



The inLife
COMPENSATION PLAN
(March 15, 2009)

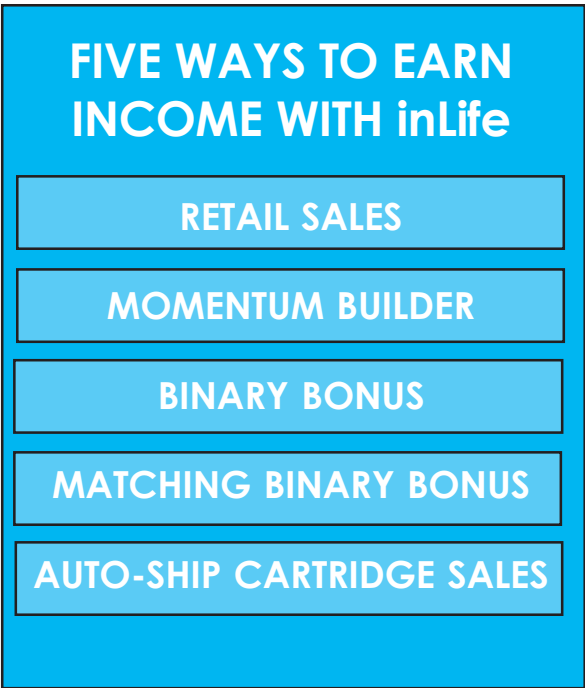


AT inLife, WE REGARD OUR INDEPENDENT DISTRIBUTORS AS ONE OF OUR MOST IMPORTANT ASSETS. WE BELIEVE THAT THEY SHOULD BE REWARDED ACCORDINGLY WITH A GENEROUS COMPENSATION PLAN

There are basically two things we do at inLife, we find customers and we find "customer getters" (a.k.a. Independent Distributors). When these two things happen, everything else is in place to take full advantage of the compensation plan. Everything we do at inLife is geared toward providing our customers a logical alternative, improving the environment and assisting our Independent Distributors in their goals towards financial reward and personal freedom.

Always keep in mind that this is a "people helping people" business. We have designed our compensation plan to encourage our Independent Distributors to help others in their organization succeed. When that happens, they will be in position to be financially rewarded.

The first step is really quite simple: Get started and help others to become leaders in inLife. There are five ways to get paid at inLife. When studying these five ways it is important to keep in mind that the Auto-ship program is the surest way to maximize your commission potential and an important element in taking advantage of the total compensation plan. In addition, there are qualifications that you must meet in order to earn income with three of the five methods below. We will outline the requirements for qualifications later on in this document.



1. RETAIL SALES

No Qualification Required. (Paid Weekly)

Retail Sales allow you to earn income when a product is sold to an Retail Customer at the retail price. This can occur one of two ways:

- A. A Retail Customer can purchase an Elite, Prestige or Royale Pack on line through your replicated web site. The company will collect the funds from the Retail Customer through the web site, ship them the product and pay you the difference between the retail price and the wholesale price. (A check will be sent to you the week after the sale is completed).
- B. A Retail Customer can purchase an Elite, Prestige or Royale Pack directly from you personally. You may sell it to them at the retail price and profit the difference between your wholesale price and the price you sell it at.*

RETAIL SALE EXAMPLE:	
Elite Pack Retail Price	\$129.95
Elite Pack Wholesale Price	<u>\$99.95</u>
Retail Price Gross Profit	\$30.00

* Independent Distributors who purchase product on a wholesale level and resell them directly to individuals without using their replicated website will be required to report these earnings to all applicable Federal, State and Local taxing authorities

2. MOMENTUM BUILDER

No Qualification Required (Paid Weekly)

The Momentum Builder allows you to **earn a direct \$20.00 bonus** every time someone you personally enroll as an ID in the business **makes a purchase of an Elite, Prestige or Royale Pack**. In the event that the person you directly enroll purchases a multiple Biz Pack your bonus will be as follows:

<u>Biz Pack 6</u>	<u>Biz Pack 15</u>	<u>Biz Pack 30</u>	<u>Biz Pack 60</u>	<u>Biz Pack 100</u>	<u>Biz Pack 200</u>	<u>Biz Pack 500</u>	<u>Biz Pack 1000</u>
\$80.00	\$150.00	\$240.00	\$360.00	\$600.00	\$1,200.00	\$2,400.00	\$4,400.00

Note: When an ID purchases a Biz Pack, their cost per unit goes down as **inLife** offers a certain number of free units that increases with a higher Biz Pack purchase. Momentum Builder Bonuses are paid the week after the transaction is complete.

Please note that sales of products purchased by those in your downline that you did not personally enroll as an ID do not count toward the Momentum Builder Bonus.



BINARY BONUSES ARE THE BASIC BUILDING BLOCK OF THE inLife COMMISSION PLAN. AS AN INDEPENDENT DISTRIBUTOR, YOUR PRIMARY FOCUS WILL BE IN CREATING RETAIL SALES AS WELL AS BUILDING AN INDEPENDENT SALES FORCE.

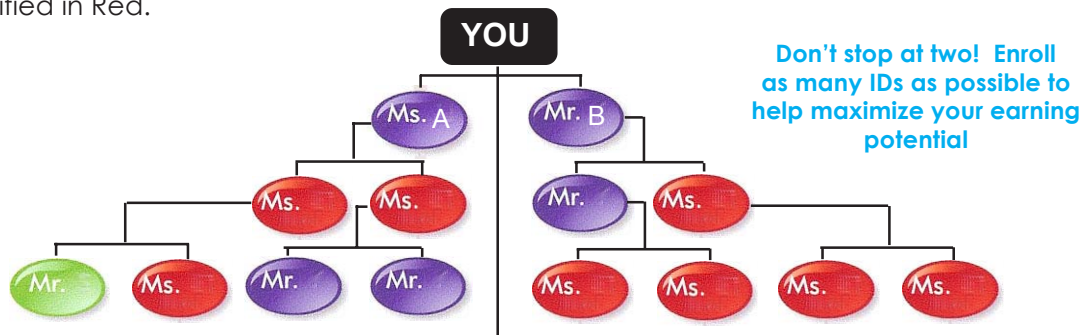
3. BINARY BONUS

Qualification Required (Paid Weekly)

Wealthy individuals understand the power of duplication. John D. Rockefeller is credited as once saying, "I'd rather have 1% of the efforts of 100 people than 100% of my own." The Binary Bonus is designed to allow you to earn income on the sales of the Elite or Prestige Packs or Biz Packs sold by either you or anyone in your organization underneath you who does the same. When someone joins your **inLife** organization underneath you as an Independent Distributor they will be placed in either your right or left leg. In a binary, you can only have two legs moving downward at one time. Since there are only two legs in a binary, it follows that you can only have a right and a left leg.

POPULATING YOUR BINARY

In addition to finding and selling to Retail Customers, your first efforts should also include enrolling at least two people as Independent Distributors into your **inLife** organization. You will want to place the first person you enroll on your left side (Ms. A) and the second person you enroll on your right side (Mr. B). In this example, everyone you personally enroll will be identified in Purple. Those who might be placed in the business by people in your upline (those who are above you) will be identified in Green*. Those who are placed in the business by others you have personally enrolled will be identified in Red.



* Since **inLife** operates on a binary system, it is possible that someone in your upline may place a person into your downline. This is not guaranteed but it does happen in some cases.

GETTING PAID BINARY BONUSES

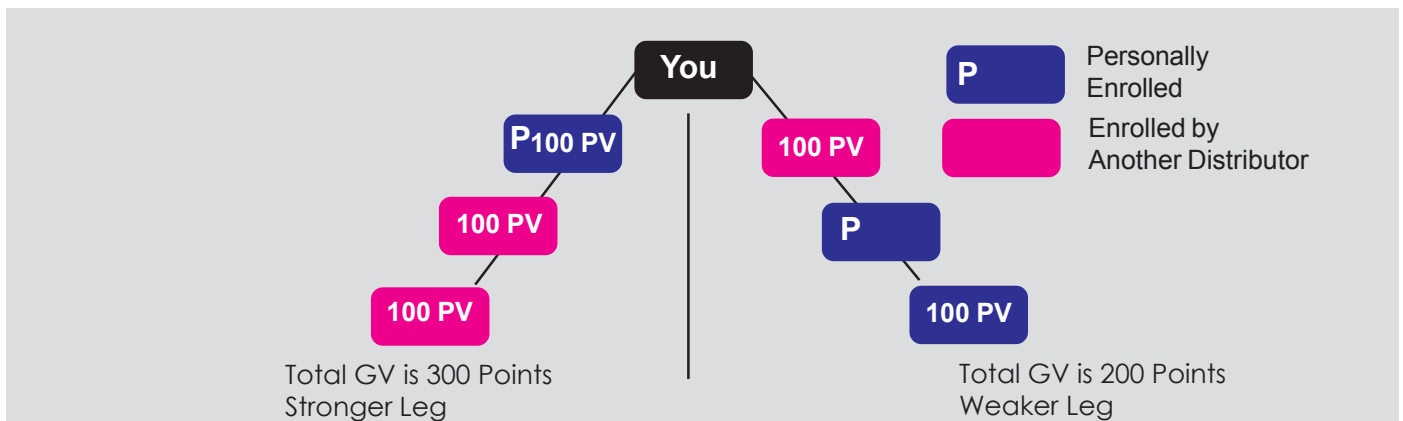
Upon qualification, anytime an Elite, Prestige or Royale Pack is sold anywhere in your two legs you will earn binary points. **Sales of Elite, Prestige and Royale packs to both Retail Customers and Independent Distributors count toward binary points.** These binary points will count toward the payout of Binary Bonus dollars. You do not have to make the sale personally as sales that result in the efforts of others below you in either your right or left leg also count toward your binary points in the form of Group Volume (GV). The Binary Bonus points can be collected down to infinity. There is a \$100,000.00 per week maximum payout cap that you can earn in the Binary Bonus.

POINT VALUES

Point values are accumulated only through the sale of the Elite, Prestige or Royale Packs or Biz Packs. Point values **are not** collected when the sale of cartridges or Auto-ship cartridges occur. Cartridge sales commissions are paid in a completely different manner and are the fifth way you can get paid with **inLife**. This will be discussed a bit further on.

Point values are outlined here →

Elite/Prestige/ Royale Packs	=	100 Points	(100 PV*)
Biz Pack 6	=	400 Points	(400 PV)
Biz Pack 15	=	750 Points	(750 PV)
Biz Pack 30	=	1,200 Points	(1,200 PV)
Biz Pack 60	=	1,800 Points	(1,800 PV)
Biz Pack 100	=	3,000 Points	(3,000 PV)
Biz Pack 200	=	6,000 Points	(6,000 PV)
Biz Pack 500	=	12,000 Points	(12,000 PV)
Biz Pack 1000	=	22,000 Points	(22,000 PV)
		*PV = Point Volume	GV = Group Volume



In this example, you see group volume (GV) accumulating in both the right and left leg. You can see that Point Volume (PV) is accumulated when any sales of Elite, Prestige or Royale Packs or Biz Packs are sold in either the right or left leg. These sales can be through your personal effort or through the efforts of those underneath you in your Binary.

Important: An ID will not start accumulating points in the Binary until they are qualified

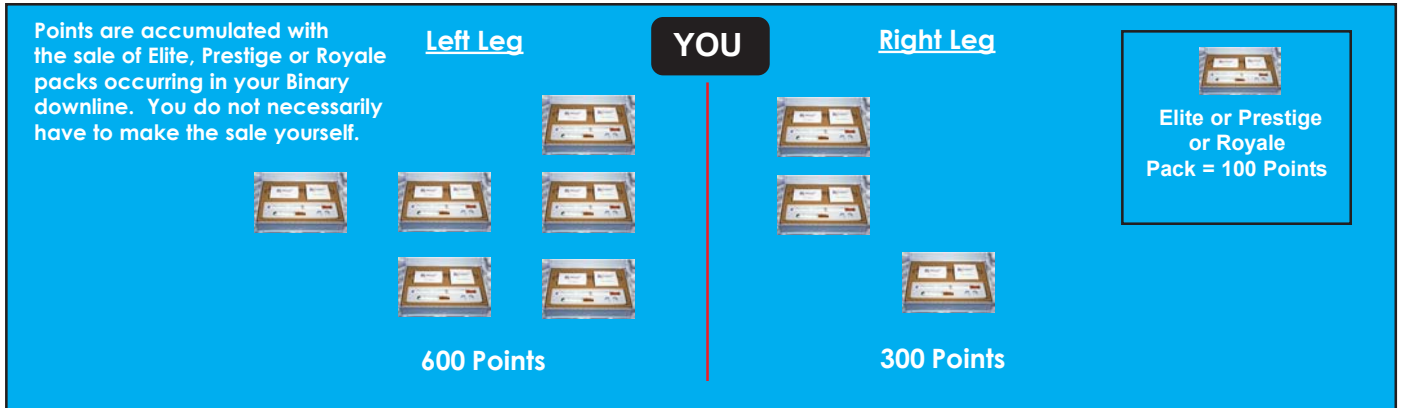
Personal Volume (PV) is only relevant as it pertains to checking to see if a particular person you have personally enrolled has made a purchase of an Elite, Prestige or Royale Pack. Personal Volume, as it pertains to you specifically, does not hold any value in terms of you being paid in the Binary Bonus program. It is relevant to your enroller who needs to keep tabs on whether or not you have made the optional purchase of either an Elite, Prestige or Royale Pack to qualify him/her.

Group Volume (GV) does pertain to you being paid in the Binary. You can see Group Volume by clicking on any particular ID box in your binary view. You will see Left Volume and Right Volume as individual amounts. These represent Group Volume in both the left and right leg. Since we pay the ID in the binary down to infinity, Group Volume in both the left and right leg accrue as a result of those underneath you who make a purchase of an Elite, Prestige or Royale Pack. When that happens, you accrue Group Volume Points in both the right and left leg.

The binary view can be seen by logging into your replicated website's back office and clicking "Downline Report." Further details are available at the site by viewing the "ID Placement Tutorial."

TURNING POINTS INTO DOLLARS

Turning points into dollars in the binary program occurs when 900 points are accumulated. The 900 points must occur as a combination compiling the results of both your right and left legs. **inLife** employs a 2/3 - 1/3 binary model. This means that a minimum of 300 points on the weaker leg with 600 points minimum on the stronger leg will trigger a binary bonus payment. The company will pay you a \$50.00 bonus when this occurs. There are no steps to complete and likewise there are no cycles to start over and over again. It is simply a recurring bonus that can be paid out a maximum of 2000 times per week.



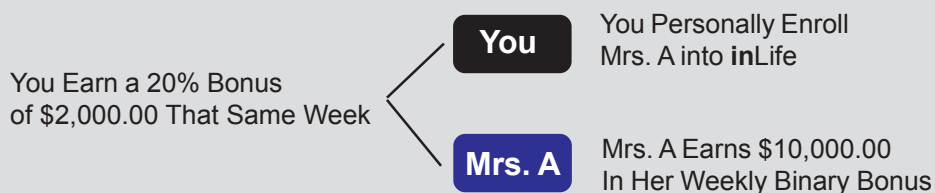
Points that accumulate in each leg will remain in place until they are claimed by banking a minimum of 300 points in the weaker leg and a minimum of 600 points in the stronger leg. There is no flushing of points. In other words, our present compensation plan does not allow you to lose any unused points in your stronger or weaker leg. The only way for points to disappear is when they are used in the payment process to the Independent Distributor.

inLife pays Binary Bonuses on a weekly basis for the previous week's results. **Note:** unused points earned in the current week's cycle will not be visible to you until the system performs an "in week" update or the week has closed. A cycle period is a one week cycle that ends at 11:59 P.M. Sunday night, P.S.T.

4. THE MATCHING BINARY BONUS

Qualification Required (Paid Weekly)

The Matching Binary Bonus is just one more way that we reward our Independent Distributors. This bonus allows you to earn a 20% overriding bonus on the amount that people you personally enroll earn in their Binary Bonus plan. For example, if you enroll Ms. A as an Independent Distributor in your **inLife** business, and Ms. A earned \$10,000.00 in her weekly Binary Bonus, you would be paid \$2,000.00 that same week.



As in the Binary Bonus program, there is a maximum of \$100,000.00 per week payout for the Matching Binary Bonus. Between the Binary Bonus and the Matching Binary Bonus, there is a maximum payment cap of \$200,000.00 per week collectively between these two bonuses.

At **inLife**, there are no flushing of points. Points disappear only when they are used for pay outs

THE AUTO-SHIP PROGRAM IS THE SUREST WAY TO MAXIMIZE YOUR COMMISSION POTENTIAL AND AN IMPORTANT ELEMENT IN TAKING ADVANTAGE OF THE TOTAL COMPENSATION PLAN

5. AUTO-SHIP CARTRIDGE SALES

Qualification Required (Paid Monthly)

The Auto-Ship Cartridge Commission program is where the residual income lives. Residual income is one of the most powerful ways to earn income. Wealthy individuals understand the power of residual income and many employ it in their income stream. It is a way to earn income by doing the work one time and getting paid over and over again, month after month, year after year. A singer records a record, doing the work one time. Every time that record is sold, played or performed legally, the artist earns income. **inLife** created the Auto-ship Cartridge Commission structure to reward our Independent Distributors using the same principles.



GETTING PAID COMMISSION ON AUTO-SHIP

The cartridges that are used with our Elite, Prestige or Royale units are consumables. They need to be replaced on a fairly regular basis. Users of **inLife** products that fall within your organization will most likely need to purchase cartridges. They may do so by purchasing them when the need arises, or by signing up for a monthly automatic shipment known as Auto-ship that is sent to them on a particular, desired day. When either or both of these occur, you will receive a commission for each cartridge pack sold within your first level provided you are qualified (see page 6). In addition, when cartridges are sold as a result of the efforts of your Independent Distributors that fall in your Unilevel organization between your second and seventh level, you will also receive a commission. **Note: cartridge sales are tracked in your Unilevel organization only. They are not tracked in the Binary and as such, their sales do not accumulate binary points. IDs earn commission on cartridge sales either through Auto-ship or single purchases based upon the commission structure presented on Page 6. Cartridges purchased by both IDs and Retail Customers count for Cartridge Commissions.**

THE DEFINITION OF AUTO-SHIP LEVELS

Please note: Cartridge sales to both Retail Customers and Independent Distributors count toward Auto-ship commissions.

Level 1:

A. Cartridge sales made directly by you to Retail Customers and sales made by your personally enrolled Independent Distributors

Level 2:

A. Cartridge sales made by Independent Distributors on Level 1

Level 3:

A. Cartridge sales made by Independent Distributors on Level 2

And so on.....

Your unilevel organization is populated by individuals that you personally enroll. They would fall on your first level. Individuals that are personally enrolled by the people that you personally enroll will also fall in your unilevel organization. You will be paid on all sales that occur between your first and seventh levels. As you are promoted to higher positions, you will also have the ability to earn income on the eighth and ninth levels of your unilevel. People that might be placed in your binary by others directly and not by you will not appear in your unilevel organization.

Residual income is one of the most powerful ways to earn income. Wealthy individuals understand the power of residual income and many employ it in their income stream.

COMMISSION STRUCTURE FOR AUTO-SHIP CARTRIDGES

The commission structure for Auto-ship Commissions are as follows:

Notice the varying degree of commission amounts paid. Level one pays \$2.00 per cartridge. This is to reward our Independent Distributors for personally enrolling others into Auto-ship. Levels two through six pay \$1.00 per cartridge. But notice that on level seven the commission amount is increased to \$3.00. This is because an Independent Distributor has the potential for the most cartridge pack sales on level seven in a one through seven unilevel matrix. By design, this encourages the Independent Distributor to directly enroll as many people as possible on the first level which, in turn, allows for greater volume on your 7th level.

Price of one Eight Pack Cartridge = \$24.95

Level	Commission Amount
Level One	\$2.00 Per Cartridge Pack
Level Two	\$1.00 Per Cartridge Pack
Level Three	\$1.00 Per Cartridge Pack
Level Four	\$1.00 Per Cartridge Pack
Level Five	\$1.00 Per Cartridge Pack
Level Six	\$1.00 Per Cartridge Pack
Level Seven	\$3.00 Per Cartridge Pack

POPULATING YOUR UNILEVEL ORGANIZATION

At inLife, we operate our compensation plan as a hybrid. Simply by personally enrolling people in your organization as Independent Distributors, the software places them in the binary matrix (which pays bonuses upon the sale of Elite, Prestige and Royale Packs), and simultaneously places your personally enrolled Independent Distributors into your first level of your unilevel organization (which pays commissions on the sales of cartridges). While it might happen that someone in your upline (a person inline above you) might place someone in your binary, this would not be the case in your unilevel organization. Only those people that you personally enroll and those folks who are personally enrolled by your personally enrolled individuals....and so on..... will fall in your unilevel organization.

QUALIFICATIONS

Of the five ways that an Independent Distributor earns income, only three require you to be qualified in order take advantage of their pay plan.

- A. Retail Sales (no qualification required)
- B. Momentum Builder (no qualification required)
- C. Binary Bonus (qualification required)
- D. Matching Binary Bonus (qualification required)
- E. Auto-ship Cartridge Sales (qualification required)

Qualifications Required

Binary Bonus and Matching Binary Bonus

You must personally enroll a minimum of two people as Independent Distributors who make an optional purchase of either an Elite Pack or a Prestige Pack. These two people do not need to be two separate legs. **Note: You will not start to collect any binary points until after you have become qualified.**

Auto-ship Cartridge Sales

You must maintain a minimum personal purchase volume of \$24.95 month on Auto-ship in order to qualify for the Auto-ship Cartridge Sales commission. In addition, you must also be qualified in the Binary Bonus program by personally enrolling a minimum of two people who make an optional purchase of either an Elite, Prestige or a Royale Pack.

Independent Distributors can earn income with Retail Sales & the Momentum Builder without being qualified. This allows the ID the potential to start earning income almost immediately.

PROMOTIONS

At inLife, we believe that promotions are an essential part of the compensation plan. As our Independent Distributors increase Auto-ship commission sales in their Unilevel organization, they are promoted to higher positions. Each level allows them to earn more income and allows for recognition among their peers. Promotions are determined by the sales of Auto-ship cartridges in your Unilvel organization and not your Binary organization.

<u>Status Rank</u>	<u>Qualifier</u>	<u>Bonus</u>
Independent Distributor	None	N/A
Qualified Independent Distributor (QID)	2 Personally enrolled IDs who make an optional purchase of an Elite, Prestige, Royale or Biz Pack	N/A
Regional Manager	QID with 11 customers who are active in Auto-ship	Opens the unilevel to 8th level (\$.05)
Regional Director	QID with 201 customers who are active in Auto-ship	Opens the unilevel to 8th level (\$.50)
Regional Vice President (RVP)	QID with 2001 customers who are active in Auto-ship	Opens the unilevel to 8th level (\$1.00)
Executive Vice President (EVP)	QID with 5001 customers who are active in Auto-ship	Opens the unilevel to 8th level (\$1.00) to 9th level (\$.50)

MAXIMUM PAYOUT RESTRICTIONS

In order to maintain a viable marketing program the COMPANY reserves the right to enforce a stop-loss mechanism that prohibits commission payouts from exceeding eighty percent (80%) of the Binary allocated revenues received within a weekly commission period. In addition, payouts for the Binary Bonus and the Matching Binary Bonus are capped at \$100,000.00 per week, (maximum \$200,000.00 per week for both the Binary Bonus and the Matching Binary Bonus combined).

Non-internet accessible literature and sales aids and promotional products are subject to return and 90% refund within 30 days of purchase. (1 year in New Mexico, and Montana; purchases within 1 year prior to termination of ID status in Wyoming; no time limitation in Massachusetts as to Wholesale Purchase made for commission qualification.)

Income and/or success as an inLife Independent Distributor is not guaranteed. Success is influenced by an individual's specific skills, motivation, efforts, timing and luck. Not all inLife Independent Distributors earn income through inLife, LLC. No one can be guaranteed income and/or success as an inLife Independent Distributor.

inLife, LLC reserves the right to change the compensation program at any time without prior notice.

inLife products have not been certified by the Food and Drug Administration or the Office of the Surgeon General to be used for smoking cessation purposes. Our products do not mitigate, cure or treat any medical condition nor do they offer any therapeutic value. To purchase inLife products or sign up as an Independent Distributor, you must be 18 or older and of the legal age of smoking in the state where you reside.

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inLife allows the Independent Distributor to earn income on the eight and ninth levels when they reach the level of Regional Vice President and Executive Vice President respectively.