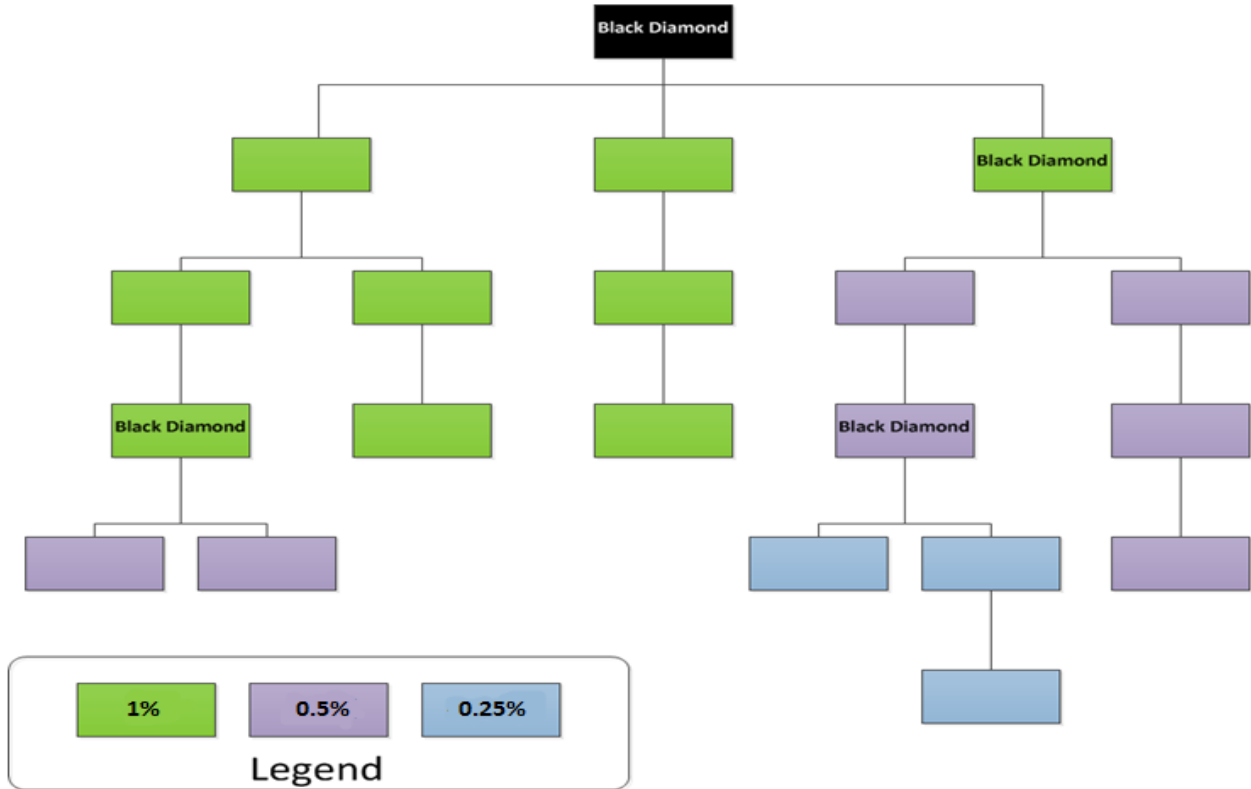
| | |
|----------------------|----------|
| Red Diamond | 1 Share |
| Double Red Diamond | 2 Shares |
| Black Diamond | 2 Shares |
| Double Black Diamond | 2 Shares |

A Black or Double Black Diamond participates in this pool until they qualify for the Infinity Bonus. If a participant in the pool helps someone in their Sponsor Tree downline reach the same Paid-As Rank or higher, then his or her shares are multiplied by 1.5. A participant can only receive one multiplying factor. Qualification is determined by the monthly Paid-As Rank. A Distributor will never be paid in more than one leadership pools for the same month.

Infinity Bonus

The Infinity Bonus allows a Paid-As Rank Black Diamond and Double Black Diamond to be paid 1% on all the CV in their placement downline. If the Black Diamond or Double Black Diamond has another Black Diamond or higher in their downline then the Infinity Bonus paid out below them becomes one-half. With each new Black Diamond in your Placement Tree the payout never ends but is reduced by one-half.

To participate in the bonus, a Distributor must be a Paid-as Rank of Black Diamond or above in the current month and one of the two previous months.



Kyäni Drive your Dream Car Program

Starting with the rank of Sapphire, you could be driving your own white Audi A4—and the program doesn't stop there! There are five tiers in the car program which can reach a monthly payment of \$10,000! The tiers are achieved at the ranks of: Sapphire, Diamond, Green Diamond, Red Diamond, and Black Diamond.

To qualify for the Sapphire tier you only need to reach the Paid-As Rank of Sapphire for two separate months. To qualify for the Diamond, Green Diamond, Red Diamond, and Black Diamond you must be of the specified Paid-As Rank in three months out of a rolling five month period.

For full details please see the Kyäni Dream Car Program rules document in your Backoffice.

Trips

Kyäni provides Incentive Trips to reward those who are growing. Incentive Trips vary by market. To see your current Incentive Trip promotion, check your BackOffice.

KYÄNI BONUS SCHEDULE

Weekly Bonuses

- Sponsor Bonus
- Team Bonus
- Retail Profit Bonus
- Customer Bonus
- Fast Start Bonus – Payout 1

| Posted in Backoffice | Check Mailed | Bank Transfer | Payoneer Upload |
|----------------------|--------------|---------------|-----------------|
| Tuesday | Tuesday | Thursday | Thursday |

*Weekly bonuses are calculated for the previous Monday – Sunday based on local time in the country of registration.

Monthly Commissions/Bonuses

- Kyäni Paygate Accumulator
- Generation Check Match
- Customer Pool
- One-time Customer Bonuses
- Fast Start Bonus – Payout 2 & 3

| Posted in Backoffice | Check Mailed | Bank Transfer | Payoneer Upload |
|----------------------|--------------|---------------|-----------------|
| 7th | 10th | 13th | 13th |

Leadership Bonuses

- Diamond Pool*
- Red Diamond Pool*
- Infinity Bonus
- Rank Bonuses

| Posted in Backoffice | Check Mailed | Bank Transfer | Payoneer Upload |
|----------------------|--------------|---------------|-----------------|
| 7th | 25th | 25th | 25th |

* The Diamond and Red Diamond Pools are paid in the second month after earned. For example January Leadership Pools would not be paid until March 25th.

Note: When the posting or payout date of any bonus falls on a weekend or holiday, the activity will occur on the next business day.

DEFINITIONS

Leg – The entire group of a Distributor’s individual first-level Distributors. There can be legs in both the Sponsor Tree and the Placement Tree. If you have three individual Distributors on your first level, you have three legs.

Downline – All legs of your organization.

Autoship – Product automatically billed and shipped every month. This can be for either a Distributor or a customer. There are multiple options to select from, but products available vary by market. Autoships can be set up through your Backoffice or by contacting customer service.

Backoffice – The secure Internet program that allows you to view and control your business. You can view reports about your team, order product, set up new customers, enroll new Distributors, obtain training, and control your Autoship.

Holding Tank – When you enroll a new Distributor into your organization, you may place them temporarily in a Holding Tank for up to 72 hours. This allows you time to determine where to place them within your Placement Tree. If you fail to place them within the 72 hour period, the new Distributor will automatically be placed in your first level of the Placement Tree.

Generation – A Kyäni Distributor who has a Paid-As Rank equal to or greater than Sapphire, down to and including the next Kyäni Distributor who has a Paid-As Rank equal to or greater than Sapphire, and every Distributor in between. Generations are determined individually on each Leg.

Paid-As Rank – The rank at the time of any bonus or commission pay period. This rank will vary with your team volume. You can find your Paid-As Rank in your Backoffice associated with each commission detail.

Lifetime Rank – The highest rank you have achieved.

Preferred Customer – A customer who sets up their product orders as an autoship. This also entitles them to a discount on their product purchase.

Retail Customer – A customer who purchases their product one order at a time. If they want product, they can contact the Distributor directly, contact customer service, or go to the corporate website and log in to purchase the product.

Kyäni Personal Website – A Distributor’s personal Kyäni approved and provided website where customers can order product and your prospective Distributors can enroll.

QV – Qualifying Volume - Volume assigned to products and used to determine rank and minimum qualification.

MQV – Member Qualifying Volume (Includes customer purchases)

GQV – Group Qualifying Volume. (Includes yourself and your entire group including customers)

CV – Commissionable Volume. Volume used in calculating bonuses.