



CONTINUED FOR A TOTAL OF 12 LEVELS

The Pure Energy Club Compensation Plan is a 3 X 12 “Matrix”. What this means is that each Distributor has up to 3 Distributors directly under him or her on his or her 1st Level. Thus, on the Distributor’s 2nd Level there will be 9 Distributors and 27 on his or her third level. This continues for up to 12 levels. There are 2 types of income available to Distributors—Direct Sales Commissions and Matrix Override Bonuses.

1. Direct Sales Commissions

For every retail sale that a Distributor makes, the Distributor will receive a Direct Sales Commission starting at 4% of the price. Pure Energy Club makes this easy for Distributors since each Distributor receives a replicated Pure Energy Club website when he or she enrolls. Not only can a Distributor manage his or her independent Pure Energy Club business through this website, the Distributor can make sales to retail customers. Retail sales made from a Distributor’s website or purchases made by a Distributor’s personally enrolled Preferred Customers (see below) are on the Distributor’s first level in the matrix. As a result, the Distributor receives a 4% commission on such sales.

In addition, Pure Energy Club has a Preferred Customer Club for customers. Pure Energy Club recognizes that not everybody is interested in becoming a Distributor, but also recognizes that customers are the lifeblood of our business. So, for those people who love our product but are not interested in building a business, we have created the Preferred Customer Club. By enrolling in the Preferred Customer Club, the customer agrees to an automatic shipment of at least a 48 count case of Pure Energy each month.

2. Matrix Override Bonuses

Another exciting aspect of the Pure Energy Club Compensation Plan is ability for Distributors to earn Matrix Override Bonuses. These bonuses are designed to reward the hard work and effort of those Distributors who build a downline organization and train and support those Distributors in the organization. As long as a Distributor meets the necessary requirements, he or she can earn Matrix Override Bonuses based on the sales made by the downline Distributors up to 12 Levels down in his or her Matrix organization. The amounts paid to qualifying Distributors on each Level are based on the number of Distributors and Preferred Customers in the qualifying Distributor's marketing organization as described below:

- a. Less than 120 Distributors and Preferred Customers in Downline Organization.** If a Distributor has fewer than 120 Distributors and Preferred Customers in his or her downline organization, the Distributor will receive a Matrix Override Bonus of \$6.00 for each 48-Pack Case of Pure Energy sold by the Distributors in his or her downline. The Override Bonus will be \$5.60 for each 48-Pack Case purchased by the Preferred Customers in the Distributors downline organization.
- b. More than 119 and Less than 1,375 Distributors and Preferred Customers in Downline Organization.** If a Distributor has more than 119 and fewer than 1,375 Distributors and Preferred Customers in his or her downline organization, the Distributor will receive a Matrix Override Bonus of \$6.50 for each 48-Pack Case of Pure Energy sold by the Distributors in his or her downline. The Override Bonus will be \$6.00 for each 48-Pack Case purchased by the Preferred Customers in the Distributors downline organization.
- c. More than 1,374 Distributors and Preferred Customers in Downline Organization.** If a Distributor has more than 1,374 Distributors and Preferred Customers in his or her downline organization, the Distributor will receive a Matrix Override Bonus of \$8.00 for each 48-Pack Case of Pure Energy sold by the Distributors in his or her downline. The Override Bonus will be \$7.42 for each 48-Pack Case purchased by the Preferred Customers in the Distributors downline organization.

The chart below summarizes the Matrix Override Bonuses available to Distributors.

Number of Distributors and Preferred Customers in Downline Organization	Commission on Distributor or Retail Customer Purchase of 48-Can Pack	Commission on Preferred Customer Purchase of 48-Can Pack
Less than 120	\$6.00	\$5.60
120 - 1374	\$6.50	\$6.00
1375 +	\$8.00	\$7.42



COMPENSATION PLAN

In a Matrix, a Distributor can have a maximum of 3 Distributors enrolled directly under him or her. Thus, a Distributor will have 3 Distributors on his or her first Level, 9 Distributors on his or her second Level, 27 Distributors on his or her third Level, and so on, down a total of 12 Levels. If a Distributor's entire 3 x 12 Matrix fills-out, it would look something like the chart below.

LEVEL	DISTRIBUTORS ON EACH LEVEL
1	3
2	9
3	27
4	81
5	243
6	729
7	2,187
8	6,561
9	19,683
10	59,049
11	177,147
12	531,441

NUMBER OF DISTRIBUTORS	COMMISSION ON DISTRIBUTOR
Less than 120	\$6.00
120 - 1374	\$6.50
1375 +	\$8.00

NOTE: The foregoing charts are intended to explain the components and operation of the Pure Energy Club Compensation Plan. They are not representative of the size of the downline organization that may develop under a Distributor. Nor are they intended to imply or represent any level of earnings or compensation that a Pure Energy Distributor can or will earn through his or her participation in the Pure Energy Club opportunity. Any representation or guarantee of earnings, whether made by Pure Energy Club or another Distributor, would be misleading. Success with Pure Energy results only from successful sales efforts, which require hard work, diligence, and leadership. Your success will depend upon how effectively you exercise these qualities.

Direct Sales Commission and Matrix Override Bonus Qualifications

Direct Sales Commissions

In order to become a Distributor, an applicant must 1) complete a Pure Energy Club Independent Distributor Agreement; and 2) purchase a Pure Energy Club Distributor Kit (\$45.00). All Distributors qualify for receipt of Direct Sales Commission on their personal sales and purchases of Pure Energy Club products.

Matrix Override Bonuses—Levels 1 - 10

A Distributor who has personally sponsored at least three other current and Active Distributors or who personally generates at least \$430 in Personal Sales Volume in the subject month qualifies for receipt of Matrix Override Commissions on Levels 1 - 10 for that month. No more than \$150 of the required \$600 in Personal Sales Volume may come from the Distributor's own personal purchases. An "Active Distributor" is a Distributor who has personally generated at least \$150 in sales of Pure Energy Club products in the subject month.

Matrix Override Bonuses—Levels 11 & 12

In order to receive Matrix Override Bonuses on Levels 11 and 12, a Distributor a Distributor must have a) personally sponsored at least 3 other Distributors or personally generate at least \$430 in Personal Sales Volume (of which no more than \$150 can come from the Distributor's own personal purchases); and b) have personally sponsored at least 5 current and active Preferred Customers. A Distributor who satisfies each of these requirements in a calendar month will earn Matrix Override Bonuses on Levels 1 through 12 for that month. This feature of the matrix may not be available immediately upon launch. We will put this feature into place after launch and make you aware via email.



COMPENSATION PLAN

Definitions:

Active Distributor – A Distributor who has generated any amount of sales in the previous calendar month.

Active Preferred Customer – A Preferred Customer whose account is paid and current for the previous calendar month.

Direct Sales Commissions – Compensation paid to Distributors based on purchases that Distributors make from Pure Energy Club and purchases made by their personally enrolled Preferred Customers and other customers from Pure Energy Club.

Matrix Override Bonuses – Compensation paid to qualifying Distributors based upon the sales volume generated by the Distributors in the qualifying Distributors' downline Matrix.

Personal Sales Volume -- The commissionable value of services and products sold in a calendar month: (1) by the Company to a Distributor; and (2) by the Company to the Distributor's personally enrolled Preferred Customers and to the Distributor's online customers.

Preferred Customer – A Retail Customer who enrolls in Pure Energy Club's Preferred Customer Club and agrees to an automatic monthly purchase of at least a 48-Pack case of Pure Energy Club products. Purchases are automatically charged to the Preferred Customer's credit card or debited from the Preferred Customer's bank account.

Retail Customer -- Retail Customer — An individual or entity that purchases Pure Energy Club products from or through a Distributor, but who is not a Distributor, or an immediate household family member of a Distributor.

Retail Sales -- Sales to a Retail Customer. If a sale is made to a customer who subsequently submits a Pure Energy Club Distributor Agreement within 30 days from the date of the sale, or if an immediate household family member of the Customer submits a Pure Energy Club Distributor Agreement within 30 days of the sale, such sale shall not constitute a Retail Sale. A Distributor's personal purchases from Pure Energy Club do not constitute Retail Sales.