

Commission plan

Basic concepts

Customer

A person without a business account on the company's Internet platform. A Customer may place an order for goods offered on the company's platform. A Customer may be either registered (have an account on the WellU platform) or unregistered.

Businesspartner (BP)

A person with a business account at WellU. The BP has all the rights of a Customer and additionally has the possibility to use the company's business platform to conduct his or her own business activity. The activity consists of obtaining new Customers and Business Partners. The BP receives a commission for her or his activities depending on the turnover generated by the entire network that he/she initiated.

The BP has an individual ID, meaning a unique name used to log into the company's portal and for recommending new users.

Point (P)

A conversion unit in which business volumes are calculated for the purposes of compensation. Products and services traded in the company have sales prices assigned in accordance with different categories of users and point value.

Commission point (CP)

A conversion unit used for calculating commissions. The rewards resulting from hereby commission plan are calculated in commission points. Afterwards, the total value of the commission points is converted into EUR.

Annual subscription

A fee incurred every 12 months for the Businesspartner's account. The fee includes a package of information materials, maintenance and support. After signing up to a business account a BP has 30 days to make payment, which is automatically added to the shopping cart along with the first order. Lack of payment causes a change of the BP status to "Customer". A user with a CUSTOMER status may change the account status to business at any time, and in such case again has 30 days to make payment.

Accounting period (AP)

The time span in which turnover and commissions are calculated. The accounting period lasts 7 days, starting on Saturday at 0:00 CET.

Building a team

To create income as a BP, you need to build a team of customers and Businesspartners. The network is created in parallel according to two mechanisms which also cause the calculation of two different components of the total commission:

- Unilevel downline
- Binary tree

Unilevel downline

The system recognises who was recommended by whom. On this basis, it creates a so-called unilevel downline. The downline starts from you. Persons that you personally recommended constitute your first generation. Persons recommended by your first generation constitute your second generation, and so on.

Binary tree

The binary tree includes all Customers and Businesspartners arranged with binary rules. This means that every member initially has two empty places downline and creates two teams: left (L) and right (R).

The binary tree mechanism is equipped with a waiting-room functionality, after a new member is referred and registered, he or she goes to the waiting-room. Placing a newly-referred person in the tree can be done using one two options:

- **Manually** - you choose the place in the tree and place the new person there. To do so, choose the empty place (marked graphically) by clicking on it, which results displaying a waiting-room list. Click on a given person to place him/her in the place selected. There is a 7 days period to place a newly enrolled person.
- **Automatically** - if after 7 days since registration, a person is still in the waiting-room, he / she will be placed, with accordance to the positioning preference setup in your profile. There are three possibilities of automatic positioning:
 - Left side - the bottom lower left position.
 - Right side - the bottom lower right position.
 - The weaker side - the bottom lower position, at the side (L or R) where at the given moment there are less people. This option is set by default and can be changed in a user's profile.

Businesspartner's Activity

ACTIVITY is the minimum level of purchases made by Businesspartner and his personally referred customers at a minimum level of 50p at least once every four accounting weeks.

You become an ACTIVE Business Partner for the first time when your sales and the sales of your Customers amount to a minimum of 50p in one accounting period. The duration of activity is four accounting periods (4 weeks). The accounting period in which a minimum turnover of 50p is made is the first of the four weeks of activity.

The be active continuously, place a minimum 50p turnover, at least once every four accounting weeks.

If in one of the subsequent weeks during which you are active, additional turnover is made giving activity, the continuity of activity starts again.

All purchases exceeding the activity requirement increase the turnover at the binary tree, at the side with less volume at a moment.

The activity end date is displayed in the back office in several places. After this date, you should place an order with a minimum value of 50p no later than by the end of the next accounting period to maintain the activity continuity.

Activity triggers the calculation and accumulation of turnover made by your team. The volume points balance at the end of the accounting week is the basis for compensation calculation.

The point volume balance in the binary plan not settled in a given week (see binary commissions) is carried on to the next accounting period as long as you remain active.



Manager

Manager is the first rank on the career path (more information on this can be found further below). Here is where you begin to generate passive income from the turnover of your team. You become a Manager when you meet both criteria:

- You are active (pursuant to rules specified above)
- You have in your team a minimum of two active Business Partners that you personally recommended, of which there must be at least one on each side of your binary tree.

Discount / Margin

The Business Partner shall be entitled to receive rebates on purchases and a margin on purchases made by Customers and Partners. The basis for calculating the margin and rebates is the retail price of the products.

- **20%** - rebate or margin on Customer purchases for Business Partner who has not yet obtained 300p cumulative turnover together with the unilevel downline.
- **40%** - rebate or margin on Customer purchases for Business Partner+ (after obtaining 300p cumulative turnover together with the unilevel downline).
- **20%** - from Business Partner purchases for the first of the top Business Partner+ recommendation.

Startup commissions

Commissions coming from the work with persons just starting their cooperation.

First Order Bonus (FOB)

When a Business Partner you recommended places their first order, you receive a bonus on the first order - **10%** of the point value of the order. In order to receive the FOB you must be ACTIVE.

Manager Bonus (MB)

When a Business Partner you recommended acquires a rank of Manager, a one-time manager bonus of 20 CP is paid. To receive the MB you must be ACTIVE.



Passive Income and Career Path

Along with the team's development and increase of team turnover, you receive subsequent ranks along with growing passive income which depends on the amount of turnover in the whole organization. The table below presents the principles for calculating passive income.

CAREER PATH RANKS										
	Manager	Manager+	Team Manager	Leader	Leader+	Vice Director	Director	Vice President	President	International President
	M	M+	TM	L	L+	VD	D	VP	P	IP
Volume Criteria	-	350p	1.000p	3.000p	6.000p	8.000p	15.000p	30.000p	80.000p	150.000p
Team Criteria	Min. 2 active BP's, min. 1 on both binary sides.			Min. 3 M	Min. 1 M 2 TM	Min. 3 TM	Min. 2 L	Min. 2 VD	Min. 2 D	Min. 2 VP

UNILEVEL COMMISSIONS BASED ON A GIVEN GENERATION

1	3%	3%	5%	5%	5%	5%	5%	6%	6%	6%
2	3%	3%	4%	4%	4%	4%	4%	5%	5%	5%
3			3%	3%	3%	3%	3%	3%	3%	4%
4				3%	3%	3%	3%	3%	3%	4%
5						3%	3%	3%	3%	3%
6							3%	3%	3%	3%
7								3%	3%	3%
8									3%	3%
9										3%

BINARY COMMISSION

	5%
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REAL INCOME AT THE GIVEN RANK

	100€	125€	375€	625€	1000€	1.250€	2.500€	7.500€	10.000€	20.000€
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Explanations to table

Volume criteria

A level of qualification volume, which is a volume created by the whole unilevel downline within 4 accounting periods (last 3 closed and current).



Team criteria

A given or greater amount of Businesspartners with a given rank or higher in different unilevel branches, not necessarily personally referred.

Generations

For the purposes of unilevel commissions, generations are determined by the presence of a Businesspartner with a rank of Manager or a higher, going down the reference line. Turnovers made by either Customer and the BP who is not a Manager existing in the sponsorship line are summarized as turnover in a given generation, until the next Manager (or higher ranking BP) going down the line of recommendations.

Rank

Rank is simply the level in the career path achieved in accordance with the table of generation commissions. We distinguish between a paid rank and possessed rank.

- The **paid rank** is a rank achieved on the basis of currently fulfilled criteria for assigning a given rank. Commissions are payable in accordance with the following commission plan based on the paid rank.
- The **possessed rank** is the highest rank ever achieved, regardless of the current paid rank. The possessed rank exists for representation and entitles you to certain benefits described in the WellU Career Path.

Binary commission – detailed rules

The Binary Commission (BC) is calculated from the turnover of all Customers and Business Partners in your binary tree, on both sides. Settlement is made according to the following conditions:

- **The turnover of the weaker side must reach a minimum of 200P.** If the turnover sum of the weaker side is less than 200P, the point balance passes in its entirety to the next AP (provided that you remain active). Accounting is made in the AP, in which the condition is met.
- Accounting is made for the **entire turnover of the weaker side** as well as **the turnover of the stronger side up to twice the turnover amount of the weaker side.** The surplus turnover of the stronger side which is more than twice the turnover of the weaker side passes to the next AP (provided that you remain active).

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