

**COMPENSATION PLAN 2013**

## Compensation Plan 2013

### Marketing Representative

Annual Registration Fee \$25.00      Websites & Email Fee \$15 per quarter  
Minimum Activity \$19.95 per month – 3 month rolling average

#### Retail commission on Personal Retail Sales as follows:

Auto Ship – First month 35%, thereafter 20%. 20% on all re-instates.

#### Basic Override Structure - Personally Sponsored Representatives

1 <sup>st</sup> Generation	7%	These override commissions are paid on commissionable sales, which are retail sales less Representative's retail commission.
2 <sup>nd</sup> Generation	5%	
3 <sup>rd</sup> Generation	3%	
4 <sup>th</sup> Generation	3%	
5 <sup>th</sup> Generation	3%	
6 <sup>th</sup> Generation	3%	
7 <sup>th</sup> Generation	1%	

Representatives personally enrolling:

Zero Marketing Representatives (downline assigned by someone else) are paid through 3 levels

One Representative: are paid through 5 levels

Two Representatives: are paid through 6 levels

Three Representatives: are paid through 7 levels

#### Levels and Additional Business Builder's Commissions

##### Marketing Representative

1<sup>st</sup> Generation – As per Basic Override Structure

##### Marketing Manager

When 1<sup>st</sup> and 2<sup>nd</sup> Generations are 5x5, Marketing Manager receives an additional ½% commission on the 3<sup>rd</sup> Generation Commissionable Sales volume.

##### Marketing Director

When 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Generations are 5x5, Marketing Director receives an additional ½% commission on their 4<sup>th</sup> Generation Commissionable Sales volume.

##### Vice President

When 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Generations are 5x5, Vice President receives an additional ½% commission on their 5<sup>th</sup> Generation Commissionable Sales volume.

##### Senior Vice President

When 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Generations are 5x5, Senior Vice President receives an additional ½% commission on their 6<sup>th</sup> Generation Commissionable Sales volume.

#### Executive Vice President

When 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> Generations are 5x5, Executive Vice President receives an additional ½% commission on their 7<sup>th</sup> Generation Commissionable Sales volume.

#### Group President

When 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>, and 7<sup>th</sup> Generations are 5x5, Group President receives an additional ½% commission on their 8<sup>th</sup> Generation Commissionable Sales volume.

Note: The ½% commissions are rolling commissions. As each level is achieved, the ½% is removed from that level and is received on the next level down.

5x5 means that each Representative has a minimum of five customers and that each Representative has a minimum of five personally sponsored Representatives on their First Generation level.

### **Vetraceuticals Quick Start Program 2013**

#### For New Representatives Only

Time Frame: Balance of Month of Enrollment plus Three Full Calendar Months.

- For every new Canine customer you receive a \$20 cash bonus.
- For each five new Canine customers you receive a \$100 cash bonus in addition to the \$20 bonuses.
- All of these are in addition to your commission.
- For every new Feline customer you receive a \$10 cash bonus.
- For every five new Feline customers you receive a \$50 cash bonus. Again, these are in addition to your commission.

To qualify, a new customer must remain on the program for at least three months. If the customer drops out prior to three months, the cash bonuses will be reversed and debited against future commissions.

Cash Bonuses are paid monthly at the same time as Commissions.

<b>Vetraceuticals® Three Year Marketing Representative Retail Sales Plan</b>										
<b>New Customers Per Week</b>	<b>After 6 Months</b>	<b>\$ Annual Commissions</b>	<b>After 12 Months</b>	<b>\$ Annual Commissions</b>	<b>After 18 Months</b>	<b>\$ Annual Commissions</b>	<b>After 24 Months</b>	<b>\$ Annual Commissions</b>	<b>After 36 Months</b>	<b>\$ Annual Commissions</b>
0.25	7	467.22	13	934.44	20	1,401.66	26	1,868.88	39	2,803.32
0.5	13	934.44	26	1,868.88	39	2,803.32	52	3,737.76	78	5,606.64
1	26	1,868.88	52	3,737.76	78	5,606.64	104	7,475.52	156	11,213.28
2	52	3,737.76	104	7,475.52	156	11,213.28	208	14,951.04	312	22,426.56
3	78	5,606.64	156	11,213.28	234	16,819.92	312	22,426.56	468	33,639.84
4	104	7,475.52	208	14,951.04	312	22,426.56	416	29,902.08	624	44,853.12
5	130	9,344.40	260	18,688.80	390	28,033.20	520	37,377.60	780	56,066.40
6	156	11,213.28	312	22,426.56	468	33,639.84	624	44,853.12	936	67,279.68
7	182	13,082.16	364	26,164.32	546	39,246.48	728	52,328.64	1092	78,492.96
8	208	14,951.04	416	29,902.08	624	44,853.12	832	59,804.16	1248	89,706.24
9	234	16,719.92	468	33,639.84	702	50,459.76	936	67,279.68	1404	100,919.52
10	260	18,688.80	520	37,377.60	780	56,066.40	1040	74,755.20	1560	112,132.80
11	286	20,557.68	572	41,115.36	858	61,673.04	1144	82,230.72	1716	123,346.08
12	312	22,426.56	624	44,853.12	936	37,279.68	1248	89,706.24	1872	134,559.36
13	338	24,295.44	676	48,590.88	1014	72,886.32	1352	97,181.76	2028	145,772.64
14	364	26,164.32	728	52,328.64	1092	78,492.96	1456	104,657.28	2184	156,985.92
15	390	28,033.20	780	56,066.40	1170	84,099.60	1560	112,132.80	2340	168,199.20

How to use this sheet:

It is generally accepted that it takes about three years (36 months) to start a business and become profitable.

Decide how active you want to be by selecting the number of new customers you will obtain each week.

Find that number in the first column and then you can see how much your retail commissions will be as you proceed through year three.

**Vetraceuticals**
**Compensation Planning Worksheet**

*This spread sheet assumes you work consistently to achieve your goals.*

Sales to friends, neighbors, relatives, co-workers and customers referred by them.	Customers	Average Sales Per Customer	Monthly Personal Retail Sales	Commissionable Sales Per Month	Annual Commissionable Sales	Your Retail Commissions
<i>How many customers will you have in the first 3 months?</i>	5	30	150	120	1,438	288
1st Generation 7% Override Commission	Personally Sponsored Reps.	Average Sales Per Rep.	1st Generation Retail Sales	Commissionable Sales Per Month	Annual Commissionable Sales	Your Commissions
<i>How many customers will you have in the first 3 months?</i>	5	150	749	599	7,188	503
2nd Generation 5% Override Commission	Personally Sponsored Reps.	Average Sales Per Rep.	1st Generation Retail Sales	Commissionable Sales Per Month	Annual Commissionable Sales	Your Commissions
<i>When those Representatives match your performance.</i>	25	150	3,744	2,995	35,940	1,797
3rd Generation 3% Override Commission	Personally Sponsored Reps.	Average Sales Per Rep.	1st Generation Retail Sales	Commissionable Sales Per Month	Annual Commissionable Sales	Your Commissions
<i>When those Representatives match your performance.</i>	125	150	18,719	14,975	179,700	5,391
4th Generation 3% Override Commission	Personally Sponsored Reps.	Average Sales Per Rep.	1st Generation Retail Sales	Commissionable Sales Per Month	Annual Commissionable Sales	Your Commissions
<i>When those Representatives match your performance.</i>	625	150	93,594	74,875	898,502	26,955
5th Generation 3% Override Commission	Personally Sponsored Reps.	Average Sales Per Rep.	1st Generation Retail Sales	Commissionable Sales Per Month	Annual Commissionable Sales	Your Commissions
<i>When those Representatives match your performance.</i>	3,125	150	467,969	374,375	4,492,500	134,775
6th Generation 3% Override Commission	Personally Sponsored Reps.	Average Sales Per Rep.	1st Generation Retail Sales	Commissionable Sales Per Month	Annual Commissionable Sales	Your Commissions
<i>When those Representatives match your performance.</i>	15,625	150	2,339,844	1,871,875	22,462,500	673,875
7th Generation 1% Override Commission	Personally Sponsored Reps.	Average Sales Per Rep.	1st Generation Retail Sales	Commissionable Sales Per Month	Annual Commissionable Sales	Your Commissions
<i>When those Representatives match your performance.</i>	78,125	150	11,699,219	9,359,375	112,312,500	1,123,125

This is a theoretical example of how the Compensation Plan functions. Actual results are based on individual effort and will vary by Rep.

**Total Annual Commission and overrides based on the above scenario.**

**\$196,670,875**

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