

V e M M A[®]

COMPENSATION PLAN



USA



GLOSSARY OF TERMS

This Compensation Plan may prove to be the simplest and easiest plan in the industry, but don't let that fool you. The power behind this plan is found in its duplicability, and the combination of low product pricing and a Customer driven model along with a simple two team business plan. In order to earn either the Team Bonus, Matching Bonuses or one-time Rank Advancement Bonuses discussed in this plan, the point volume each week must come from a majority of customer sales (51% or higher). If this requirement is not met, no commissions can be earned. Here's a few terms you may want to learn that will help you better understand just what this business plan can do for you.

POINTS

Each Vemma product is assigned a "point value" (PV). This is the value associated with the specific product that allows you the opportunity to earn income. Bonuses are paid off the points you and your team create and accumulate.

ENROLLER

Your Enroller is the person who introduced you to Vemma.

SPONSOR

The term Sponsor refers to the person immediately above you on the team. You are the Sponsor of the two (2) Customers or Affiliates immediately below you, one (1) on your left team and one (1) on your right team.

PEQ

When you introduce a new person to Vemma and sign them up as either a Customer or an Affiliate, they are your Personally Enrolled Qualifier (PEQ) when they purchase a minimum of 25 points in any Rank Advancement Period (RAP).

ACTIVE

You activate your sales organization by having 25 PV (volume associated with the points from your purchases and your personally enrolled Customer or Affiliate purchases) every month. Remaining 'active' allows you to bank both Customer and Affiliate Power Team points for each RAP.

QUALIFY

Each Affiliate must be qualified to earn commissions and bonuses. You cannot qualify based on your personal purchases. You qualify your sales organization with 50 PV (volume associated with 100% of the points from your personally enrolled Customer or Affiliate purchases) every month, along with one (1) personally enrolled Customer/Affiliate on your left team and one (1) personally enrolled Customer/Affiliate on your right team.

PV — PERSONAL POINT VOLUME

Point volume that is associated with 100% of the points from your personally enrolled (First Tier) Customer's or Affiliate's purchases. There is no need for you to purchase product other than for your own consumption or resale.

ENROLLMENT TIERS

An Enrollment Tier starts with people you personally enroll.

- People you personally enroll are your "First Tier"
- Those enrolled by your First Tier become your "Second Tier"
- Those enrolled by your Second Tier become your "Third Tier"
- Those enrolled by your Third Tier become your "Fourth Tier"

AUTO-DELIVERY

Auto-delivery is a recurring monthly order that you can choose to have delivered to you each month, saving you the time of having to call in or go online. An Affiliate or Customer will receive almost a 20% Preferred Discount off the retail price. Six orders, one placed each month for 6 consecutive months will qualify them for the Vemma Loyalty Program and they can claim free product of equal or lesser value (Shipping, handling and applicable taxes are not included).

PROFIT AND POWER TEAMS

As an Affiliate's business begins to develop, the two teams that make up their business will begin to create points from Customer and Affiliate sales. The higher points total team will be termed your Power Team and the lower points team will be termed your Profit Team. These Teams can swap on a week by week basis depending on sales totals.

RANK ADVANCEMENT PERIOD (RAP)

A Rank Advancement Period consists of a four-week period based on four Vemma Weeks. A "Vemma Week" begins on Friday at 12:00 AM ending at 11:59 PM the following Thursday night. There are 13 Rank Advancement Periods in a calendar year.

POINTS FLUSH

If an Affiliate has four (4) consecutive weeks in which they are not Qualified, all points accumulated on their Profit Team will flush. If an Affiliate has four (4) consecutive weeks in which they are not Active, all accumulated points on both Teams will flush.

There is no maximum to the amount of banked points that can roll over from week to week for each RAP. However, all points will flush at the end of each RAP.



THE VEMMA COMPENSATION PLAN



THE BEST OF BOTH WORLDS

Our business model is designed to reward those people that market the Vemma brand products. This is accomplished by devoting most of our marketing budget to fund the Vemma Compensation Plan. While traditional companies fund Madison Avenue type advertising, we believe that 'word of mouth' or referral advertising yields far better results. When you believe in a product, you tell people about it. You see, we believe your opinion is far more valuable than a magazine ad or a television spot.

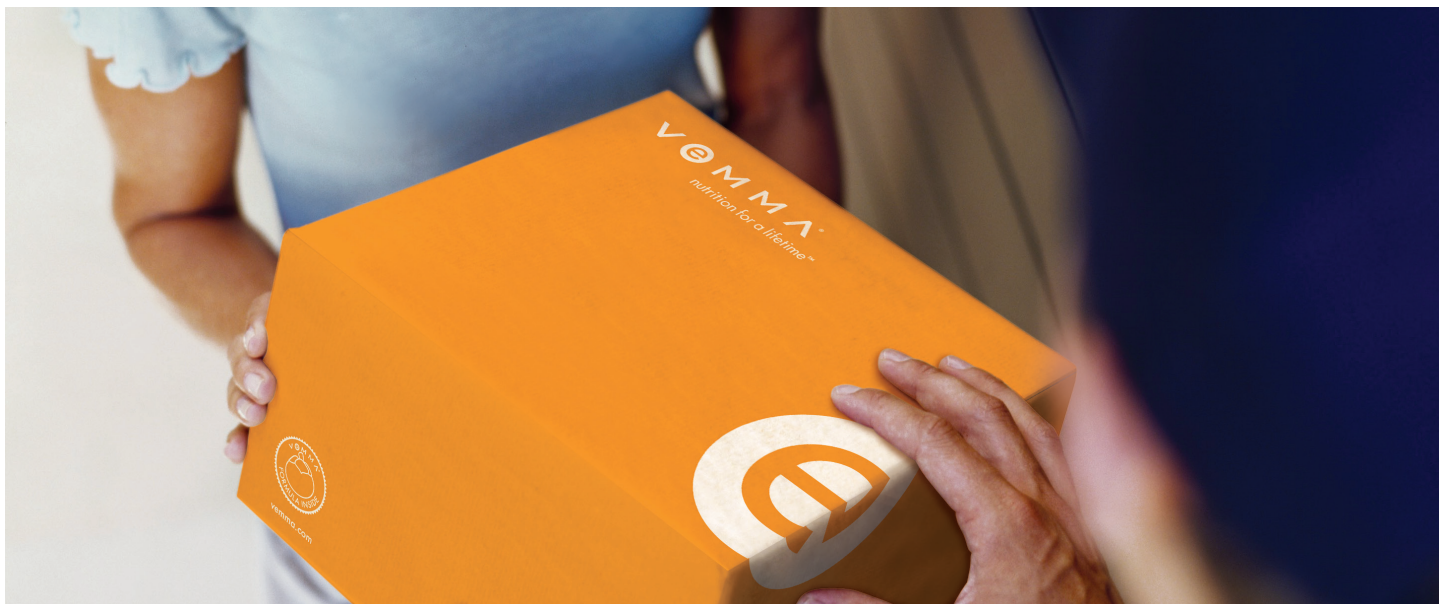
This compensation plan combines the best of two popular compensation plans. The team building dynamics of a binary plan and the width and stability of a unilevel plan. The binary portion through the Team Bonus is based on the simple two team-building concept — a Profit Team and a Power Team. Since there are just two teams to build, this allows you to focus your energy on two teams of consumers. You are rewarded on this activity through a simple 10% or 15% **Team Bonus** of the Profit Team volume. The unilevel portion through the **Matching Bonus** allows you to create tiers of Affiliates and be rewarded up to 5% of their Team Bonus,

on up to 4 tiers in depth. Both of these plans are created simultaneously and seamlessly with your business building efforts.

To become an Affiliate and activate your account, you must purchase Vemma's Internet Marketing Tools for \$19.95 which consists of unlimited access to the Vemma back office, an Affiliate marketing website and mobile app. This is an annual fee that will be billed every 12 months from your starting date. When you encounter someone who wants to become a Customer or Affiliate, you can enroll them through your Back Office, marketing website or mobile app at any time.

As soon as you qualify your sales organization by enrolling at least one (1) PEQ Customer or Affiliate on each of your left and right team, you are then eligible to earn income. Best yet, the Vemma Compensation Plan pays out up to fifty percent (50%) of the Points, so you have the opportunity to get paid every week. Each purchase by a personally enrolled Customer or Affiliate will activate your account for four (4) weeks, including the week in which the order is placed.

3 WAYS YOU CAN EARN



RETAIL PROFITS

Affiliates are able to purchase and resell products to earn a retail profit based on the products and quantity purchased*. An Affiliate choosing the Auto Delivery option will immediately enjoy an almost 20% Preferred Discount for their personal purchases off the retail price of products. When you introduce a customer that purchases directly from Vemma, you would earn almost a 20% retail profit off all of their non-Auto Delivery purchases. There is no limit to the amount of retail profits you can earn.

*The retail profit is the difference between the price you paid for the product versus the price you sold it to your Customer.

TEAM BONUS

Qualifications: Qualified Affiliates with 50 PV (volume associated with 100% of the points from your personally enrolled Customer's or Affiliate's purchases) every month, along with two (2) PEQ Customers or Affiliates, one (1) on each team. Affiliates will earn a 10% or 15% Team Bonus of the Profit Team sales Points weekly once both the Profit and Power Teams reach and maintain a minimum of 150 Points each (300 Point Total Group Volume) for any week during the Rank Advancement Period (RAP). A 10% Team Bonus will be earned by Affiliates with two (2) PEQ Customers or Affiliates, one (1) on the Affiliate's Profit Team and one (1) on the Power Team. A 15% Team Bonus will be earned by Affiliates with two (2) PEQ Customers or Affiliates on the Affiliate's Profit Team and two (2) PEQ Customers or Affiliates on the Power Team. For example, when your Profit

Team reaches 150 points, a qualified Affiliate would earn 15% of those 150 points or a \$22.50 Team Bonus for that week.

MATCHING BONUS

Qualifications: Qualified Affiliates with 50 PV (volume associated 100% of the points from your personally enrolled Customer or Affiliate purchases) every month with four (4) personally enrolled PEQ Customers or Affiliates, two (2) on the Affiliate's Profit Team (team) and two (2) on the Power Team (team).

The Matching Bonus pays the Enroller up to five percent (5%) on all of their personally enrolled Affiliates' Team Bonus paid amounts. If an Affiliate does not meet the eligibility requirements to earn it, the Matching Bonus will compress to the first eligible upline Enroller. The Vemma Compensation Plan pays out up to 50% of commissionable volume. If bonuses exceed 50% of commissionable volume, the 5% Matching Bonus will be reduced.

An Affiliate cannot earn both Matching Bonus and the Second, Third and Fourth Tier Matching Commission on the same downline Affiliate. In the case of compression of the Matching Commission due to the direct Enroller's ineligibility, those Second, Third and Fourth Tier Matching Commission will compress as well.

In order to earn either the Team Bonus or any of the Matching Bonuses, the point volume each week must come from a majority of customer sales (51% or higher). If this requirement is not met, no commissions can be earned.



MATCHING BONUSES



2ND TIER MATCHING BONUS

Qualifications: Qualified Affiliates with 50 PV (volume associated with 100% of the points from your personally enrolled Customer's or Affiliate's purchases) every month in addition to six (6) personally enrolled PEQ Customers or Affiliates, three (3) on the Affiliate's Profit Team and three (3) on the Power Team.

Affiliates earn on the people that they personally enrolled, plus they are eligible to earn up to five percent (5%) Matching Bonus on all of their personal enrollees' (1st Tier) personally enrolled (2nd Tier) Affiliates' **Team Bonus** paid amounts. If an Affiliate does not meet the eligibility requirements to earn it, the Second Tier Matching Bonus will compress to the first eligible upline Enroller.

In the case of compression of the Matching Bonus due to the direct Enroller's ineligibility, the Second Tier Matching Bonus will compress as well.

3RD TIER MATCHING BONUS

Qualifications: Qualified Affiliates with 50 PV (volume associated with 100% of the points from your personally enrolled Customer's or Affiliate's purchases) every month in addition to eight (8) personally enrolled PEQ Customers or Affiliates, four (4) on the Affiliate's Profit Team and four (4) on the Power Team.

Affiliates earn on the people that they personally enrolled, plus they are eligible to earn up to five percent (5%) Matching Bonus on all of their personal enrollees' (1st Tier) personally enrolled (2nd Tier), personally enrolled (3rd Tier) Affiliates' **Team Bonus** paid amounts. If an Affiliate does not meet the

eligibility requirements to earn it, the Third Tier Matching Bonus will compress to the first eligible upline Enroller.

In the case of compression of the Matching Bonus due to the direct Enroller's ineligibility, the Third Tier Matching Bonus will compress as well.

4TH TIER MATCHING BONUS

Qualifications: Qualified Affiliates with 50 PV (volume associated with 100% of the points from your personally enrolled Customer's or Affiliate's purchases) every month in addition to 10 (10) personally enrolled PEQ Customers or Affiliates, five (5) on the Affiliate's Profit Team and five (5) on the Power Team.

Affiliates earn on the people that they personally enrolled, plus they are eligible to earn up to five percent (5%) Matching Bonus on all of their personal enrollees' (1st Tier) personally enrolled (2nd Tier), personally enrolled (3rd Tier), personally enrolled (4th Tier) Affiliates' **Team Bonus** paid amounts. If an Affiliate does not meet the eligibility requirements to earn it, the Third Tier **Matching Bonus** will compress to the first eligible upline Enroller. In the case of compression of the Matching Bonus due to the direct Enroller's ineligibility, the Fourth Tier Matching Bonus will compress as well.

WE LOVE CUSTOMERS

In order to earn either the Team Bonus or any of the Matching Bonuses, the point volume each week must come from a majority of customer sales (51% or higher). If this requirement is not met, no commissions can be earned.

LOYALTY PROGRAM



ADDITIONAL QUALIFYING DETAILS

Affiliates will not be eligible to receive Team and Matching Bonuses until they have qualified their sales organization by having 50 PV (points volume associated with 100% of the points from your personally enrolled Customer or Affiliate purchases) every RAP, one (1) PEQ Vemma Customer/Affiliate on their left team and one (1) PEQ Vemma Customer/Affiliate on their right team whom they personally enrolled.

TEAM BONUS EARNINGS LEVELS

The earnings levels cap applies to the Team Bonus income. Once the Affiliate reaches the maximum bonus level of \$2,500 per week in earnings on that position, the Affiliate will be given one (1) new position at the bottom of his or her bonus-maxed position. All positions will have the same earning level limit of \$2,500 per week.

GET REWARDED!

Once a Customer or Affiliate has purchased their sixth consecutive monthly order, they will be eligible to receive 1 or 2 cases of free product.* Eligibility is based on having an order of at least 25 points per month for six (6) consecutive months or by placing a minimum 25 points product order for six (6) consecutive months. A Customer or Affiliate will be eligible to receive additional free product every six (6) consecutive months from the last-redeemed free product order.**

*Free order will be the equivalent of the lowest order placed over the six-month qualifying period. Free product must be redeemed within two (2) months of the qualifying six-month period or it will be null and void. The free product amount will be either 25 points or 50 points after meeting the six-month qualification time frame. Free product does not carry qualifying volume (points) or commissionable volume (CV).

**The free products sent to Customers and Affiliates are subject to reporting on Form 1099-MISC. For Affiliates, the free product is considered taxable compensation for services. For the Customer, the free product is a taxable prize or award. In both cases, the amount of taxable income to the recipient is the fair market value of the merchandise.

ONE-TIME REWARDS

ONE-TIME RANK ADVANCEMENT REWARDS

After qualifying at a new rank (Silver through Star Executive) for two (2) consecutive four (4) week rank advancement periods, a one-time bonus will pay out.

After qualifying at a new rank (Presidential through Royal Ambassador) for four (4) consecutive four (4) week rank advancement periods, a one-time bonus will pay out. For Presidential through Royal Ambassador ranks, the Affiliate will need to maintain a minimum of one "Paid As" Star Platinum

in their personally enrolled downline on each team of their business.

In order to earn either the Team Bonus or any of the Matching Bonuses, the point volume each week must come from a majority of customer sales (51%) or higher. If this requirement is not met, no commissions can be earned including the one-time rank advancement rewards.

TWO FOUR (4) WEEK PERIODS

SILVER	\$100 USD
GOLD	\$250 USD
DIAMOND	\$500 USD
STAR DIAMOND	\$625 USD
PLATINUM	\$750 USD
STAR PLATINUM	\$1,000 USD
EXECUTIVE	\$1,500 USD
STAR EXECUTIVE	\$2,000 USD

FOUR CONSECUTIVE FOUR (4) WEEK PERIODS

PRESIDENTIAL	\$3,000 USD
STAR PRESIDENTIAL	\$5,000 USD
AMBASSADOR	\$10,000 USD
STAR AMBASSADOR	\$15,000 USD
ROYAL AMBASSADOR	\$25,000 USD



RANK AWARD LEVELS

Rank Advancement and other recognition will be based on four (4) week periods and calculated when bonuses are run for the last week of the four (4) week period. This recognition will be posted in your Vemma Back Office approximately two (2) weeks after the bonus run.

To reach a new rank award in the Compensation Program, The Profit Team volume must reach or exceed the Points listed below during one (1) Rank Advancement Period. These Point totals will be a combination of an Affiliates primary position plus any earned position(s).

LEADER RANKS:	SIDE VOLUME POINTS:
BRONZE	150
SILVER	500
GOLD	1,000
DIAMOND	2,000
STAR DIAMOND	4,000
PLATINUM	6,000
STAR PLATINUM	12,000
EXECUTIVE	15,000
STAR EXECUTIVE	20,000

▶ ELITE LEADER RANKS

ELITE LEADER RANKS:	SIDE VOLUME POINTS:
PRESIDENTIAL	30,000
STAR PRESIDENTIAL	45,000
AMBASSADOR	60,000
STAR AMBASSADOR	75,000
ROYAL AMBASSADOR	150,000
*STAR ROYAL AMBASSADOR	300,000
*PINNACLE LEADER	600,000
*STAR PINNACLE	1,000,000
*ROYAL PINNACLE	1,500,000
*LEGEND	3,000,000

*In addition to earning the required Profit Side Points in the four (4) week Rank Advancement period, you will need to meet the required structure to receive the Paid As rank. Star Royal Ambassadors must have two (2) Presidential enroller teams on the left team and the right team; Pinnacle Leaders must have three (3) Presidentials, enroller teams on the left team and the right team; Star Pinnacles must have three (3) Star Presidential enroller teams on the left team and the right team; Royal Pinnacles must have three (3) Ambassador enroller teams on the left team and the right teams; Legends must have three (3) Star Ambassador enroller teams on the left team and the right team.

