

Compensation Plan Overview

Revised September 1, 2022

# Laurel Rose

## **Compensation Plan Overview**

Effective September 2022

### INTRODUCTION

Laurel Rose has chosen a Customer-focused business model to attract and reward our Independent Reps. Laurel Rose is committed to making sure that no one is earning at the expense of others, but rather from the success of others. This is a commitment that we at Laurel Rose take very seriously. Laurel Rose has eliminated every single non-essential expense, qualification, and gimmick that only profits the company by driving up Independent Reps expenses.

Laurel Rose is a modern business model designed to allow ANYONE looking to make extra income in a safe environment, be able to pursue that possibility, without being taken advantage of. The inventor of Laurel Rose business model realized that people involved in other outdated home-based business models that were designed in the 1980s, 1990s, and even early 2000s, were rarely profitable (less than 1% to be more accurate). When so few Reps are profitable it would be more accurate to call those models a "certainty of loss" versus an opportunity. The greatest discovery of researching these models was that the Reps that were looking for a real opportunity to earn extra income were not at fault – 100% of the fault rested with the company and the business model they chose. The Reps were willing to follow whatever system the company put out.

The inventor of the Laurel Rose business model designed a model that allows ANY Independent Rep to earn a profitable income in their "Spare-Time." Independent Reps should never be convinced they are "Buying" a business, but instead that they are "Trying" a business. Trying a business should not come with a big upfront price tag and never-ending monthly expenses. The Company should be earning from the success of its Independent Reps finding REAL Customers ONLY!!

The Laurel Rose business model is very "Flex-Time" focused. This model is designed for Independent Reps to invest time (NOT money) in exchange for being able to earn both immediate and residual income. You will never feel pressured, ashamed, or guilty when sharing or participating in the Laurel Rose business. Laurel Rose has also created a one of kind "Infinity Program" to reward the Independent Reps who are acquiring REAL customers, we offer unlimited product inventory to use FREE samples so our Reps can attract more REAL customers without the expense of having to invest over and over in the cost of samples. This groundbreaking program protects our Independent Rep's profits, while ensuring that everyone that is gathering REAL Customers always has plenty of product samples on hand to grow their business. Because Laurel Rose products work quickly, we know that the best way for a customer to decide on buying is to let the potential Customer experience firsthand the power and effectiveness of our protects. Let the results do the selling, so the Independent Rep does not have to. The Independent Rep's focus is to facilitate information about the products and as well facilitate a 2-week experience of the product.

If the product works, then it will network. With the Laurel Rose revolutionary business model and one of kind fast acting products the foundation of success is strong. The only thing missing is gathering the right team of people that believe in building REAL Customers and REAL Independent Reps that are tired of all the gimmicks and gotchas. Below is a detailed overview of the Laurel Rose Independent Rep Compensation Plan.

#### Common Terms that you will see throughout this compensation document:

**1. Active Customer-** Everyone you personally sponsor is considered a Customer (Independent Reps included). If they purchase an order with 50 Order Volume (OV) or more, they are considered an "Active Customer" for the 4 weeks following the purchase date.

\*Independent Reps can NOT be their own Customer. If an Independent Rep chooses to purchase any product, they would be considered a customer for the Independent Rep that sponsored them.

**2. Order Volume (OV)-** Order Volume or "OV" is generated when a Customer (or Independent Rep) in your sponsor organization makes a product purchase. Order Volume is dollar-for-dollar for the price of a product. Example \$50 in product is 50 Order Volume (OV).

**3. Group Volume (GV)-** Group Volume is generated from all Order Volume from customers in your sponsor organization to infinity. Every time you enroll a new Customer or Independent Rep that creates a new sponsored leg, that Customer/Independent Rep leg, and all Order Volume from that cause and effect that continues, is considered "GV."

**4. Team Volume (TV)-** Team Volume is the volume that goes into the binary and comes from all Customers/Independent Reps in your sponsor organization that have made a product purchase in that specific commission period. Team Volume or "TV" is calculated by taking the Order Volume or "OV" and multiplying it by 50%. Whether it is a first order or a re-order, the calculation always applies.

**5. Clawback-** If a Customer order is returned and refunded, any commissions initially paid on the sale will be clawed back from the Independent Reps.

\*Any reward points earned through Share Rewards will also be clawed back on any orders that are returned and refunded.

\*See the Laurel Rose Policies and Procedures/ Return Policy for more details regarding Laurel Rose's Return and Refund policies.

**6. Visual Trees-** There are two different trees that enable you to see both your Enrollment (Sponsor) Organization and the Team (Binary) Organization. Each tree has different parameters for what is included and/or displayed in each tree. Both trees can be viewed and tracked in the Independent Rep's back office.

**a. Enrollment (Sponsor) Tree-** The Enrollment (Sponsor) Tree is made up of an Independent Rep's personally sponsored customers (this includes any non-rep customers that result from the initial personally sponsored customer). As well as any personally sponsored Independent Reps and the Independent Reps they sponsor.

**b. Team (Binary) Tree-** The Team Tree, which is also referred to as the Binary Tree, is made up of a combination of your Enrollment (Sponsor) Tree (which includes all Customers in the sponsor tree); as well as any Customers or Independent Reps that are placed below you in the Team (Binary) Tree by your enroller and other Independent Reps above them. There are only two sides of the Team (Binary) Tree, a right side, and a left side, so you must choose where you want to place your personally sponsored Independent Reps and Customers. You have 72 hours from the time of their enrollment to log into your back office and place your personally sponsored Customers and Independent Reps, or they will be auto-placed by default. The default placement can be changed in the Independent Rep back office.

\*You will only ever be able to see information for those Customers and Reps that you personally sponsor(enroll).

**7. Business center (BC)-** An Independent Rep position within the Team (Binary) Team structure. An Independent Rep can only have 1 position within the Team (Binary) Tree. This means 1 account per person.

\*Customers are also allowed only 1 account per person. This is strictly enforced.

# Laurel Rose Ranks: What they mean and how an Independent Rep can achieve and maintain them

To become an Independent Rep, a person would enroll in the business and pay a onetime fee of \$50 (\*No Annual Renewals) to get their Online Business kit. There are \$0 in commissions paid out on the purchase of an Online Business kit.

The Online Business Kit includes:

- Business Registration Fee
- Full eCommerce Replicated Website
- eGetting Started Workbook (Coming in October)
- Back Office Resource Center
- Additional eBusiness Resources
- FAQ Rep Center and Chat Support

\*The Online Business Kit does not include a product purchase and does NOT qualify an Independent Rep as a customer. This is optional, and separate if the Rep decides they would like to be a Customer as well.

In Laurel Rose, there is one way an Independent Rep can rank advance and that is by building a Customer Book. There are Eleven (11) ranks in Laurel Rose and each has its own qualifications for achieving the rank and maintaining it.

#### Rep (Rank 1)

As soon as a person purchases the Online Business Kit, they achieve the first rank in Laurel Rose which is Rep, and they get their Business Center (BC) in the Team (Binary) Tree. They are also eligible to earn commissions and bonuses both on acquisition, as well as residual orders.

Bonuses eligible for Rank 1 (Rep)

- First Order Bonus 10%
- Re-Order Bonus 10%

#### Team Qualified (Rank 2)

Team Qualified is the second rank an Independent Rep can achieve in Laurel Rose.

For an Independent Rep to achieve the rank of Team Qualified, they must personally sponsor 2 Customers with a minimum of 50 Order Volume(OV) per Customer. They must also place 1 Customer on the left and 1 Customer on the right.

A Customer that qualifies an Independent Rep as Team Qualified, as well as for other achieving other ranks, is any first-level Customer. A "First-Level Customer" is a Customer that you have personally enrolled, as well as a personally enrolled Independent Rep that decides to become a Customer as well. Customers on your second level, third level, and beyond can count towards rank qualifications if there is not an Independent Rep between these customers and you.

Once an Independent Rep achieves rank of Team Qualified, they are eligible to earn Team Commission.

Bonuses eligible for Rank 2 (Team Qualified)

- First Order Bonus 15%
- Re-Order Bonus 10%
- Team Commission Bonus up to \$100 per week

#### Double Team Qualified (Rank 3)

The next rank an Independent Rep can achieve in Laurel Rose is Double Team Qualified.

To achieve the rank of Double Team Qualified an Independent Rep must personally sponsor 4 Customers with a minimum of 50 OV per customer. They must also have a minimum of one Customer placed on the right, and a minimum of one Customer placed on the left.

Bonuses eligible for Rank 3 (Double Team Qualified)

- First Order Bonus 20%
- Re-Order Bonus 10%
- Team Commission Bonus up to \$200 per week

#### Triple Team Qualified (Rank 4)

After Double Team Qualified, the next rank an Independent Rep can achieve in Laurel Rose is Triple Team Qualified.

To achieve the rank of Triple Team Qualified an Independent Rep must personally sponsor 6 Customers with a minimum of 50 OV per Customer. They must also have a minimum of one Customer placed on the right, and a minimum of one Customer placed on the left.

Bonuses eligible for Rank 4 (Triple Team Qualified)

- First Order Bonus 25%
- Re-Order Bonus 10%
- Team Commission Bonus up to \$300 per week

#### Star Rep (Rank 5)

The next rank at Laurel Rose is Star Rep.

To achieve the rank of Star Rep, an Independent Rep must acquire a total of 1400 Group Volume (GV) with no more than 50% GV coming from one sponsored leg.

\*If an Independent Rep earned or purchased an "Infinity Pack" they are considered an "Infinity Member." When an Independent Rep is an Infinity Member, they are only required to acquire half of the amount of the required GV to achieve a rank. So, to achieve the rank of Star Rep, an Infinity Member must acquire a total of 700 GV (*no more than 50% GV from one sponsored leg*) and with 2 "active" Customers they have personally sponsored.

\*The" Infinity Pack" is ALWAYS considered a first order (acquisition), even if the Independent Rep has purchased product previously.

Bonuses eligible for Rank 5 (Star Rep)

- First Order Bonus 25%
- Re-Order Bonus 15%
- Team Commission Bonus up to **\$2,000** per week

#### Market Leader (Rank 6)

The next rank at Laurel Rose is Market Leader.

To achieve the rank of Market Leader, an Independent Rep must acquire a total of 4000 Group Volume (GV) with no more than 40% GV coming from one sponsored leg.

For an Independent Rep that is also an "Infinity Member" to achieve the rank of Market Leader, they must acquire a total of 2000 GV (*no more than 40% GV from one sponsored leg*) with 4 "active" Customers they have personally sponsored.

Bonuses eligible for Rank 6 (Market Leader)

- First Order Bonus 25%
- Re-Order Bonus 20%
- Team Commission Bonus up to \$3,000 per week
- \$50 Star Maker Bonuses

#### Executive Market Leader (Rank 7)

The next rank at Laurel Rose is Executive Market Leader.

To achieve the rank of Executive Market Leader, an Independent Rep must acquire a total of 10,000 Group Volume (GV) with no more than 40% GV coming from one sponsored leg.

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For an Independent Rep that is also an "Infinity Member" to achieve the rank of Executive Market Leader, they must acquire a total of 5000 GV (*no more than 40% GV from one sponsored leg*) with 6 "active" Customers they have personally sponsored.

Bonuses eligible for Rank 7 (Executive Market Leader)

- First Order Bonus 25%
- Re-Order Bonus 25%
- Team Commission Bonus up to \$5,000 per week
- Up to \$100 Star Maker Bonuses

#### National Market Leader (Rank 8)

The next rank at Laurel Rose is National Market Leader.

To achieve the rank of National Market Leader, an Independent Rep must acquire a total of 25,000 Group Volume (GV) with no more than 40% GV coming from one sponsored leg.

For an Independent Rep that is also an "Infinity Member" to achieve the rank of National Market Leader, they must acquire a total of 12,500 GV (*no more than 40% GV from one sponsored leg*) with 10 "active" Customers they have personally sponsored.

Bonuses eligible for Rank 8 (National Market Leader)

- First Order Bonus 25%
- Re-Order Bonus 25%
- Team Commission Bonus up to \$7,500 per week
- Up to \$150 Star Maker Bonuses
- First Order Differential Bonus up to 15%

#### Presidential Market Leader (Rank 9)

The next rank at Laurel Rose is Presidential Market Leader.

To achieve the rank of Presidential Market Leader, an Independent Rep must acquire a total of 70,000 Group Volume (GV) with no more than 40% GV coming from one sponsored leg.

For an Independent Rep that is also an "Infinity Member" to achieve the rank of Presidential Market Leader, they must acquire a total of 35,000 GV (*no more than 40% GV from one sponsored leg*) with 20 "active" Customers they have personally sponsored.

Bonuses eligible for Rank 9 (Presidential Market Leader)

- First Order Bonus 25%
- Re-Order Bonus 25%
- Team Commission Bonus up to \$10,000 per week
- Up to \$150 Star Maker Bonuses
- First Order Differential Bonus up to 15%
- Re-Order Differential Bonus up to 15%

#### Ambassador (Rank 10)

The next rank at Laurel Rose is Ambassador.

To achieve the rank of Ambassador, an Independent Rep must acquire a total of 150,000 Group Volume (GV) with no more than 40% GV coming from one sponsored leg.

For an Independent Rep that is also an "Infinity Member" to achieve the rank of Ambassador, they must acquire a total of 75,000 GV (*no more than 40% GV from one sponsored leg*) with 20 "active" Customers they have personally sponsored.

Bonuses eligible for Rank 10 (Ambassador)

- First Order Bonus 25%
- Re-Order Bonus 25%
- Team Commission Bonus up to \$15,000 per week
- Up to \$150 Star Maker Bonuses
- First Order Differential Bonus up to 15%
- Re-Order Differential Bonus up to 15%

#### Royal Ambassador (Rank 11)

The final rank at Laurel Rose is Royal Ambassador.

To achieve the rank of Royal Ambassador, an Independent Rep must acquire a total of 500,000 Group Volume (GV) with no more than 40% GV coming from one sponsored leg.

For an Independent Rep that is also an "Infinity Member" to achieve the rank of Royal Ambassador they must acquire a total of 250,000 GV (*no more than 40% GV from one sponsored leg*) with 20 "active" Customers they have personally sponsored.

Bonuses eligible for Rank 9 (Presidential Market Leader)

- First Order Bonus 25%
- Re-Order Bonus 25%
- Team Commission Bonus up to \$25,000 per week
- Up to \$150 Star Maker Bonuses
- First Order Differential Bonus up to 15%
- Re-Order Differential Bonus up to 15%

#### **Commissions and Bonuses**

**1. First Order Bonus (Sponsor Tree):** Earn between 10% to 25% on the first(initial) product purchase(s) made by your personally sponsored Customers and Independent Reps. [These do NOT stack. Depending on the rank you are at is the percentage you receive for this bonus.]

- Rep level receives 10%
- Team Qualified level receives 15%
- Double Team Qualified level receives 20%
- Triple Team Qualified level and above receive 25%

**2. Re-Order Bonus (Sponsor Tree):** Earn between 10% to 25% on the product re-order(s) made by your personally sponsored Customers and Independent Reps. [These do NOT stack. Depending on the rank you are at is the percentage you receive for this bonus.]

- Rep through Triple Team Qualified levels receive 10%
- Star level receives 15%
- Market Leader level receives 20%
- Executive Market Leader level and above receive 25%

**3. Star Maker Bonus (Sponsor Tree):** When an Independent Rep in your sponsor organization achieves the rank of Star for the first time within their first 30 days, \$150 is released in "Star Maker Bonuses." [These bonuses can be stacked/multiple earned, and an Independent Rep needs to have achieved the level of Market Leader or higher to earn any of these bonuses}

- \$50 rolls up to the first Market Leader or higher
- \$50 rolls up to the first Executive Market Leader or higher.
- \$50 rolls up to the first National Market Leader or higher.

#### 4. First Order Differential Bonus (Sponsor Tree)

Every time a Rep, Team Qualified Rep, or Double Team Qualified Rep receives a "First Order Bonus," the difference between what bonus amount they receive and the 25% set aside for "First Order Bonuses" is paid to the first National Market Leader or higher. (%left over out of 25% depending on the rank of the Independent Rep earning the first order bonus. For example, an Independent Rep at the rank of Team Qualified earns a "First Order Bonus" of 15%, the remaining 10% gets paid to the first National Market Leader or higher for a total of 25% paid out).

#### 5. Re-Order Differential Bonus

Every time a Rep, Team Qualified Rep, Double Team Qualified Rep, Triple Team Qualified Rep, Star Rep, and Market Leader rep receives a "Re-Order Bonus," the difference between what bonus amount they receive and the 25% set aside for "Re-Order Bonuses" is paid to the first Presidential Market Leader or higher. (%left over out of 25% depending on the rank of the Independent Rep earning the "Re-Order Bonus. For example, an Independent Rep at the rank of Market Leader earns a "Re-Order Bonus" of 20%, the remaining 5% gets paid to the first Presidential Market Leader or higher for a total of 25% paid out).

#### 6. Team Commissions (ONLY bonus paid on the Team/Binary Tree)

Independent Reps are qualified to earn a Team Commission as soon as they achieve the rank of Team Qualified (An Independent Rep is not considered Team Qualified until they personally sponsor 2 Customers, so Independent Reps at the starting level of Rep would not be qualified to earn Team Commissions).

Team Commissions are paid on the volume in the Team (Binary) Tree. There are 2 legs in your Team (Binary) Tree (Left Leg and Right Leg). Every pay period all Team Volume (TV) is added up in your Left Leg and your right leg to infinity. Whichever leg has the lessor total of Team Volume (TV) is considered your "Pay Leg" that commission period. If an Independent Rep has Team Volume (TV) in their "Pay Leg" at the end of a commission period, they will earn a Team Commission (which is 10% of the TV in their pay leg). Depending on an Independent Rep's rank they can potentially earn between \$100-25,000 per week. Team Commissions are paid weekly.

- Team Qualified- up to \$100 per week
- Double Team Qualified- up to \$200 per week
- Triple Team Qualified- up to \$300 per week
- Star Rep- up to \$2,000 per week
- Market Leader- up to \$3,000 per week
- Executive Market Leader- up to \$5,000 per week
- National Market Leader- up to \$7,500 per week
- Presidential Market Leader- up to \$10,000 per week

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- Ambassador- up to \$15,000 per week
- Royal Ambassador- up to \$25,000 per week

\*The amount an Independent Rep can earn in Team Commissions (TC) from the Team (Binary) Tree goes up as they rank advance.

#### 7. Team Commission Matching Checks (Sponsor Tree): COMING SOON!

- Presidential Marketing Leader- Coming Soon
- Ambassador- Coming Soon
- Royal Ambassador- Coming Soon

#### **Commission Periods:**

At Laurel Rose, the commission period begins every Friday at 12:00 a.m. CT and closes every Thursday at 11:59 p.m. CT. All of the sales activity that takes place during that timeframe will be considered for commission and bonus qualification payout for that week. Commissions are paid on the Friday following the close of the commission period (paid the next week for the previous week's sales).