



KYÄNI COMPENSATION PLAN

USA/CANADA

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WELCOME

Welcome to Kyäni.

Our mission is to help willing individuals Experience More and reach their potential, which includes better health, more wealth, and living a great life. A portion of this mission is accomplished through the Kyäni Compensation Plan. The following pages will step you through each of the different areas of 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

DEFINITIONS

NOTE: All Bolded words in this document are defined in Definitions.

General Definitions

Leg – The entire group of a distributor's individual first level distributors. Legs occur in both the **Sponsor Tree** and the **Placement Tree**. If you have three individual distributors on your first level, you have three **Legs**.

Power Leg – The **Leg** in your organization which has the most accumulated volume

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 of **autoships** to select from depending upon which market you are in. **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, recruit new distributors, obtain training, and control your **Autoship**.

Holding Tank – When you recruit 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 you prefer to place them in your **Placement Tree**. If you fail to place them within the 72 hour period, they 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 – Your Paid As Rank is the rank you were paid for any given pay type or 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 – This is 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.

Replicated Website – A distributor's personal Kyäni approved and provided website where customers can order product and new recruits can enroll under that distributor.

NOTE: Both Preferred and Retail customers who sign up with Kyäni will be given a customer login that will allow them to place their own orders and manage autoships without depending on their sponsor or customer service.

Volume Definitions

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

LQV - **Leg** Qualifying Volume

It does NOT include your personal volume. It is the Group Qualifying Volume of each of your front line distributors. You have a **Leg** volume for each **Leg**. Total

Leg volume would represent the total volume from all **Legs** not including your personal volume.

CV – Commissionable Volume

Volume assigned to products and used in calculating Bonuses

MCV – Member Commissionable Volume

Includes Customer Purchases

GCV – Group Commissionable Volume

Includes yourself and your entire team

CCV – Customer Commissionable Volume

The Commissionable Volume from your personal customer's purchases.

It does not include your own personal purchases.

LCV - **Leg** Commissionable Volume

It does NOT include your personal volume. It is the Group Commissionable Volume of each of your front line distributors. You have a **Leg** volume for each **Leg**. Total **Leg** volume would represent the total volume from all **Legs** not including your personal volume.

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 like a family relationship tracker. Everyone you personally recruit is positioned directly under you on your first level. When your personally recruited team members recruit someone, they are then placed underneath them on your second level. This placement is automatic and directly determined by who recruited the new distributor. The width of your Sponsor Tree is as wide as the number of people you personally recruit.

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 recruits anywhere you desire in your **downline**. There are different reasons why leaders place newly recruited 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.

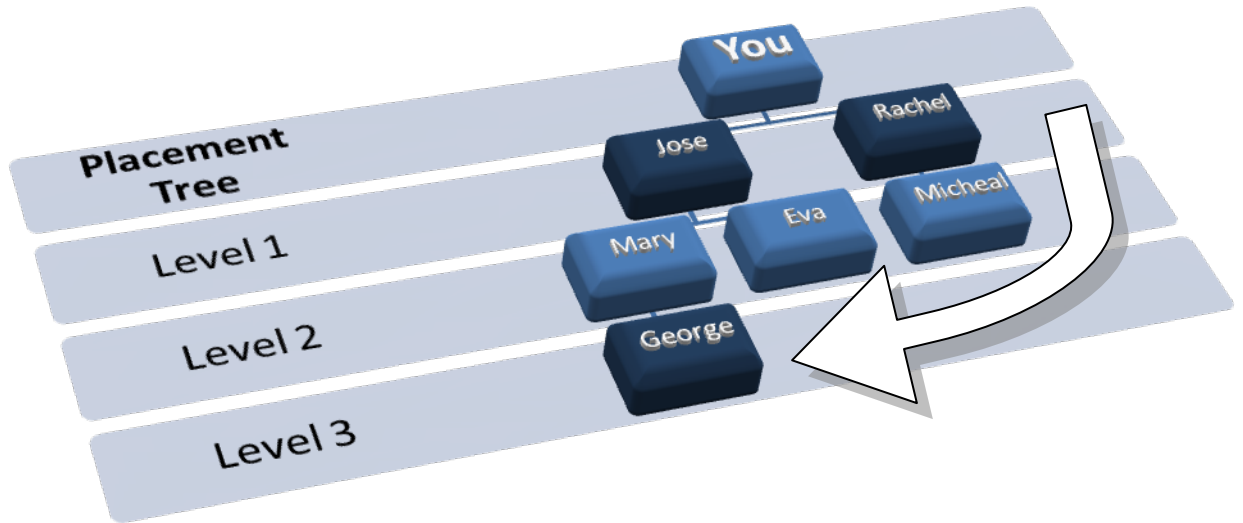
When you personally recruit a new team member, you may immediately place them in the placement tree or you may place them in the **Holding Tank** where you have up to 72 hours to place them in the Placement Tree. If you do not place them within the allotted

time, the system will automatically place them on your first level in 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. Because you can qualify for PayGate Accelerator Bonuses (the first four PayGates) with just two legs, moving George may be a possible approach.

Elements that are calculated using the Placement Tree

- Rank
- 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 Sponsor Bonuses, Customer Retail Profit Bonuses, and Weekly Customer 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, or secure enough personal customers to generate the 100QV requirement, or a combination of both.

RANKS

Ranks are calculated on **QV** from the Placement Tree. **QV** volume from personal purchases is capped at 500QV for ranks up to and including Pearl, and 1000QV for Sapphire and above. MQV for rank qualification will be capped under leg rules. Ranks up to and including Pearl require two active (100QV)legs and Sapphire and above require three active (100QV)legs.

To reach the Sapphire rank and above, you must meet certain volume requirements from **legs** outside your first two **legs**.

Rank Chart using Placement Tree QV

Rank	MQV Required	Total GQV Requirement	Power Leg Maximum GQV (For Qualification)	Other Legs GQV Minimum (Not Including two largest legs)
Member				
Distributor	25			
Qualified Distributor	100			
Garnet	100	300	200	
Jade	100	2,000	1,200	
Pearl	100	5,000	3,000	
Sapphire	100	10,000	6,000	500
Ruby	100	25,000	15,000	1,250
Emerald	100	50,000	30,000	2,500
Diamond	100	100,000	60,000	5,000
Blue Diamond	100	250,000	150,000	12,500
Green Diamond	100	500,000	300,000	25,000
Purple Diamond	100	1,000,000	600,000	50,000
Red Diamond	100	2,000,000	1,200,000	100,000
Double Red Diamond	100	4,000,000	2,400,000	200,000

Rank Determination Process

Use the following process to determine rank.

1. Calculate total **GQV** and compare to chart for possible rank.
2. Does the **QV** volume from Leg 3 (include volume from Legs 3, 4, 5, etc. if you have more legs than 3, plus your own QV up to the allowable limits) meet the minimum requirement for that rank? If no, restart with next lower rank.
3. Does my Power **Leg** have less than or equal to the Maximum allowed **QV** volume from the table? If yes, you have reached that rank. If no, move on to Step 4.
4. (only needed if you answered “no” on step 3) Add the Maximum amount allowed from the **Power Leg** to the volumes from your other **legs**. If this total still equals or exceeds the Total Volume Requirement, then you have reached the rank.

Examples

Below are two examples to illustrate calculation of rank.

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

1. Total volume of all **legs** equals 53,000**QV**. Comparing this to the chart, you may qualify for Emerald.
2. **QV** from **Leg 3** equals 3,000. The chart for Emerald says 2,500**QV** is needed. That requirement is met.
3. The **Power leg** is less than or equal to the 30,000**QV** Maximum so you can use all 30,000**QV**. You reached the title of Emerald.

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

Run the volumes through the questions.

1. The total volume of the organization is 140,300**QV**. This is in the category for Diamond.
2. The volume of **Leg 3** and **Leg 4** total 3,300**QV**. This is less than the minimum requirement. Go back to step 1 at the next lower rank.
1. Because the requirements of Diamond were not met, go to the previous rank and recalculate. The total volume exceeds the 50,000**QV** required for Emerald.
2. The volume from **Leg 3** and **Leg 4** equals 3,300**QV**. This exceeds the 2,500**QV** minimum requirement.
3. The **Power Leg** exceeds the amount allowed from the chart. 30,000**QV** can be used toward the rank.
4. Step 3 shows that 30,000**QV** can be used toward the rank. Next add the 30,000**QV** from the **Power Leg** (because of the maximum allowed from the **Power Leg**) to the 17,000**QV** from **Leg 2**, and the 3,300**QV** from **Legs 3** and 4. This totals 50,300**QV**. This is more than the 50,000**QV** requirement; the rank of Emerald has been earned.



BONUSES

Personal Profit Bonuses

There are 5 Personal Profit Bonuses: (1) Sponsor Bonus (2) Retail Profit Bonus (3) Customer Residual Bonus (4) Customer One-Time CV Bonus (5) Fast Start Bonus

1- Sponsor Bonus

The Personal Sponsor who is at least a Distributor (minimum of 25QV) of every new recruit receives a Sponsor Bonus based on the Starter Pack.

Starter Pack	\$299	\$499	\$999
Bonus Amount	\$50	\$100	\$200

2- Retail Profit Bonus (min. 25QV)

Every time you sell product to a 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 in your weekly commissions. This bonus is earned every time one of your personal customers purchases a product.

3- Customer Residual Bonus (min. 25QV)

When you sell product to customers you will receive 20% of the Customer **CV (CCV)** for each customer order.

Customer Residual Bonus Details

The Customer Residual Bonus is a powerful entry level program designed to maximize

profits to the new recruit. In addition, those who understand this model will also yield large profits by building a large customer base.

Customer Commissionable Volume (CCV) is different than regular Commissionable Volume (CV). If a Retail Customer (not set up on an autoship, pays full retail pricing) orders a Health Triangle Pack from you, it would generate the following:

U.S. Health Triangle Pack \$140 Retail Cost

QV 75
CV 75

This would translate into \$35 profit for you. This is determined by the Retail Profit (\$140(retail)- 120(wholesale) = \$20) plus the Customer Bonus (20% of 75CCV = \$15).

If you sold a Health Triangle Pack to a **Preferred Customer** (set up on a monthly autoship), it would generate the following:

U.S. Health Triangle Pack \$130 Preferred Customer Price

QV 75
CCV 75

This would translate into \$25 profit for you. This is determined by the Retail Profit (\$130 (preferred pricing)-120(wholesale)=\$10) plus the Customer Bonus (20% of 75CCV = \$15).

NOTE: There are no minimum sales quotas required to qualify for the Retail Profit or the Customer Bonus as long as you are QV eligible. You receive these on every Customer Purchase (orders that generate CCV). Remember the bonus is on CCV only. Your personal volume does not count toward this bonus. It is only Personal Customer Sales.

4- Customer One-time CV Bonus (min. 100QV)

Kyäni rewards you for building your customer business. When you achieve a monthly personal Customer CV volume, you will receive a one-time bonus.

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

5- Fast Start Bonus (min. 100QV)

To help you get started, Kyäni provides a one-time Fast Start bonus. If you achieve the rank of Jade within your first 31 days from enrollment, you will receive a fast start bonus. Your enrollment day is considered day 0. The USA Fast Start Bonus is \$300. Moved volume does not apply towards the Fast Start Bonus.

Team Bonuses

There are 3 Team Bonuses: (1) PayGate Accumulator (2) Generation Check Match (3) Team Bonus

1- 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 accumulates volume flowing upward until

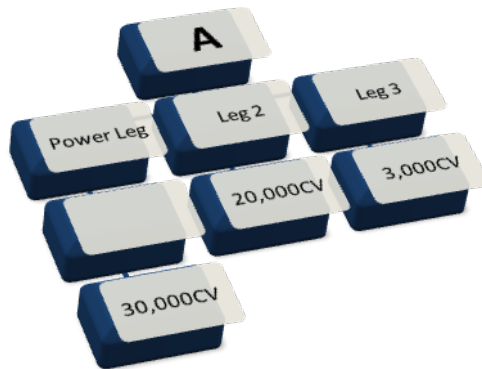
it reaches a qualifying PayGate where it pays out the earned commission. This process is repeated for all PayGates. As your volume increases, you may qualify for new pay gates depending on the distribution of your volume in your Placement Tree. Each additional gate you qualify for creates additional residual income for you.

Below is a chart of the PayGates, the amount they pay out, and the volume requirements to earn those PayGates.

PayGate Accumulator Chart using Placement Tree CV

PayGate	Rate	Power 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

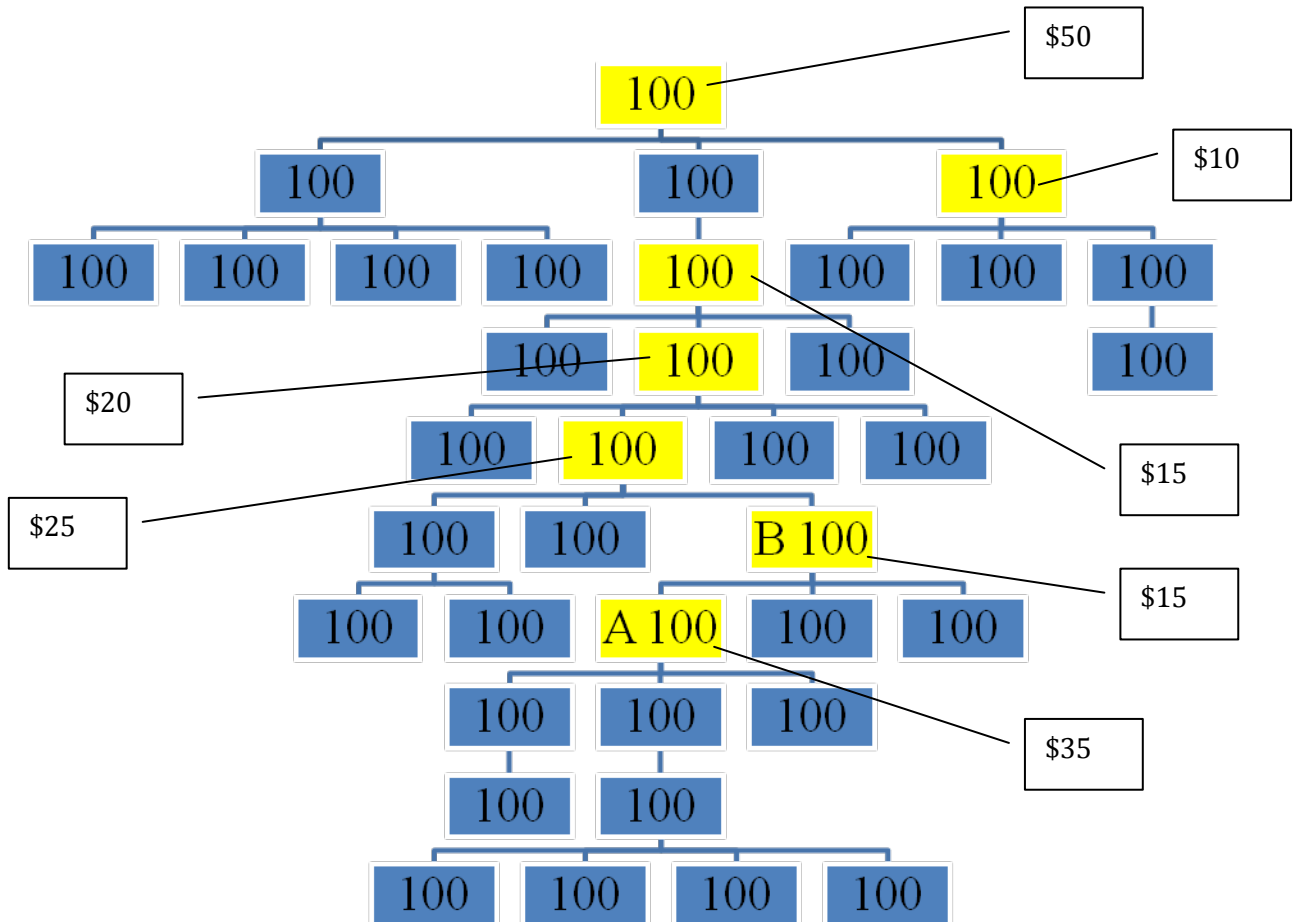
Look at an example of an organization to determine what gates this organization would qualify for. The **Power Leg** has 30,000CV, the total of the small **legs**, which is **Leg 2** and **Leg 3** equals 23,000CV; **Leg 3** has 3,000CV. Using these numbers, we learn that this organization would qualify for gates 1 through 6.



The volume that flows up from A (Yellow Box A) is now 300 (200CV PayGate amount plus 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 volume flows up.

Each of the yellow boxes qualifies for PayGate 1.

PayGate 1 Chart



Once a PayGate flows all the way to the top of the organization, then the next PayGate process starts again at the bottom of the organization using the same volume.

PayGate 4 Example

Look at another gate to illustrate this one more time. You will notice that the higher the gate, the more volume accumulates at that gate to be paid. Look at the same organization for a PayGate 4. Note that volumes per distributor were increased to 1000**CV** in order to keep the illustration small enough to demonstrate this PayGate. Also remember that PayGates 1 – 3 would have been paid before PayGate 4 was processed.

To qualify for this gate, your **Power leg** needs to be at least 4500**CV** and 3,000**CV** in the rest of your **legs**.

Each of the yellow box distributors qualified for PayGate 4 payout. To calculate what the payout for Distributor A (in yellow box A), accumulate the volume and calculate as you did in PayGate 1. A total of 10,000**CV** accumulated to Distributor A. We take that volume and calculate as we did in the previous example. $10,000\text{CV} - 4500\text{CV}$ (PayGate amount flows up) = 5500**CV**. Multiply this by 7% and we get \$385. This \$385 would be added to the other PayGate Bonuses (PayGates 1-3) for that distributor.

Next take the 4500**CV** that flowed up and add the 1000 Personal **CV** and repeat the process again. A total of 4 distributors received this PayGate 4 bonus in this example.

Again, as the PayGates continue to go higher, the amount of **CV** accumulating increases dramatically. Remember that the Generation Check Match is based on the total PayGate Accumulator Bonus.

This process continues from the bottom flowing upward and accumulating the **CV** of the organization and paying out at each qualifying PayGate distributor. It repeats again and again until each PayGate has been paid out.

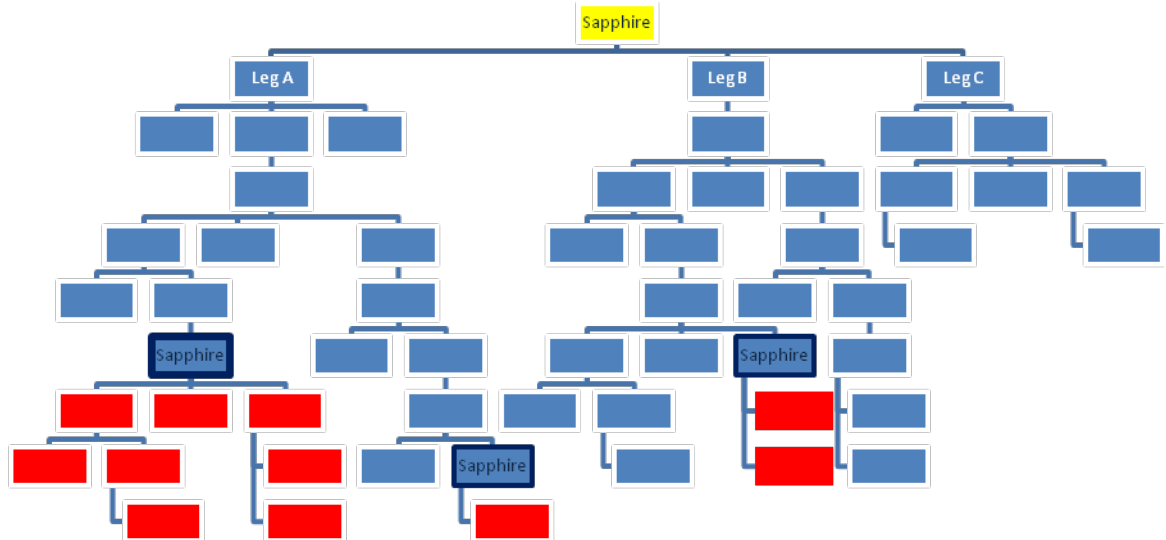
2- Generation Check Match

One of the most exciting bonuses is the **Generation Check Match**. You can earn a percentage of every PayGate check in your Sponsor Tree **Downline** up to nine **Generations** deep. The chart below itemizes the breakdown of **Generations** and percentages.

Generation Check Match Based on Sponsor Tree

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

Generation Check Match Example



From the chart you see that a Sapphire receives up to two **Generations** of Check Matching. In the Generation Check Match Example, the Sapphire in the yellow box would receive 15% of every PayGate check that was earned by a **Downline** distributor in **Generation 1** (which is every distributor denoted by a blue box). In addition, **Generation 2** (which is denoted by the red boxes) would also generate 10% PayGate check matches for the Sapphire in the yellow box. This is a total of 56 distributors that the Sapphire in the yellow box would match.

Note that in **Leg C** there are no Sapphires. The Sapphire in the yellow box would receive Check Matching on every distributor in **Leg C**.

3- Team Bonus (calculated on the Sponsor Tree)

Whenever someone in your **Downline** recruits a new team member, you may be eligible to receive the Team Bonus. The Team Bonus is calculated using the Sponsor Tree. There are multiple versions of the Team Bonus depending on the market the sale originates in. In the US and Canada it is paid based on the Starter Pack and is only paid to the first up-line Qualified Distributor or about (has at least 100QV).

Starter Pack	\$299	\$499	\$999
Bonus Amount	\$10	\$20	\$40

COMPANY POOLS*

Diamond Pool

1.5% of all Global Sales **CV** is put into the Diamond Pool. The pool is calculated monthly and paid monthly on a 60 day delay. So pool earnings for January would be paid to you in March.

To participate in the pool, a distributor must be a Diamond or above in the current month and 1 of the 2 previous months. Participants receive shares in the pool based on their rank as follows:

Diamond	1.00 Shares
Blue Diamond	2.00 Shares
Green Diamond	4.00 Shares
Purple Diamond	8.00 Shares
Red Diamond	8.00 Shares
Double Red Diamond	8.00 Shares

A Red or Double Red Diamond participates in this pool until they qualify for the next pool. If a participant in the pool has someone below them reach the same rank or higher, then their factor is multiplied by 1.5. A participant can only receive one multiplying factor. Qualification is determined by Paid As Rank.

A Distributor will never be paid in both leadership pools for the same month.

Red Diamond Pool

0.5% of all Global Sales **CV** is put into the Red Diamond Pool. The pool is calculated monthly and paid on a 60 day delay. So pool earnings accumulated in January would be paid to you in March.

To participate in the pool, a distributor must be a Red Diamond or above in the current month and 1 of the 2 previous months. Participants receive shares in the pool based upon their rank as follows:

Red Diamond	8.00 Shares
Double Red Diamond	16.00 Shares

If a participant in the pool has someone below them reach the same rank or higher, then their factor is multiplied by 1.5. A participant can only receive one multiplying factor. Qualification is determined by Paid As Rank.

A Distributor will never be paid in both leadership pools for the same month.

Customer Pool

2% of all Global Customer CV (**CCV**) is put into the Customer Pool every month. All distributors who have a minimum of 500**CCV** qualify for this pool. Shares in the pool are determined by each qualifying distributor's total customer CV (**CCV**) compared to the total Qualifying **CCV** of all qualifying distributors. For example, if a distributor has a total of 500**CCV** from his/her personal customers and in that month there was 120,000**CCV** from all qualified distributors, then that distributor would receive $120,000/500 = 240$ shares of the pool.

Qualifying for the Customer Pool

Kyäni sets aside 2% of the Global CCV. Those who accumulate 500CCV or more will qualify for this pool. Only customer volume qualifies, your own personal order does not. If a customer orders just one product, the CCV generated from that order counts toward your total CCV.

ADDITIONAL INCENTIVE PROGRAMS*

Car Program

Kyäni has the richest car program in the industry. Starting with the early rank of Sapphire (10,000QV) you could be driving your own white Audi A4! And the program continues to expand as you grow up to a monthly car payment of \$5000! To see the qualifications and details of the Drive Your Dream Car program, see the document in Downloads in your **BackOffice**. Car programs may vary by market.

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**.

Other Bonuses

There are some additional bonuses available as well. On the chart below, there is a list of other bonuses that are provided as a distributor hits new ranks. Refer to your **BackOffice** for market specific details.

Rank Bonus

- **Emerald Rank Bonus Payout.** Achieve Emerald and maintain for 1 additional month and receive a lump sum of \$5,000.
- **Blue Diamond Bonus Payout.** Achieve Blue Diamond and maintain for 2 months and receive a lump sum of \$25,000.
- **Purple Diamond Bonus Payout.** Achieve Purple Diamond and maintain for 2 months and receive a payment of \$50,000 per month for the following 2 months.
- **Double Red Diamond Payout.** Achieve Double Red Diamond and maintain for 2 months and receive a payment of \$50,000 for the following 10 months.

KYANI BONUS SCHEDULE

Bonus	Posted in Backoffice	Check Mailed	Paid	
			Bank Transfer	Payoneer Upload
Weekly	Monday (for previous week Mon-Sun)	Tuesday	Thursday	Thursday
<i>Sponsor Bonus</i> <i>Recruiting Bonus</i> <i>Retail Profit Bonus</i> <i>Customer Bonus</i> <i>Fast Start Bonus</i>				
Monthly	7th	10th	13th	13th
<i>PayGate Residual</i> <i>Generational Matching Check</i> <i>Customer Pool</i>				
*Leadership Pools	7th	*25th	*25th	*25th
<i>Diamond Pool</i> <i>Red Diamond Pool</i>				

NOTE: When the posting or pay date falls on a weekend or holiday, the activity will occur on the next business day.

* Specific qualification and payment terms apply. Please see your backoffice for official details of qualification and payout schedule. Leadership Pools are paid in the second month after earned. For example, January Leadership Pools are paid in March.

Rank Bonuses are paid on the 25th of the month following full qualification for payment.