# **DYNAMITE COMPENSATION PLAN**

**EFFECTIVE JUNE 1, 2015** 

#### THE PRODUCT REPRESENTATIVE (Product Rep)

In order to become a Product Representative with the Company, the applicant must comply with the following:

1. Be at least 18 years of age.

2. Have a valid Social Security or Tax ID number.

3. Be sponsored by an existing Dynamite® Distributor

4. Read thoroughly, understand and adhere to the Dynamite Policies and Procedures, all of the attachments and exhibits.

5. Sign and/or electronically agree to the Distributor application and submit to Dynamite.

6. Pay the application fee and agree to pay the annual renewal fee as outlined in the policies and Procedures.

7. RETAIL COMMISSIONS (Cash long): Upon signing up, a Product Rep will receive a personalized replicated website where their RETAIL customers can place orders. Retail customers who shop online will pay Dynamite's assigned retail price and the Product Rep will earn the amount equal to the difference between current retail price and current wholesale price.

#### THE MANAGER

TITLE RANK ADVANCEMENT: To advance to Title Rank of Manager, a Product Representative must acquire a total of seven hundred (700) PV within any two (2) consecutive calendar months.

PAY RANK MAINTENANCE: To maintain the Pay Rank of Manager and be paid Manager commissions, a distributor must already have acquired the titled Manager Rank and must acquire two hundred (200) OV per commissionable calendar month.

REBATES: A Manager Pay Rank receives a rebate on personal purchases and customer web orders equal to 5% PV.

COMMISSIONS: A Manager Pay Rank receives a commission equal to five percent PV (5% PV) on personally-sponsored Product Reps' (Pay Rank) GV. No commissions are paid to lateral downline (downline who are Manager Pay Rank or higher).

RETAIL COMMISSIONS (Cash long): Retail customers who shop on the Manager's replicated website will pay Dynamite's assigned retail price and the Manager will earn the amount equal to the difference between current retail price and current wholesale price.

#### THE SUPERVISOR

IITLE RANK ADVANCEMENT: To advance to Title Rank of Supervisor, a Manager must acquire a total of three hundred (300) PV within any one (1) calendar month OR a total of seven hundred (700) PV within any two (2) consecutive calendar months AND six hundred (600) OV within one (1) calendar month AND must have three (3) legs of Product Representative or above.

PAY RANK MAINTENANCE: To maintain the Pay Rank of Supervisor and be paid Supervisor commissions, a rep must already have acquired the titled Supervisor Rank and must acquire three hundred (300) OV per commissionable calendar month.

REBATES: A Supervisor Pay Rank receives a rebate on personal purchases and customer web orders equal to 10% PV.

COMMISSIONS: A Manager Pay Rank receives a commission equal to five percent (5% PV) on personally-sponsored Managers' (Pay Rank) GV PLUS a commission equal to ten percent PV (10% PV) on personally-sponsored Product Reps' (Pay Rank) GV. No commissions are paid to lateral downline (downline who are Supervisor Pay Rank or higher).

RETAIL COMMISSIONS (Cash long): Retail customers who shop on the Supervisor's replicated website will pay Dynamite's assigned retail price and the Supervisor will earn the amount equal to the difference between current retail price and current wholesale price.

#### THE DIRECTOR

TITLE RANK ADVANCEMENT: To advance to Title Rank of Director, a Supervisor must acquire a total of three hundred (300) PV within any one (1) calendar month OR a total of seven hundred (700) PV within any two (2) consecutive calendar months AND fifteen hundred (1500) OV within one (1) calendar month AND must have five (5) legs of Product Representative or above.

PAY RANK MAINTENANCE: To maintain the Pay Rank of Director and be paid Director commissions, a rep must already have acquired the titled Director Rank and must acquire the following within the commissionable period:

- one hundred twenty (120) PV within one (1) commissionable month OR
- two-hundred forty (240) PV within two (2) commissionable calendar months AND
- three hundred (300) OV per commissionable calendar month.

REBATES: A Director Pay Rank receives a rebate on personal purchases and customer web orders equal to 15% PV.

COMMISSIONS: A Director Pay Rank receives a commission equal to five percent (5% PV) on personally-sponsored Supervisors' (Pay Rank) GV PLUS a commission equal to ten percent PV (10% PV) on personally-sponsored Managers' (Pay Rank) GV PLUS a commission equal to fifteen percent PV (15% PV) on personally-sponsored Product Reps' (Pay Rank) GV. No commissions are paid to lateral downline (downline who are Director Pay Rank or higher).

RETAIL COMMISSIONS (Cash long): Retail customers who shop on the Director's replicated website will pay Dynamite's assigned retail price and the Director will earn the amount equal to the difference between current retail price and current wholesale price.

#### THE BRONZE DIRECTOR

TITLE RANK ADVANCEMENT: To advance to Title Rank of Bronze Director, a Director must acquire a total of three hundred (300) PV within any one (1) calendar month OR a total of seven hundred (700) PV within any two (2) consecutive calendar months AND seventy-five hundred (7500) OV within one (1) calendar month AND must have five (5) legs of Director or above.

PAY RANK MAINTENANCE: To maintain the Pay Rank of Bronze Director and be paid Bronze Director commissions, a rep must already have acquired the titled Bronze Director Rank and must acquire the following within the commissionable period:

- one hundred twenty (120) PV within one (1) commissionable month
- OR
  two-hundred forty (240) PV within two (2) commissionable calendar months AND
- six hundred (600) GV per commissionable calendar month. AND
- one (1) Director Titled Rank leg or above

REBATES: A Bronze Director Pay Rank receives a rebate on personal purchases and customer web orders equal to 15% PV.

COMMISSIONS: A Bronze Director Pay Rank receives a commission equal to five percent (5% PV) on personally-sponsored Supervisors' (Pay Rank) GV PLUS a commission equal to ten percent PV (10% PV) on personally-sponsored Managers' (Pay Rank) GV PLUS a commission equal to fifteen percent PV (15% PV) on personally-sponsored Product Reps' (Pay Rank) GV.

GENERATIONAL BONUS: In addition to regular commissions, a qualified Bronze Director pay rank receives commissions equivalent to 5% on the GV of their first, second and third generation Director Pay Ranks (and above).

RETAIL COMMISSIONS (Cash long): Retail customers who shop on the Bronze Director's replicated website will pay Dynamite's assigned retail price and the Bronze Director will earn the amount equal to the difference between current retail price and current wholesale price.

#### THE SILVER DIRECTOR

TITLE RANK ADVANCEMENT: To advance to Title Rank of Silver Director, a Bronze Director must acquire a total of three hundred (300) PV within any one (1) calendar month OR a total of seven hundred (700) PV within any two (2) consecutive calendar months AND thirty-seventy thousand, five hundred (37,500) OV within one (1) calendar month AND must have five (5) legs of Bronze Director or above.

PAY RANK MAINTENANCE: To maintain the Pay Rank of Silver Director and be paid Silver Director commissions, a rep must already have acquired the titled Silver Director Rank and must acquire the following within the commissionable period:

- one hundred twenty (120) PV within one (1) commissionable month
- two-hundred forty (240) PV within two (2) commissionable calendar months AND
- six hundred (600) GV per commissionable calendar month.
- five (5) Director Titled Rank legs or above

REBATES: A Silver Director Pay Rank receives a rebate on personal purchases and customer web orders equal to 15% PV.

COMMISSIONS: A Silver Director Pay Rank receives a commission equal to five percent (5% PV) on personally-sponsored Supervisors' (Pay Rank) GV PLUS a commission equal to ten percent PV (10% PV) on personally-sponsored Managers' (Pay Rank) GV PLUS a commission equal to fifteen percent PV (15% PV) on personally-sponsored Product Reps' (Pay Rank) GV.

GENERATIONAL BONUS: In addition to regular commissions, a qualified Silver Director pay rank receives commissions equivalent to 5% on the GV of their first, second and third generation Director Pay Ranks (and above) AND 4% on the GV of their fourth generation Director Pay Ranks (and above).

RETAIL COMMISSIONS (Cash long): Retail customers who shop on the Silver Director's replicated website will pay Dynamite's assigned retail price and the Silver Director will earn the amount equal to the difference between current retail price and current wholesale price.

#### THE GOLD DIRECTOR

TITLE RANK ADVANCEMENT: To advance to Title Rank of Gold Director, a Silver Director must acquire a total of three hundred (300) PV within any one (1) calendar month OR a total of seven hundred (700) PV within any two (2) consecutive calendar months AND thirty-seventy thousand, five hundred (37,500) OV within one (1) calendar month AND must have five (5) legs of Silver Director or above.

PAY RANK MAINTENANCE: To maintain the Pay Rank of Gold Director and be paid Gold Director commissions, a rep must already have acquired the titled Gold Director Rank and must acquire the following within the commissionable period:

- one hundred twenty (120) PV within one (1) commissionable month OR
- two-hundred forty (240) PV within two (2) commissionable calendar months AND
- six hundred (600) GV per commissionable calendar month.
- AND
  five (5) Director Titled Rank legs or above

REBATES: A Gold Director Pay Rank receives a rebate on personal purchases and customer web orders equal to 15% PV.

COMMISSIONS: A Gold Director Pay Rank receives a commission equal to five percent (5% PV) on personally-sponsored Supervisors' (Pay Rank) GV PLUS a commission equal to ten percent PV (10% PV) on personally-sponsored Managers' (Pay Rank) GV PLUS a commission equal to fifteen percent PV (15% PV) on personally-sponsored Product Reps' (Pay Rank) GV.

GENERATIONAL BONUS: In addition to regular commissions, a qualified Gold Director pay rank receives commissions equivalent to 5% on the GV of their first, second and third generation Director Pay Ranks (and above) AND 4% on the GV of their fourth generation Director Pay Ranks (and above) AND 3% on the GV of their fifth generation Director Pay Ranks (and above).

RETAIL COMMISSIONS (Cash long): Retail customers who shop on the Gold Director's replicated website will pay Dynamite's assigned retail price and the Gold Director will earn the amount equal to the difference between current retail price and current wholesale price.

#### DEFINITIONS

PV (Personal Volume): A numerical Volume value is assigned to every Dynamite product (see current Pricelist). Personal Volume refers to the amount of Product Volume personally-purchased or Product Volume purchased by retail customers on distributor's replicated websites.

GV (Group Volume): Product Volume purchased by a rep's personally-sponsored Product Reps, Managers & Supervisors & their non-Director downlines. This volume comes from what Dynamite considers "non-generational" or "non-Director" down-lines. Once a rep advances to Director or higher, their volume no longer counts toward GV, but rather applies to Organizational Volume (see below).

OV (Organizational Volume): The Personal Volume (PV) of every person in a rep's entire downline, regardless of level, title or pay rank.

Leg: A personally-sponsored representative is the start of a new "leg". A leg can go an infinite depth. The highest rank in a leg will determine the level of that entire leg. For instance, a rep might have a leg that is 15 levels deep, if there is a Director anywhere in those 15 people, then the entire leg is considered a "Director leg" to the sponsoring upline.

Commissionable Calendar Month: Refers to the calendar month (ex: January, February, etc...) in which commissions are earned. The Pay Rank requirements must be met within the same commissionable calendar month as the commissionable volume is earned in order to receive commissions & rebates on those orders.

Generation: Pay Ranks of Director level or higher and their personally-sponsored non-Director levels. A Generation's level is relative to their sponsor. A gen 1 Director is personally-sponsored, a Gen 2 is personally-sponsored by a Gen 1 Director, etc...

#### EFFECTIVE JUNE 1, 2015

# **Distributor Business Plan**

### Pay Rank Qualification Requirements

Rank Name	PV Requirements		ov	GV	Downline Requirements	Special Rules
	1 month	2 months*	00	Gv	Downine Requirements	
Product Rep	0	0	N/A	N/A	none	Cannot earn commissions
Manager	0	0	200	-	none	none
Supervisor	0	0	300	-	none	none
Director	120	or 240	300	-	none	none
Bronze Director	120	or 240	-	600	1 titled Director leg or above**	none
Silver Director	120	or 240	_	600	5 titled Director legs or above**	none
Gold Director	120	or 240	-	600	5 titled Director legs or above**	none

\*2 consecutive months \*\*Grandfathered in until August 2015 commission run

## **Title Advancement Requirements**

Rank Name	PV Requirements		ov	Doumling Dominamento	Creasial Dulas
Rank Name	1 month	2 months*	00	Downline Requirements	Special Rules
Product Rep	N/A	N/A	none	none	Cannot earn commissions
Manager	700 🤇	<b>700</b>	0	none	none
Supervisor	300 🤇	<b>700</b>	600	3 legs of Product Rep or above	none
Director	300 🤇	<b>R</b> 700	1500	5 legs of Product Rep or above	none
Bronze Director	300 🤇	<b>R</b> 700	7500	5 qualified legs of Director or above	none
Silver Director	300 🤇	<b>R</b> 700	37,500	5 qualified legs of Bronze Director or above	none
Gold Director	300 🤇	<b>PR</b> 700	187,500	5 qualified legs of Silver Director or above	none

\*2 consecutive months

# Rebates and Commissions

Pay Rank	Rebates	Commissions***		
Product Rep	No rebates	Cannot earn commissions		
Manager	5% BV rebate on personal purchases	• 5% BV on personally-sponsored product rep pay ranks and their GV		
Supervisor	10% BV rebate on personal purchases	<ul> <li>10% BV on personally-sponsored product reps and their GV</li> <li>5% BV on personally-sponsored managers and their GV</li> </ul>		
Director	15% BV rebate on personal purchases	<ul> <li>15% BV on personally-sponsored product reps and their GV</li> <li>10% BV on personally-sponsored managers and their GV</li> <li>5% BV on personally-sponsored supervisors and their GV</li> </ul>		
Bronze Director	15% BV rebate on personal purchases	<ul> <li>Director level commissions PLUS</li> <li>5% on personally-sponsored, second generation and third generation pay rank qualified directors and their GV</li> </ul>		
Silver Director	15% BV rebate on personal purchases	<ul> <li>Director level commissions</li> <li>Bronze Director level commissions PLUS</li> <li>4% on qualified fourth generation directors and their GV</li> </ul>		
Gold Director	15% BV rebate on personal purchases	<ul> <li>Director level commissions</li> <li>Bronze Director level commissions</li> <li>Silver Director level commissions PLUS</li> <li>3% on qualified fifth generation directors and their GV</li> </ul>		

GV = Group Volume (personally-sponsored non-directors and their non-director groups. Directors breakaway and become a "generation"). \*\*\*No lateral or higher commissions are paid. Commissions are not paid to downlines who are equal to or greater than the sponsors pay rank.