

Lemongrass Spa Products

Career Compensation Plan



FRESH, CLEAN & NATURAL

Compensation Plan

The company generously rewards our Consultants with several ways to earn income. Being an independent Lemongrass Spa Products Consultant allows you to have a flexible schedule and set your own goals. You can have a successful business that fits your lifestyle!



FRESH, CLEAN & NATURAL



Downline Bonuses

	Personal Commission	Personal Sales Volume Bonus (\$1,500 in a month)	Sponsoring Bonus	Team Bonus	Generation 1	Generation 2	Generation 3	Generation 4
Sales Consultant <i>SC</i>	25%	5%						
Sr. Sales Consultant <i>SSC</i>	25%	5%	4%					
Team Leader <i>TL</i>	25%	5%	4%	\$50/month				
Director <i>DIR</i>	25%	5%	4%	4%				
Sr. Director <i>SDIR</i>	25%	5%	4%	4%	5%			
Premier Director <i>PDIR</i>	25%	5%	4%	4%	5%	3%		
Executive Director <i>EDIR</i>	25%	5%	4%	5%	5%	3%	1.5%	
Sr. Executive Director <i>SREDIR</i>	25%	5%	4%	5%	5%	4%	3%	
Platinum Director <i>PLDIR</i>	25%	5%	5%	5%	5%	4%	3%	1%

Senior Sales Consultant Promotion Bonus!

Earn a one-time \$50 Product Bonus when you promote to this level.

\$1,000 Director Bonus!

Starting with the 3rd month of consecutive Director qualifications, consultant is awarded four (4) \$250 monthly installments each month title is maintained.

\$400 Promotion Bonus!

Awarded to qualified Senior Directors or higher for every first line Director who promotes to Director. Four (4) \$100 monthly installments are paid when qualifications of both Directors are achieved simultaneously.

Qualifications	Monthly Personal Volume	Monthly Team Volume	Monthly Organization Volume	Active, Qualified First Line Consultants
Sales Consultant <i>SC</i>	\$25			
Sr. Sales Consultant <i>SSC</i>	\$150			1 SC or SSC
Team Leader* <i>TL</i>	\$300	\$2,000		2 SC or SSC*
Director* <i>DIR</i>	\$500	\$4,000		3 SC, SSC or TL*
Sr. Director* <i>SDIR</i>	\$750	\$4,000		5 SC, SSC, TL + 1 DIR
Premier Director* <i>PDIR</i>	\$750	\$4,000	\$30,000	5 SC, SSC, TL + 2 DIR
Executive Director* <i>EDIR</i>	\$750	\$4,000	\$40,000	5 SC, SSC, TL + 3 DIR
Sr. Executive Director* <i>SREDIR</i>	\$750	\$4,000	\$80,000	5 SC, SSC, TL + 5 DIR + 1 SDIR
Platinum Director* <i>PLDIR</i>	\$750	\$4,000	\$200,000	5 SC, SSC, TL + 7 DIR + 1 PDIR

*2 month qualification period. March, 2015 © Lemongrass Spa Products

Explanation of Commission & Bonuses

Revised 3/1/2015

Personal Commission – Percentage paid on personal retail sales. The consultant will retain this commission at the time the order is placed. The personal commission for shopping cart orders will be rebated back to the consultant when commissions are processed each month (via electronic direct deposit) on the 10th of the month for the previous month's activity. Retail sales items include full-sized products; the Consultant Success Kit, samples and supplies do not qualify towards personal commission.

Personal Sales Volume Bonus – A bonus paid to all consultants when their personal volume for the month is **\$1,500** in retail sales or higher. Personal Sales Bonus is added to the commission check each month a consultant qualifies. Examples: A consultant with \$1500 in sales for the month would receive a \$75 Personal Sales Volume Bonus (5% x \$1500) on their commission deposit. A consultant with \$2000 in sales for the month would receive a \$100 Personal Sales Volume Bonus (5% x \$2000) on their commission deposit.

Sponsoring Bonus – A bonus paid to all Senior Sales Consultants and higher rank on the PV of all personally sponsored Sales Consultants or higher rank. A Sponsoring Bonus is paid only when the direct recruit has been both **enrolled and sponsored** by the qualified Sr. Sales Consultant or higher rank. To redeem the \$50 one-time product bonus, add code X0032 to any consultant or party order. The \$50 bonus will be added to your Product Bonus Account. In the case where the Home Office assigns a new consultant to you as a direct recruit you **will receive** a Sponsoring Bonus on their PV. In the case where a consultant has 'rolled up' to you due to a consultant in your downline becoming inactive, a Sponsoring Bonus is not awarded. In order to qualify to receive a Sponsoring Bonus at SCC title your PV must be \$150 or higher regardless of grace period.

Team Bonus – A "Team" is a Director and all downline consultants excluding other Directors or higher rank and their downlines. The Team Bonus is paid on the total Team Volume (TV) for the period. If the Home Office assigns a consultant to you his/her PV **is included** in your Team Volume and if a consultant 'rolls up' to you their volume is included in your Team Volume.

Generation Overrides – A bonus paid to all Qualified Sr. Directors and higher rank on the Team Volume of their downline Directors and higher rank.

Director Promotion Bonus – A bonus of \$100 per month for 4 consecutive months paid to Senior Directors and above when a Director is promoted from their team. Requires 3-month qualification simultaneously for the Sr. Director and the new Director before Promotion Bonus is issued per the requirements of a Director Promotion.

Director Bonus- A one-time (Lifetime) bonus paid to a Consultant after they have promoted to Director. Requires a consecutive 3-month qualification period before Director Bonus is awarded. Director bonus is paid in four \$250 monthly installments starting with the third month of completed Director in Qualification requirements. If at any point the consultant does not maintain the Director requirements during the installment payment period the bonus payments will not continue to be paid and they will not roll up the upline Director.

Additional Compensation/Rewards

- Plaques awarded to **Director** level and higher titles after their 3-month qualification period.
- Sterling silver bracelets with a peridot stone awarded to **Sr. Directors** and higher. Additional stones added to signify promotions to **Premier, Exec. Director, Sr. Exec. Director and Platinum Director** titles.
- Star Sales Bonus (\$300 cash) Awarded to any consultant at any title for achieving \$25,000 in personal PV during any consecutive 12 month period beginning July 1st to the following calendar year ending June 30 OR a calendar year from January 1st through December 31st. (\$25,000 PV requirement went into effect 8/1/2015)

TITLES

01 (SALES CONSULTANT) SC

This is the initial title after a consultant purchases a Success Kit and completes the online agreement. 25% commission on retail sales. \$25 PV requirement per month to be considered a 'qualified' or 'active' consultant. A Sales Consultant will be inactivated in the software system upon 60 days of \$0 (zero) PV; this is a manual process completed by Home Office at their discretion.

Rewards:

- **Personal Commissions**
- **Personal Sales Bonus**

02 (SENIOR SALES CONSULTANT) SSC

Requirements:

- **\$150 in Personal Volume (PV) each month**
- **One (1) first level active Sales Consultant (01) or Sr. Sales Consultant (02). Does not include breakaways (Director or higher).**

Rewards:

- **Personal Commissions; one-time Sr. Sales Consultant Bonus which is 1 Diamond Level Product Bonus**
- **Personal Sales Bonus**
- **Sponsoring Bonus**

03 (TEAM LEADER) TL

Requirements:

- **\$300 in Personal Volume (PV) each month**
- **Two (2) first level active Sales Consultant (01) or Sr. Sales Consultants (02). Does not include breakaways (Director or higher).**

Rewards:

- **Personal Commissions**
- **\$50 Monthly Team Volume Bonus**
- **Personal Sales Bonus**
- **Sponsoring Bonus**

04 (DIRECTOR) DIR

Requirements:

- **\$500 in Personal Volume (PV) for the period (month) to qualify for Director Pay Rank.**
- **Three (3) active first level Sales Consultants (01) or higher rank**
- **\$4,000 in Team Volume per month**
- **Director-In-Training Worksheet and Submission of Director Intention Form to home office**
- **All Director requirements must be met for two consecutive months in order to qualify for the promotion. After two consecutive months of qualification, Team Bonus will be paid to new Director on their most recent month's team volume.**
- **Director Bonus of \$1,000 paid to Director after 3 consecutive months of qualifications and completion of Director-In-Training Worksheet and Intention Form. Bonus paid in four equal \$250 payments starting with the third month of qualification.**

Rewards:

- **Personal Commissions**
- **Personal Sales Bonus**
- **Sponsoring Bonus**
- **Director Bonus (one-time, lifetime \$1000) paid in four (4) \$250 monthly installments.**
- **Team Bonus**

05 (SENIOR DIRECTOR) SDIR

Requirements:

- ***\$750* in Personal Volume (PV) for the period (month) to qualify for Sr. Director Pay Rank***
**During your first four months of this title you can qualify with \$500 PV.*
- ***Five (5) active first level Sales Consultants (01) or higher rank***
- ***\$4,000 in Team Volume Per Month***
- ***Plus one (1) first generation Director or higher rank.***
- *All Director requirements must be met for two consecutive months in order to qualify for promotion.*
- *Promotion Bonus (\$400, payable in 4 - \$100 monthly installments) issued after three consecutive months of qualifying Director requirements and your Sr. Director requirements.*

Rewards:

- ***Personal Commissions***
- ***Personal Sales Bonus***
- ***Sponsoring Bonus***
- ***Team Bonus***
- ***Promotion Bonus***
- ***Generation 1 Overrides***

06 (PREMIER DIRECTOR) PDIR

Requirements:

- ***\$750 in Personal Volume (PV) for the period (month) to qualify for Premier Director Pay Rank***
- ***Five (5) active first level Sales Consultants (01) or higher rank***
- ***\$4,000 in Team Volume Per Month***
- ***Plus two (2) first generation Directors or higher rank.***
- *Premier Director requirements must be met for two consecutive months in order to qualify for promotion.*
- *Promotion Bonus (\$400, payable in 4 - \$100 monthly installments) issued after three consecutive months of qualifying Director requirements and your Sr. Director requirements.*

Rewards:

- ***Personal Commissions***
- ***Personal Sales Bonus***
- ***Sponsoring Bonus***
- ***Team Bonus***
- ***Promotion Bonus***
- ***Generation 1 and Generation 2 Overrides***

07 (EXECUTIVE DIRECTOR) EDIR

Requirements:

- ***\$750 in Personal Volume (PV) for the period (month)***
- ***Five (5) active first level Sales Consultants (01) or higher rank.***
- ***Plus three (3) first generation Directors or higher rank.***
- ***\$4,000 in Team Volume Per Month***
- ***\$40,000 in Organizational Volume Per Month***
- *All Director requirements must be met for two consecutive months in order to qualify for promotion.*
- *Promotion Bonus (\$400, payable in 4 - \$100 monthly installments) issued after three consecutive months of qualifying Director requirements and your Exec. Director requirements.*

Rewards:

- ***Personal Commissions***

- *Personal Sales Bonus*
- *Sponsoring Bonus*
- *Team Bonus*
- *Promotion Bonus*
- *Generation 1 and Generation 2 Overrides*

08 (SENIOR EXECUTIVE DIRECTOR) SEDIR

Requirements:

- *\$750 in Personal Volume (PV) for the period (month)*
- *5 active first level Sales Consultants or higher rank.*
- *Plus five (5) first generation Directors or higher rank*
- *Plus at least one (1) Sr. Director first generation or higher rank.*
- *\$4,000 in Team Volume per month*
- *\$80,000 in Organizational Volume Per Month*

Rewards:

- *Personal Commissions*
- *Personal Sales Bonus*
- *Team Bonus*
- *Promotion Bonus*
- *Generation 1, Generation 2 and Generation 3 overrides*

09 (PLATINUM DIRECTOR) PDIR

Requirements:

- *\$750 in Personal Volume (PV) for the period (month)*
- *5 active first level Sales Consultants or higher rank.*
- *Plus seven (7) first generation Directors or higher rank*
- *Plus at least one (1) Premier Director first generation or higher rank.*
- *\$4,000 in Team Volume per month*
- *\$200,000 in Organizational Volume Per Month*

Rewards:

- *Personal Commissions*
- *Personal Sales Bonus*
- *Team Bonus*
- *Promotion Bonus*
- *Generation 1, Generation 2, Generation 3 and Generation 4 overrides*

Alternate Organization:

5 active first level Sales Consultants or higher rank
Plus five (5) first generation Directors or higher rank
Plus at least one (1) Executive Director first generation or higher rank.

TITLE MAINTENANCE

Promotions take effect the fifth day following the qualifying month when qualification criteria have been met. Promotions do not skip titles. The requirements of one title must be met before promoting to the next, but this may happen in the same period.

A consultant needs to meet the qualifications to be paid in the current period for their title. If a Sr. Sales Consultant does not meet the requirements for that title, he/she will be paid at Sales Consultant title for as long as he/she qualifies at the lower title. There is no permanent demotion of a Sr. Sales Consultant and he/she can requalify for that title at any time once it has been attained.

If a **Director, Sr. Director or Premier Director** fails to meet the qualifications for three (3) consecutive months then a change of title will be reflected in the software on the consultant's back office web page. Consultants will be paid-at whatever title they qualify for during the last month of the 3 month period of time. They may re-qualify for a title after re-qualifying for two consecutive months after a demotion but no consultant will be eligible for more than one Director Bonus of \$1000 in their lifetime or more than one Diamond Level product bonus for achieving Sr. Sales Consultant. If an **Executive Director or higher** consultant does not meet their qualifications they will have a 6 month Grace Period so long as they qualify as a paid-at Premier Director title or higher during that Grace Period. Personal Volume requirements are not waived for these Executive Director or higher titles during the grace period in order for them to be 'paid-at' their lower title temporarily.

A Consultant must be Active and meet the qualifications below to be paid at the title that they qualify for in the current period. If a Consultant does not meet the qualifications of their title, they will be paid at the title for which they do qualify but may move back up to the vacated title the following month if qualifications are met at that time. Example: if a consultant is qualified and paid as a Director in August but in September she does not qualify for Director, she will be paid as a Sales Consultant or a Sr. Sales Consultant depending on her performance in September. Her title in the software will remain at Director but she will be paid at the lower title in which she qualified. If in October she meets the requirements of Director, she will be paid at Director in October. If she has been paid at the lower ranking title for 3 consecutive months, her title will change permanently in the software system to the qualifying (paid-as) title during the last month of the 3-month period. She would need to re-qualify as a Director with the 2 consecutive month qualifications to be promoted to Director again. She would *not* be eligible to receive a Director \$1000 bonus a second time. Nor would she be able to reclaim a Pass-By Director.

Title Maintenance Requirements

Title	PV/mo	AFL	TV	DIR	OV
Sales Consultant	\$25	-	-	-	-
Sr. Sales Consultant	150	1	-	-	-
Team Leader	300	2	2,000	-	-
Director	500	3	4,000	-	-
Sr. Director	750	5	4,000	1	-
Premier Director	750	5	4,000	2	30,000
Executive Director	750	5	4,000	3	40,000
Sr. Executive Director	750	5	4,000	5 +1 SDIR	80,000
Platinum Director	750	5	4,000	7 + 1 PDIR or 5 + 1 EDIR	200,000

<i>Code</i>	<i>Description</i>
PV	Personal Volume (Monthly)
AFL	Count of active first level Sales Consultants (01) or Sr. Sales Consultants (02) rank.
TV	Team Volume
DIR	Count of 1st generation Directors or higher rank.
OV	Organizational Volume

DIRECTOR PROMOTIONS and DIRECTOR GRACE PERIODS

Promotions take effect the fifth day following the qualifying month when qualification criteria have been met. When a consultant promotes to Director from a Sr. Sales Consultant title the new Director's Team Volume rolls upline for qualification purposes only, during the promotion period (2 months). The new Director is paid a Team Bonus on their Team Volume starting the 2nd month in qualification. The first upline breakaway's Team Bonus no longer includes the new breakaway's Team Volume, however, the first upline breakaway (Sr. Director or higher) will now receive a Generation 1 Override on the new breakaway's team. The breakaway's enroller can also count the new breakaway in their Active First Level count (AFL) for the promotion period only. If a Sr. Sales Consultant who is qualifying for promotion to the level of Director and is also promoting a Director from her team, the two qualifying Directors can qualify using the same team volume only during the qualification period. For example, if a Director (A) has two Consultants, or Sr. Sales Consultants (B & C) who are qualifying to become Directors in the same month, assuming that the first qualifier (B) is first level to Director (A) and that (B) sponsored the same qualifier (C). The manner in which they would promote would be as follows: "C" will promote using the volume of their team. "B" will promote using the volume of their team, which also includes the team volume of "C".

A Director or higher title is entitled to a two-month grace period when a Team member promotes to a breakaway title (Director or higher). The two-month Grace Period begins with the month following the promotion, which is at the end of the 2-month Director-in-qualification period. (Example: If the Director in Qualification period is January, February and March, then the two-month Grace Period would be in March and April.) During the two-month grace period, the upline Director or above will be required to fulfill reduced Team Volume requirements (ie: \$3,000 instead of \$4,000 per month) to maintain their title. If the upline Director or above fails to meet the reduced requirements, they are subject to the normal "paid-as" rules described on page 6. Note: Personal Volume Requirements are not reduced during the Director Grace Period except for the Sr. Director title (\$500 PV during month 1, 2, 3 & 4 of the Director in Qualification period for the newly promoted Director who is front line to her/him.) Starting with month 5 the Sr. Director must maintain \$750 to be paid-at the title.

Director Grace Period Requirements Table

Title	PV/mo	AFL	TV	DIR	OV
Director	500	2	3,000	-	-
Sr. Director	500	4	3,000	1	-
Premier Director	750	4	3,000	2	30,000
Executive Director	750	4	3,000	4	40,000
Sr. Executive Director	750	4	3,000	5 +1 SDIR	80,000
Platinum Director	750	4	3,000	7 + 1 PDIR or 5 + 1 EDIR	200,000

<i>Code</i>	<i>Description</i>
PV	Personal Volume (Monthly)
AFL	Count of active first level Sales Consultants (01) or Sr. Sales Consultants (02) rank.
TV	Team Volume
DIR	Count of 1st generation Directors or higher rank.
OV	Organizational Volume

BONUSES & OVERRIDES

Personal Commissions (PC)

All Sales Consultants and above are eligible to receive 25% personal commissions regardless of sales volume during the period. Personal commissions are paid on the commissionable volume of orders based on one's fully qualified title for the period.

Personal Sales Bonus (PSB)

Sales Consultants and higher ranks with at least \$1,500 PV in the period are eligible to receive a 5% Personal Sales Bonus (PSB) based on their total personal volume for the month. Bonus is paid on their commission check / direct deposit that is on the 10th of the month following the qualifying month. (July bonus issued via electronic deposit on August 10th).

Sponsoring Bonus (SB)

Qualified Senior Sales Consultants and above are eligible to receive a 4% sponsoring bonus on the personal volume (PV) of all personally enrolled and sponsored Consultants. This is paid on all personally sponsored consultants, even if that consultant has 'passed-by' and is no longer in your first line. You must qualify at Sr. Sales Consultant level to earn this bonus (\$150 PV + 1 active SC in the month).

If a Representative is **not Active** or is ineligible, the Sponsoring Bonus **will not roll-up** to the next Active upline Representative. In other words, if a consultant has 'rolled up' to you due to a consultant in your downline becoming inactive, a Sponsoring Bonus is not awarded to you. In order to qualify to receive a Sponsoring Bonus at SSC title your PV must be \$150 or higher regardless of grace period.

New consultants who are assigned to a Sr. Consultant or higher rank by the Home Office due to the efforts of the Home Office staff are termed 'assignments'. Consultants receive sponsoring Bonuses on assignments' PV and they can qualify for Team Bonus on assignments' PV as a Director or higher.

Director Bonus (DB)

Qualified Directors and above are eligible to receive a one-time, lifetime bonus of \$1000 for promoting to the title of Director. The bonus is paid in four (4) \$250 monthly installments. This Bonus is paid after three consecutive qualifying months as a Director title. For example, if a Sr. Consultant promotes to Director after qualifying in July, August and September, he/she will receive the first \$250 installment on their commission run dated October 10th. All Director requirements must be met in order to continue to receive the Director Bonus installments and no grace periods are honored in order to receive a Director Bonus. The Director in Training Worksheet and the Director Intention Form must be completed and received by Home office in order to qualify for the Director Bonus by the end of the 2nd month of qualification.

Team Bonus (TB)

All qualified Directors and Sr. Directors are eligible to receive a 4% Team Bonus on the total personal volume (PV) of their Team (TV). All qualified Exec Directors, Sr. Exec Directors and Platinum Directors are eligible to receive a 5% Team Bonus on the total personal (PV) of their Team (TV). The PV of the Director is included in the Team Volume requirement each month. A Team Leader is eligible to receive a flat \$50 Team Bonus if their team volume is \$2000, the Team Leader has \$300 PV has at least 2 active first line recruits in the month.

Note: If a Consultant is **not Active** or is not qualified, the Team Bonus **will roll-up** to the next Active and Qualified upline Director. A Team Leader's \$50 Team Bonus does not roll up under any circumstances.

Generation Overrides (GENx)

Generation Overrides are paid to Qualified Senior Directors (04) and above. Generations are essentially levels of Directors (or above) and the override is paid on the Team Volume (TV) of the downline Director or above.

If a Consultant is not Active, unqualified, or ineligible for the Generation overrides (GENx) the bonus **WILL roll-up** to the next Active and Qualified upline Sr. Director or above.

Promotion Bonus (PB)

Qualified Sr. Directors (04) and above will receive a one-time \$400 bonus (\$100 per month for four consecutive months) for each first generation Director promoted from their team. It will be paid after the 3-month qualification period in which both the Director and Sr. Director must qualify simultaneously.

Note: If a Sr. Director is **not Active** or is not qualified, the Promotion Bonus **will roll-up** to the next Active and Qualified upline Sr. Director. If this Sr. Director or higher is not qualified during the promotion period, it will not roll up to any further upline. The Promotion Bonus is intended for the Sr. Director who is directly above the new Director or their immediate upline Sr. Director or above.

COMMISSION CODES

The commission codes and descriptions are used for commission reporting and online commission statements.

<u>Code</u>	<u>Description</u>
PC	Personal Commission
PSB	Personal Sales Bonus
PB	Promotion Bonus
SB	Sponsoring Bonus
TB	Team Bonus
GENx	Generation Override where "x" is the generation (1-3)

DEFINITIONS

ACTIVE

A Representative is considered active if they have at least \$25 in PV in the month. A Consultant must be active to earn any bonuses except Personal Commissions. After 2 consecutive months of \$0 PV, a consultant will be removed from the software system and not allowed access to the Lemongrass back-office website nor allowed the opportunity to earn 25% commission. Once a consultant has been removed from the system they will lose their downline and the downline will be reassigned to the next upline consultant if they are active.

BREAKAWAY

Director is the first 'breakaway' title in this plan. The team volume of a downline Consultant with a paid title of Director or above is excluded from the team volume of the upline.

COMMISSIONABLE VOLUME (CV)

The amount of volume from a sales order upon which commissions are paid. All full-sized products are commissionable; samples and supplies are not counted towards commissionable volume.

CONSULTANT

A person or entity in the genealogy who gets credit for a purchase or can receive commissions. In order to become a Consultant with Lemongrass Spa, an individual purchases a Success Kit and submits a Consultant Agreement to enroll.

DOWNLINE

The Consultants personally sponsored by a Consultant, as well as all the Consultants they sponsor, etc. Example: You sponsor Jane, who sponsors Mary, who sponsors Tia. All these Consultants are in your "downline."

ELIGIBLE

A Consultant is considered eligible for a particular bonus for a specific month if the Consultant meets the title, level and/or generation requirements of that particular bonus. Consultants will be paid at the Title they qualify for each month based on the requirements of that title regardless of the Title they once achieved.

ENROLLER and SPONSOR

The sponsor at the time the Consultants was entered into the computer. The "sponsor" may change because of genealogy changes or deletions, but the "enroller" will not change. The "enroller" may be a Consultant or the Home Office.

GENERATION

The relationship between an upline breakaway and a downline breakaway, not including non-breakaways. The first breakaway in any leg is a first generation breakaway. Generations are counted based on the period's fully qualified title.

GENERATION OVERRIDE

A commission paid to upline Generations who are qualified Sr. Directors rank or higher. This is paid only on the volume of Breakaways (Directors in your downline).

INACTIVATION DUE TO INACTIVITY

If a consultant does not meet their sales requirement of at least \$25 per month for 2 consecutive months they will become inactive as a consultant; effectively terminating their Agreement with Lemongrass Spa Products, LLC. Upon deactivation they will be unable to earn their 25% commission and all downline consultants will be immediately forfeited and reassigned to the next active upline consultant. If extenuating circumstances exist a consultant may ask for a grace period of one month (available once per year) by notifying the home office prior to the end of the month in which the grace period is being requested. During a grace period no loss of commission or team would occur. To request a grace period email Bryan Leist at leistb@lemongrassspa.com prior to the last day of the month with your name and Consultant ID number.

In the event a consultant has been deactivated, they may choose to reactivate their account and Agreement within 60 days of their deactivation date by placing an order in the amount that fulfills the \$25 per month obligation they failed to meet during the previous months as well as becoming current for the month in which they are requesting to be reinstated. They will be issued a new consultant ID number, start at \$0 career volume for qualifying purposes, and will be assigned to their original sponsoring consultant unless they specifically request a different sponsor. Example: A consultant did not meet their minimum of \$25 PV for September and October. He/she was inactivated on November 1st. Anytime in November they may reactivate through the home office with an order of at least \$100 PV. If they wait until January they will need to purchase a new success kit to become a consultant again (see next paragraph).

If after 60 days of being deactivated as a consultant, he/she may become a consultant again, by purchasing a Consultant Success Kit. He/she will be issued a new consultant ID number and start at \$0 career volume for qualifying purposes. The consultant may do so by signing up online via their sponsor's website. Consultants will be allowed one reactivation process and/or secondary Consultant Success Kit purchase during their career with Lemongrass Spa.

INELIGIBLE

A Consultant is considered ineligible for a particular bonus during a specific month if the Consultant does not meet the title, level and/or generation requirements of that particular bonus.

LEG

Each personally sponsored Consultant and all his or her downline.

LEVEL

The position a Consultant has in a downline relative to another upline or downline Consultants. Consultants personally sponsored are Level One. Those Consultants sponsored by Level One Consultants are Level Two, relative to the original Consultants.

PAID-AS TITLE

The highest title for which a Consultant is qualified in a commission period. The paid-as title may be the same as or lower than the Consultant's actual title. All Consultants are paid based on their paid-as title.

PASSING BY or PASS BY

When a consultant promotes to the title of Director before their upline promotes to Director, the upline consultant will have one additional month in which to obtain the title of Director and claim the first level Director's Team Volume as her Generation 1. For example, if a Sr. Sales Consultant has a first level consultant that promotes to Director in January, she/he will need to also promote to Director in either January or February in order to avoid 'pass by'. If the upline does not promote in the next month then the downline Director will be permanently moved in the genealogy to be placed first level to the first upline Director or higher titled consultant.

A 'pass by' only applies to Sales Consultants, Sr. Sales Consultants and Team Leaders; it does not apply to qualified paid-at Directors or higher titles. For example, if a Sr. Director has a Generation 1 consultant who promotes to Executive Director before the Sr. Director, the Executive Director would not pass by her/him so long as the Sr. Director does not demote to a Sr. Sales Consultant or Sales Consultant title.

PERIOD

The time frame in which commissions are processed; in our plan it is monthly.

PERSONALLY SPONSORED

All Consultants on a Consultant's first level that are enrolled by that Consultant are considered to be personally sponsored by that Consultant. Consultants who 'roll-up' to an upline consultant due to attrition is not considered to be personally sponsored.

PERSONAL VOLUME (PV)

The total of all QV credited to a Consultant in a commission period.

QUALIFIED

A Consultant is "qualified" if they meet the requirements of their title.

QUALIFYING VOLUME (QV) ... SAME AS COMMISSIONABLE VOLUME

The amount of qualifying volume from a sales order. This volume is used to calculate Personal Volume (PV) and Group Volume (GV). This comes from the total "qualification" volume on the sales order.

ROLL-UP

If a bonus payment (Team Bonus, Generation Bonus) cannot be paid to a Consultant, due to that Consultant being inactive, unqualified or not eligible in a given period, the payment will be paid to the next qualified, Active and eligible Consultant (Director) upline.

SPONSOR

The Consultant's immediate upline.

TEAM

All consultants who are in a downline except for Director Titles or higher and their teams. A Consultant's team does not include breakaways (Directors who have promoted out.)

TEAM VOLUME (TV)

The total of all volume sold by a team for a commission period. A Consultant's own PV is included in their TV. This volume is used by Consultants for promotions and maintenance requirements for Director or higher.

UPLINE

A Consultant's sponsor, along with his or her sponsor, etc.

PRODUCT BONUSES FROM LEMONGRASS

Lemongrass offers four ways to earn free products and supplies throughout your career with the company.

- Jump Start Program offers free products and bonuses during your first 3 months in business with Lemongrass Spa. See the Jump Start Incentives document located on the downloads section of your website.
- A \$50 Product Bonus in their Product Bonus Account is awarded to consultants once in their career for promoting to Sr. Sales Consultant title. Bonus is awarded during the month following their promotion. To redeem the Bonus simply add the code X0583 to any order after qualifying for it.
- Top Consultants of the month are announced via email. Our top two consultants in sales and top two Rookies of the Month are awarded product bonuses. A Rookie is a new consultant who enrolled in the current month or the month previous.
- \$1000, \$2000 and \$3000 or higher in sales: consultants who achieve these levels of sales earn Booking Booster Kits from the home office. See the downloads section of the website for our current description of these kits.