

MAX COMPENSATION PLAN

Philippines

Effective: November 1, 2011



MAX HEALTH & LIVING INT'L. INC.

The Max Plan

Philippines

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With Max, you can earn back your life

We're giving you permission. Go ahead, declare your independence. Start something new, empower yourself, and break free of the ordinary. Sure, there are plenty of business opportunities to choose from. We offer more—passion, inspiration, stability, community. At Max International, you can make more than money—you can make a difference.

We need you. Max International was founded as a way to bring the life-changing benefits of our glutathione-supporting products to the world, and we can't do it alone. The Max Plan outlines the nine ways we reward people for helping us. We give people the opportunity to find their unique path and reach their personal income goals—some extra cash every month, enough for a car payment, or even enough to be financially independent. It's your life, we just want to help make it better.

The Max Plan integrates nine components that contribute to **Max Associate** payout:

1. Retail Profits
2. Preferred Customer Bonus
3. FastTrack Bonus
4. Double FastTrack Bonus
5. Team Bonus
6. Unlimited Seven-Level Matching Check Bonus
7. Platinum and Diamond Leadership Pools
8. Global Bonus Pool
9. Max Living Bonus

1 | Retail Profits

Associates purchase products at wholesale for personal use or to retail to customers for a profit. When you buy a product at wholesale and sell at the retail price, you get to keep the difference.

2 | Preferred Customer Bonus

All active Associates are paid Php 800 every time a personally enrolled Preferred Customer orders a Php 4,200 box of MaxGXL. You will also receive 35 **Commissionable Volume (CV)** per order.

All CV from Preferred Customer orders counts towards your **Personal Volume (PV)**. All personal volume over 100 PV is added to the Pay Team volume (volume from enrollment and upgrade packs do not count towards PV surplus or go into the pay team volume).

There is no cost to become a Preferred Customer; however, Preferred Customers must be on **AutoShip** in order to participate in the program and get wholesale pricing.

To qualify for the weekly Preferred Customer Bonus, each Associate must have a minimum of 50 PV (Active) in the five calendar weeks immediately preceding the customer's order date.

3 | FastTrack Bonus

Max offers several Product Packages that are ideally suited for Associates who want to get off to a quick start. When you sell one of these packs, you earn a FastTrack bonus and CV from that order. With FastTrack bonuses, you can receive a direct deposit from Max every week! For example, you enroll Mark, who purchases a Business Builder Pack. From that order, you earn CV and a FastTrack bonus paid the following week.

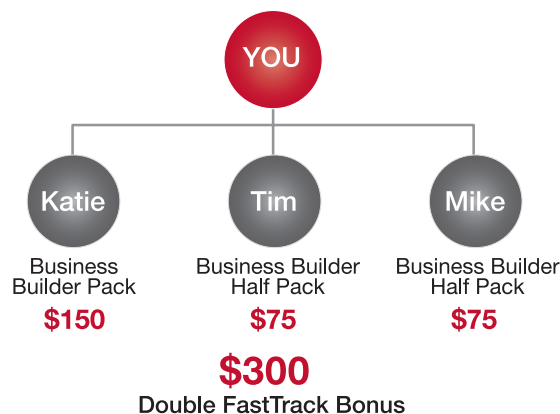
Benefits of purchasing a Business Builder Pack or a Business Builder Half Pack

- Qualify for the Silver Matching Check Bonus for six months (see page 4)
- Qualify for double shares in the following Bonus Pools:
 - Platinum and Diamond Leadership Pool (page 5)
 - Global Bonus Pool (page 5)

4 | Double FastTrack Bonus

Qualified Associates are paid the Double FastTrack Bonus when three or more of their personally sponsored Associates purchase a Business Builder or a Business Builder Half Pack in a calendar month. The Double FastTrack is not paid on any other product packs.

For example, Jerry has three personally sponsored Associates who purchase one Business Builder Pack and two Business Builder Half Packs in a calendar month. He will receive \$300 in Double FastTrack Bonus paid on the 15th of the following month.

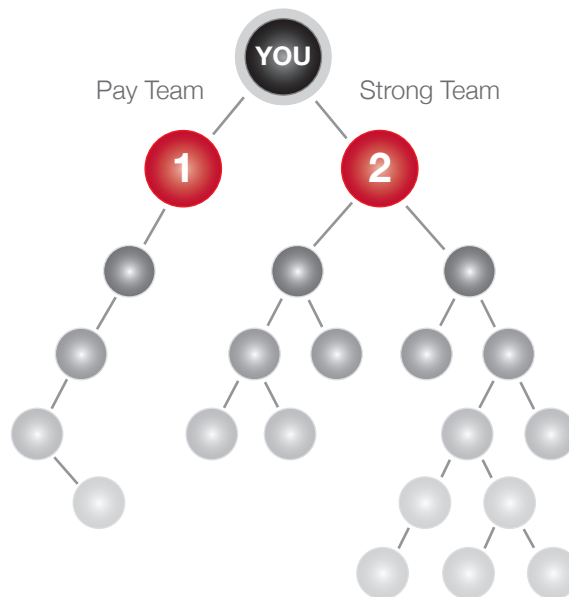


5 | Team Bonus

All qualified Associates will earn 10% of the total CV in their smaller (Pay) team per month. Associates can earn a maximum of \$25,000 USD* in Team Bonuses per month. No more than 250,000 CV will be carried forward in the Strong Team from month to month.

To qualify for Team Bonuses, you must enroll a minimum of two Associates who remain active (with a minimum of 50 PV each month), with one placed on the left sales team and the other on the right sales team. Until this happens, volume will accumulate in both legs as long as you generate 50 PV each month.

● = Personally Enrolled Associates



Pin Level Rank

An Associate's Pin Level Rank is determined by the following criteria.

- Associate through Gold:
 - o Pay Team volume (Excludes carry forward volume)
 - o The number of personally enrolled active Associates in each binary team.
- Platinum through Crown:
 - o Pay Team volume (Excludes carry forward volume)
 - o The number of personally enrolled active Associates in each binary team. (No more than four active Associates are required in each binary team).
 - o The number of qualified Gold Teams in the enrollment tree

Double and Triple Crown Requirements

Associates attain the rank of Double and Triple Crown, partly from the total CV in their enrollment tree (See "Compensation Plan Overview" on page 7 for full requirements).

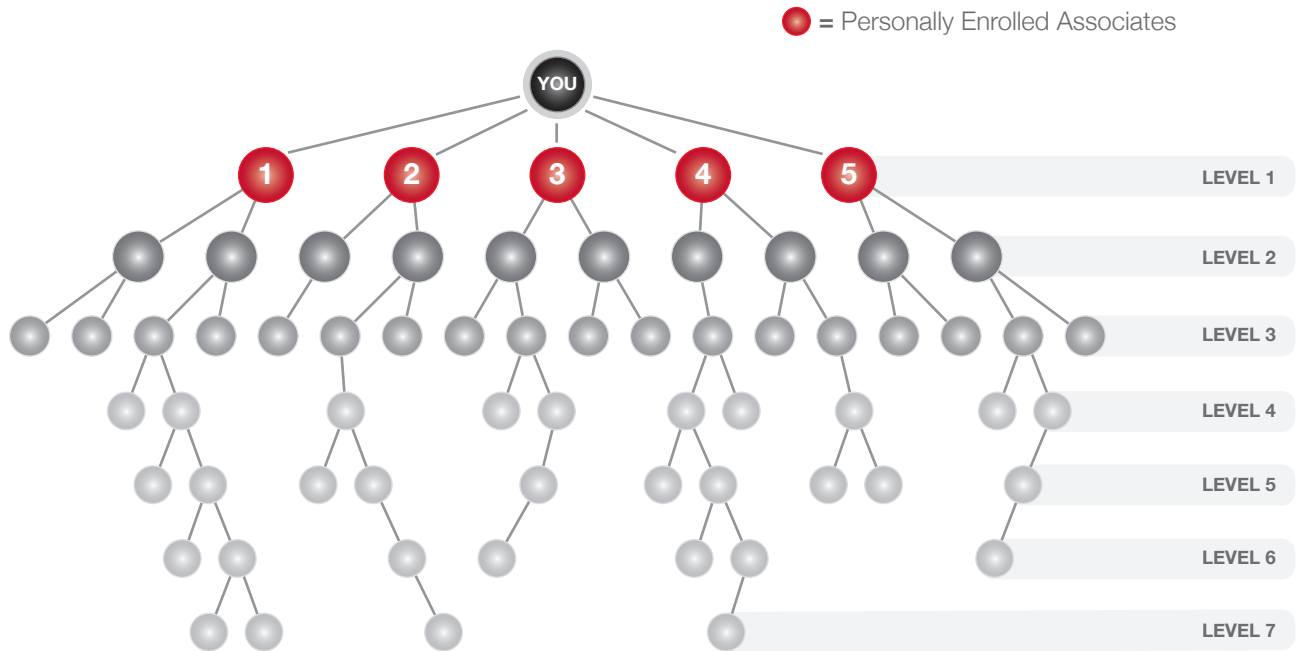
- o Double Crown = 2,000,000 CV in enrollment tree volume.
- o Triple Crown = 4,000,000 CV in enrollment tree volume.

No more than 30% of the required CV can come from any one enrollment tree team.

† All bonuses will be paid in Php based on the current exchange rate multiplier.

6 | Unlimited Seven-Level Matching Check Bonus (MCB)

Associates must generate the minimum PV requirement based on their paid rank to receive the **Matching Check Bonus**. The **MCB** is paid on the Team Bonuses of the people in the Associate’s enrollment tree up to the 7th generation. Each personally enrolled Associate within the enrollment tree is considered 1st generation. Subsequently, when a personally enrolled Associate enrolls a new Associate, that new Associate becomes their 2nd generation, and so on through seven levels.



The **Matching Check Bonus** qualification is determined by “paid rank”. Paid rank is the rank for which the Associate qualifies at the end of the calendar month.

Matching Check Bonus Levels Chart

Rank	Bronze	Silver	Gold	Platinum	Diamond	Double Diamond
Level 1	25%	30%	35%	40%	45%	50%
Level 2	10%	10%	10%	10%	10%	10%
Level 3		9%	9%	9%	9%	9%
Level 4			9%	9%	9%	9%
Level 5				8%	8%	8%
Level 6					7%	7%
Level 7						6%

Unlimited sponsoring = unlimited checks. Qualified Associates are paid on all personally enrolled Associates to unlimited width.

- Associates who enroll with the Business Builder Pack will automatically qualify for the Silver Matching Check Bonus for the month of enrollment, plus the following five calendar months.
- In order to receive a Matching Check Bonus, Associates must generate the required PV at their current rank.

Matching Check Bonus Rules

1. The company pays up to 50% of the global CV that is generated each month in various commissions, including the Matching Check Bonus program.*
2. The Matching Check Bonus is based on a monthly adjustable percentage and is calculated after all other ways of earning are determined.*
3. The sponsoring Associate can earn up to \$12,500 USD* per month on a first level Matching Check Bonus for each personally enrolled Associate.
4. Bronze thru Platinum Associates must have generated a minimum of 100 PV to earn a MCB.
5. Diamond Associates and above must have generated a minimum of 200 PV to earn a MCB.
6. Monthly commissions for the MCB will not exceed the accumulated CV of an Associate's Pay Team.

7 | Platinum and Diamond Leadership Pool

- 0.75% of the monthly global CV is put in two separate pools and is paid to Platinum and Diamond Associates. 0.50% is put in the Platinum Pool. 0.25% is put in the Diamond Pool.
- Any Associate who is paid at the Platinum rank receives one share in the Platinum Pool.
- Any Associate who is paid at the Diamond rank or higher receives one share in the Diamond Pool and one share in the Platinum Pool.
- Associates who enroll with a Business Builder Pack or a Business Builder Half Pack will receive double shares in the Platinum and Diamond Pool as long as they are paid as a Platinum or a Diamond.
- Associates will continue to receive a share(s) in the pools as long as they maintain the required paid rank.

8 | Global Bonus Pool (GBP)

Two percent (2%) of the company's global Commissionable Volume (CV) is put into a Global Bonus Pool and is paid to qualified Associates. For each 1,000 CV that an Associate's Pay Team volume grows compared to the prior month, the Associate will receive one share in the Global Bonus Pool. Carry forward volume does not count towards GBP qualifications.

The Associate no longer qualifies for the GBP when the Associate reaches the Platinum Rank. If the Associate has been paid at the Platinum Rank and then falls back to the Gold Rank, the Associate will not participate in the GBP.

- Associates do not have to qualify for bonuses in the previous month to qualify for GBP commission.
- All personal purchase volume and Preferred Customer volume count towards the increase in Pay Team volume (excludes product packs).
- Associates who enroll with purchase a Business Builder Pack or Business Builder Half Pack will earn twice the shares of the GBP that non-Business Builder Pack Associates earn.
- Associates are required to be qualified for Team Bonuses in order to participate in the GBP program.

† All bonuses will be paid in Php based on the current exchange rate multiplier.

9 | Max Living Bonus

What matters most to you? Is it a fine, comfortable home? Is it your children's' education? Is it giving back to a cause bigger than yourself, or simply pursuing a favorite hobby? No matter what you value, the Max Living Bonus can make it possible.

Once an Associate reaches Platinum, he or she will begin to receive this bonus every month:

- Platinum=\$500 USD*
- Diamond=\$750 USD*
- Double Diamond=\$1,000 USD*
- Triple Diamond and above=\$1,500 USD*

Compensation Plan Overview

Rank	Pay Team CV	Enrollment Tree CV	Enrollment Tree Gold Teams	Personally Enrolled In Each Binary Team (50 CV)	Personally Generated PV	Matching Check Bonus Level	2% Global Bonus Pool	¼% Leadership Pools	Max Living Bonus
Associate	-	↑	↑	0	0	N/A	N/A	↑	↑
Senior Associate	-	↑	↑	1 Active	↑	N/A	↑	↑	↑
Bronze	2,000	↑	↑	1 Active	↑	2	YES	N/A	N/A
Silver	4,000	↑	N/A	2 Active	100	3	↑	↓	↓
Gold	16,000	↑	↓	3 Active	↑	4	↓	↓	↓
Platinum	32,000	↑	1	↑	↓	5	↑	1 share	\$500 USD*
Diamond	80,000	N/A	2	↑	↑	6	↑	↑	\$750 USD*
2 Diamond	160,000	↑	3 1 in each Binary Leg	4 Active	↑	↑	NO	↑	\$1,000 USD*
3 Diamond	250,000	↑	4	↑	200	↑	↑	2 shares	↑
Crown	400,000	↓	5	↑	↑	7	↑	↑	\$1,500 USD*
2 Crown	↓	2,000,000	6	↑	↑	↑	↑	↑	↓
3 Crown	↓	4,000,000	7	↓	↓	↓	↓	↓	↓

† All bonuses will be paid in Php based on the current exchange rate multiplier.

The Max Plan Frequently Asked Questions

How do I get paid at Max International?

The first thing you do after purchasing your Starter Kit and the New Associate Product Pack, we recommend that you have at least 100 PV on AutoShip. Next, recruit two people who enroll on a minimum 50 CV AutoShip and place one on your right sales team and one on your left sales team. Repeat this process over and over again.

How do I earn income and when are earnings paid?

There are multiple ways Associates earn income. The bonuses are paid as follows:

- **Retail Profit:** Paid when the sale takes place. If the Retail Sale occurs on your Max4U website the profit will be paid with the weekly commissions. The Retail Profit is the difference between the retail price and the wholesale price.
- **Preferred Customer Bonus:** Based on sales that take place between Sunday at 00:00:00 and the following Saturday at 11:59:59 PM (23:59:59) Mountain Standard Time. A direct deposit is made is sent the following Wednesday. The commission will be paid weekly, but the CV will be paid monthly on the 15th of the following month.
- **FastTrack Bonus:** Based on sales that take place between Sunday at 00:00:00 and the following Saturday at 11:59:59 PM (23:59:59) Mountain Standard Time. A A direct deposit is made the following Wednesday.
- **Double FastTrack Bonus:** Based on selling three Premiere or Professional Packs in a calendar month. The Double FastTrack Bonus is sent on the 15th of the following month that commissions are earned.
- **Team Bonus:** Based on sales that take place during the calendar month. A direct deposit is made on the 15th of the following month that the commissions were earned.
- **Matching Check Bonus (MCB):** The MCB direct deposit is made on the 15th of the following month that the commissions were earned. See page 6 for full details.
- **Platinum and Diamond Leadership Pool:** Based on rank. A direct deposit is made on the 15th of the following month that the commissions were earned.
- **Global Bonus Pool:** Based on the previous month's company Global CV. A direct deposit is made on the 15th of the following month that the commissions were earned. Once an Associate earns US\$5,000 or more in a calendar month, he or she is no longer eligible for the Global Bonus Pool.
- **Max Living Bonus:** Based on "paid-as" rank. Bonus will be included with monthly commissions, paid on the 15th of the following month.

What does the Php 2,464.00 Starter Kit allow an Associate to do?

By purchasing a Php 2,464.00 Max International Starter Kit and generating a minimum of 50 CV, the new Associate becomes qualified to:

- Buy at wholesale and sell at retail.
- Enroll Preferred Customers and earn a weekly bonus on their purchases.
- Enroll new Associates and earn a weekly FastTrack Bonuses.
- Access the Back Office.

What is Commissionable Volume (CV) and how is it earned?

Commissionable Volume (CV) determines how much Team Commissions are paid to each Associate. CV accumulates in an Associate's right and left sales team as a result of the sale of products and New Associate Product Packs which occur in each team during the month. The CV to dollar ratio varies in each market.

How does one earn FastTrack Bonuses?

Associates are paid a FastTrack bonus any time one of their personally enrolled associates purchase a New Associate Product Pack.

**GST included*

It is not necessary for a new Associate to purchase a product pack to earn FastTrack Bonuses. However, by purchasing a Product Pack, the Associate has product for personal use, product to share with others, and it also provides the new Associate with Personal Commissionable Volume (PV), which meets their PV requirement for Team Commissions.

What are the advantages of purchasing the Business Builder or Business Builder Half Pack?

Associates who purchase a Business Builder or a Business Builder Half Pack qualify for the Silver Matching Check Bonus in the month they enroll, plus the next five calendar months and qualify for double shares in the Platinum and Diamond Leadership Pool and the Global Bonus Pool as long as the Associate has generated a minimum of 100 PV each month following the month of enrollment and has at least one personally sponsored active (50 CV) Associate on each team. Most importantly, the Business Builder Pack provides the new Associate with personal product to use or to sell plus sales aids for recruiting purposes.

What is the difference between the Pay Team and the Strong Team?

Associates build two sales teams, a right sales team and a left sales team. During the month, Commissionable Volume (CV) accumulates as a result of the sale of products and New Associate Product Packs. At the end of each month, the Pay Team is the sales team that has the lesser CV of the two sales teams, and the Strong Team is the team that has more CV. Because the Pay Team and the Strong Team can change from time to time, Associates who place new Associates equally in each sales team maximize their potential for Team Bonuses and the Matching Check Bonus.

How are Team Bonuses determined?

The Team Bonus is 10% of the Pay Team Volume. For example, if the Pay Team has 10,000 CV, and the Strong Team has 12,000 CV, the Team Bonus paid to the Associate is \$1,000 USD*, and then 10,000 CV is removed from both sales teams; 2,000 CV would be carried forward on Strong Team. Team Bonus are paid on the 15th of each month for the previous month's activity.

How do I earn Matching Check Bonuses?

Associates have the opportunity of receiving the Matching Check Bonus on every personally enrolled Associate, and on the Associates their downline enrolls (and on and on) through seven levels! The Matching Check Bonus is earned by placing personally enrolled Associates equally in both the right and left sales teams up to the maximum requirement of four in each binary team. Associates and their qualifying personally enrolled Associates must have minimum PV for the required rank to qualify for a Matching Check Bonus.

How does the Preferred Customer Program work?

There are two types of Max customers: Retail Customers and Preferred Customers. Retail Customers purchase products directly from Max Associates and pay the suggested retail price for the product. The selling Associate keeps 100% of the difference between the retail price and the wholesale price of the product.

Preferred Customers register with the Company, and are linked to the Associate with whom they enrolled. Preferred Customers can purchase products at the wholesale price by enrolling in AutoShip. Associates receive a commission on the volume associated with personally enrolled Preferred Customer's orders.

† All bonuses will be paid in Php based on the current exchange rate multiplier.

Preferred Customers do not take a position in the sales teams. If they eventually choose to become an Associate, they do so by submitting an Associate Enrollment form and by purchasing a Starter Kit. They will then receive a position like any other new Associate.

Because of the generous commissions paid on Preferred Customer purchases, the CV is 50%, or one half CV point for each dollar of volume ordered. Volume associated with Preferred Customer orders counts towards the Associates required Personal Commissionable Volume (PV) requirement. All PV an Associate has over 100 goes in the Associate's Pay Team, and therefore pays a 10% commission. Naturally, Associates are encouraged to acquire Preferred Customers. Personal Volume (PV) generated from enrollment packs or upgrades do not count towards the PV surplus over 100 and thus will not be added to the Associate's Pay Team. Only Preferred Customer volume and regular product purchases will count towards the 100 PV. Personal Volume from enrollment or upgrade packs do qualify Associates for monthly personal volume requirements.

What if I have no volume for a six month period?

Associates are dropped from the team commission structure after six months with no activity.

Max Plan Key Terms

- Active Associate - An Active Associate has purchased a Php 2,464 Starter Kit and has at least 50 Personal Volume (PV) during the calendar month.
- AutoShip – The Autoship program is designed to make it simple and easy for Associates and customers to get their product. By enrolling in AutoShip, and choosing a day for shipment, the product will come automatically, and the corresponding credit card will be charged. This ensures that no one will run out of product.
- Business Center – The Associate's position in the Team Commission pay structure. There is one business center per Associate. In order for a Business Center to pay Commissionable Volume, the Associate must enroll a minimum of two new Associates who are active and place one on the left sales team and the other on the right sales team. Until this happens, CV will accrue in the business center, but will not be paid. Any unpaid CV will carry over to the following pay period, as long as the Associate remains active. In order for Team Commissions to be paid in subsequent pay periods, there must be a minimum of 100 accumulated CV.
- Commissionable Volume (CV) – All Max products and New Associate Product Packs have CV point values. Whenever a product is purchased, the CV accumulates in the sales team where the purchase occurs.
- Enroller – The person who signs up or registers a new Associate with the company.
- Enrollment Tree – The Enrollment Tree is the Associate structure that determines Matching Check Bonuses. All personally enrolled Associates are first level in an Associate's Enrollment Tree, no matter in which Team they are placed. Their personally enrolled Associates are the second level in the Enrollment Tree, and so on, through seven levels.
- FastTrack Commissions - Paid weekly on all New Associate Product Packs and Product Pack Upgrades that new Associates purchase during the first 60 days with the company.
- New Associate Product Packs – Product offerings available to new Associates at the time they enroll with the company.
- Pay Team – The smaller of an Associate's two sales team's accumulated monthly volume.
- Personal Commissionable Volume (PV) – In order to qualify for monthly Team Commissions, an Associate must generate at least 100 CV in the qualifying month. The PV can either come from an Associate's personal purchases, or from their personally-enrolled Preferred Customers volume. In order to qualify for Matching Check Bonuses, an Associate's PV must be 100 CV in the qualifying month. Once the Associate has attained the required 100 PV, all additional CV will accrue in the Pay Team.

- Personal Volume Surplus - The Personal Volume that exceeds 100 Personal Volume is added to the Pay Team volume each month. Any personal commissionable volume attributed to enrollments or upgrades will not be calculated for PV Surplus.
- Personal Volume – Product volume that comes from an Associate’s personal purchases as well as from the Associate’s Preferred Customer’s purchases.
- Qualified Associate – A qualified Associate must have enrolled a minimum of two active Associates and have a minimum of 100 PV in the qualifying month (200 for Diamond and higher) to be paid Team Commissions and receive Matching Check Bonus Commissions and other bonuses and allowances.

**GST included*