



**The inLife
COMPENSATION PLAN
(February 10, 2014)**

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 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 position to take full advantage of the compensation plan. Everything we do at inLife is geared toward providing our customers with relevant products that make sense at the consumer level and assisting our Independent Distributors in their goals toward financial reward and personal freedom.

FIVE WAYS TO EARN INCOME WITH inLife

RETAIL SALES

MOMENTUM BUILDER

BINARY BONUS

MATCHING BINARY BONUS

UNILEVEL SALES

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, find retail customers and help others to become independent distributors in inLife. There are five ways to get paid at inLife when selling our products. When studying these different ways it is important to keep in mind that the Unilevel sales are the surest way to maximize your commission potential and an important element in taking full advantage of the total compensation plan. In addition, there are qualifications that you must meet in order to earn income with four of the five methods below. We will outline these 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 a Retail Customer at the retail price. This can occur one of two ways:

- A. For example: A Retail Customer can purchase an Electronic Cigarette (E-cig) Starter Pack on line through your replicated web site. The company will collect the funds from the Retail Customer through your replicated web site, sell and ship them the product and pay you the difference between the retail price and the wholesale price. (A check will be mailed to you the week after the sale is completed).
- B. A Retail Customer can purchase an E-cig Starter 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:

E-cig Starter Pack Retail Price	\$19.95
E-cig Starter Pack Wholesale Price	<u>\$9.95</u>
Retail Price Gross Profit	\$10.00

* 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 bonus** every time someone you personally enroll as an ID **makes a purchase of a binary product**. Examples of the binary product include the E-cig Starter Pack, Business Builder Kit, and 10 Pack E-cig Rechargeable Pack. Binary products are sold individually or in multiple biz packs. Momentum builder amounts vary from product to product and are as follows:

E-cig Starter Kit	\$10.00
Business Builder Kit	\$17.50
10 Pack Rechargeable E-cig	\$12.50
Master Biz Pack	\$40.00

Binary Products are identified in the shopping cart along with their corresponding point values. Unilevel products, such as E-cig cartridges, and inForce are not binary products. Unilevel sales do not count toward momentum builder bonuses.

Note: 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.



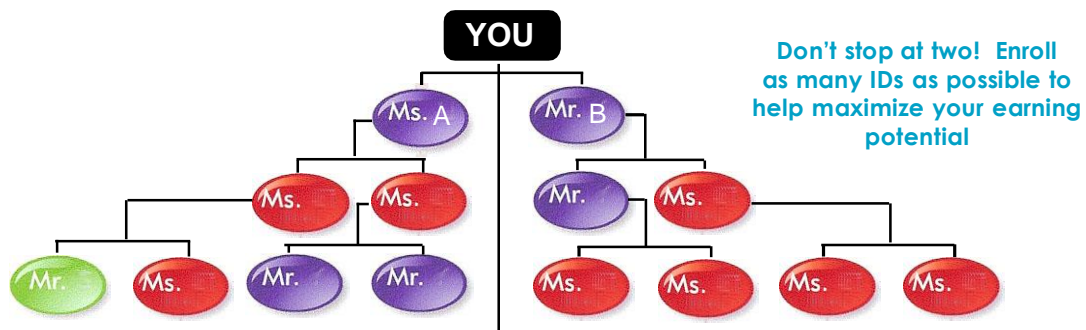
BINARY BONUSES ARE THE BASIC BUILDING BLOCK OF THE inLife COMMISSION PLAN. AS AN INDEPENDENT DISTRIBUTOR, YOUR PRIMARY FOCUS WILL BE IN CREATING RETAIL SALES AS WELL AS BUILDING AN INDEPENDENT SALES FORCE.

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 binary products 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 (depending on your desired computer settings). 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. In this example, 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 employs 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.

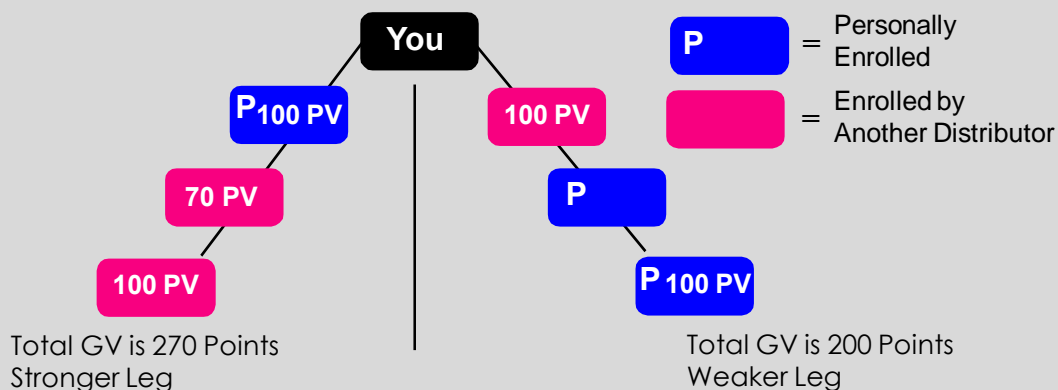
GETTING PAID BINARY BONUSES

Upon qualification, anytime a binary product or binary biz pack is purchased anywhere in your two legs, through your replicated website or through the replicated website of a person in your binary tree, you will earn binary points. **Sales in your downline of a binary product to both Retail Customers and Independent Distributors count toward binary points.** The key for point accumulation is to make sure that the transaction takes place on the web and on the replicated website. 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 count toward your binary points in the form of Group Volume (GV). Sales to yourself or sales that are made to your personal retail customers on line or face to face do not accumulate for your personal point volume, (PV). 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.

BINARY POINT VALUES

Point values for the binary are accumulated only through the sale of binary products. Point values for the binary are not collected when the sale of unilevel products occur (such as e-cig cartridges and inForce). Unilevel sale commissions are paid in a completely different manner and are the 5th way you can get paid with inLife. Details on this are discussed later.

The point value for binary products are identified in the shopping cart along with their corresponding point values. If a product is a binary product, it will say so in its description on the shopping cart page. Items that are not identified as a binary product are unilevel products, (such as an e-cig cartridge or inForce).



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 sale of binary products 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. See Qualification requirements on Page 6

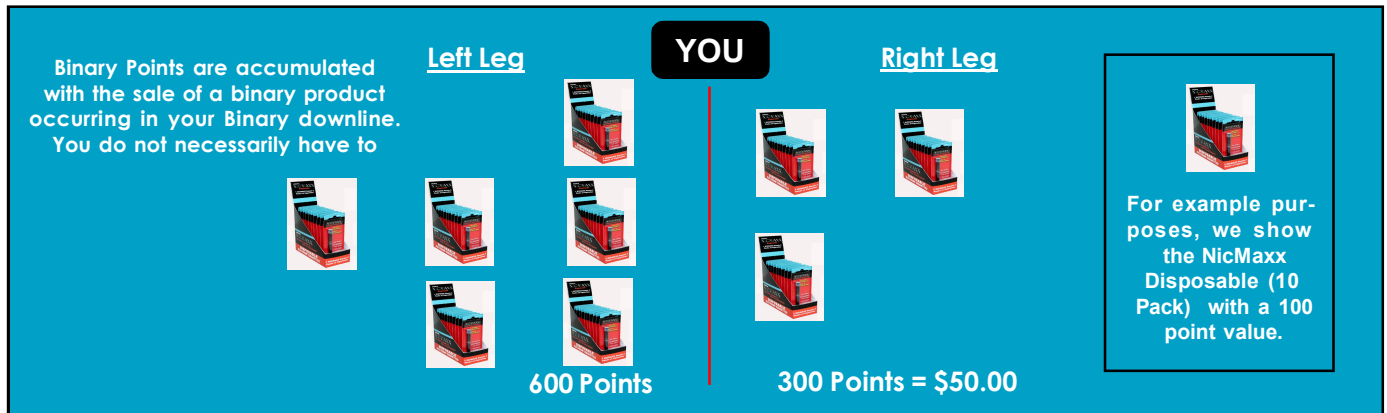
Personal Volume (PV) is only relevant as it pertains to checking to see if a particular person you have personally enrolled has made a purchase of a Binary product. Personal Volume, as it pertains to you specifically, does not hold any value in terms of you being paid in the Binary Bonus program. It is relevant to your enroller who needs to keep tabs on whether or not you have made the optional purchase of a Binary product as part of the process 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 a Binary product. When that happens, you accrue Group Volume Points in both the right and left leg. **Note: Group volume can flush if an ID falls out of qualification that goes beyond the grace period. Group volume is limited by position.**

The binary view can be seen by logging into your replicated website's back office and clicking "View My Team."

TURNING POINTS INTO DOLLARS

Points are accumulated in the binary program only **AFTER** an ID becomes qualified (see Page 7 for further details). 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. It is simply a recurring bonus that can be paid out a maximum of 2000 times per week.



Points that accumulate in each leg can be claimed by banking a minimum of 300 points in the weaker leg and a minimum of 600 points in the stronger leg. There will be a flushing of points when an ID falls out of qualification that goes beyond the grace period. Additionally, the accumulation of binary points is restricted by status rank as follows:

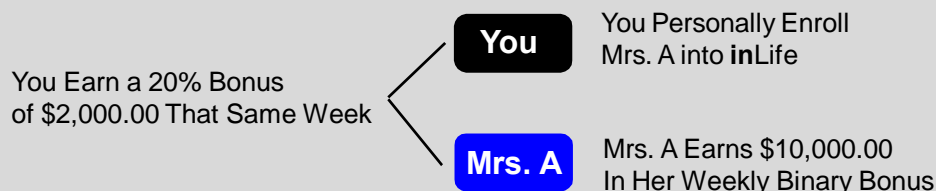
Independent Distributor (ID)	1,000 in any given leg
Qualified ID (QID)	2,500 in any given leg
Regional Manager (RM)	5,000 in any given leg
Regional Director (RD)	25,000 in any given leg
Regional Vice President (RVP)	50,000 in any given leg
Executive Vice President (EVP)	100,000 in any given leg

inLife pays Binary Bonuses on a weekly basis for the previous week's results. A cycle period is a one week cycle that ends at 11:59 P.M. Sunday night, USA Pacific Standard Time

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.

It is important for the ID to make sure that they remain qualified and hold status rank to prevent the loss of binary points. Binary points that are flushed are non-recoverable.

THE UNILEVEL PROGRAM IS A GREAT WAY TO MAXIMIZE YOUR COMMISSION POTENTIAL AND AN IMPORTANT ELEMENT IN TAKING ADVANTAGE OF THE TOTAL COMPENSATION PLAN

5. UNILEVEL SALES

(E-Cig Cartridges & inForce)

Qualification Required (Paid Weekly)

The Auto-Ship Unilevel Commission program is where the residual income lives. Residual income is one of the most powerful ways to earn income. Successful 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 Unilevel Commission structure to reward our Independent Distributors using the same principles.



GETTING PAID COMMISSION ON UNILEVEL

E-cig cartridges and inForce are consumables. They need to be replaced on a fairly regular basis. It is likely that users of inLife products that fall within your Unilevel organization need to purchase these. They may purchase them when the need arises, or by signing up for a monthly 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 unilevel item sold within your first level provided you are qualified (see page 6). In addition, when cartridges and inForce 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: unilevel sales are tracked in the Unilevel organization only. They are not tracked in the Binary and as such, their sales do not accumulate binary points. IDs earn commission on unilevel sales either through Auto-ship or single purchases based upon the commission structure presented on Page 6. Unilevel items purchased by both IDs and Retail Customers count for Unilevel Commissions and are paid weekly.**

THE DEFINITION OF UNILEVEL LEVELS

Please note: Unilevel sales to both Retail Customers and Independent Distributors count toward unilevel commissions.

Level 1:

A. Unilevel sales made by you to your personal Retail Customers or to your personally enrolled IDs

Level 2:

A. Unilevel sales made by your Unilevel IDs on Level 1 to their personally enrolled Retail Customers and IDs

Level 3:

A. Unilevel sales made by your Unilevel IDs on Level 2 to their personally enrolled Retail Customers and IDs....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 enrolled will also fall in your unilevel organization. You will have the potential to be paid on all sales that occur between your first and seventh levels depending on your current qualified position. If you reach and maintain the position of RVP & EVP you will also have the ability to earn income on the eighth and ninth levels of your unilevel **and down to infinity if you reach and then maintain the highest level of Executive Vice President.** If you fall out of qualification or if you drop in position, your unilevel commission payout will be affected and lowered accordingly.

Note: People that might be placed in your binary by others directly and not by you will not appear as part of your unilevel organization

COMMISSION STRUCTURE FOR UNILEVEL SALE

The commission structure for unilevel sales to both retail customers and IDs are shown to your right.

Notice the varying degree of commission amounts paid. Level 1 pays \$1.00. This is to reward our Independent Distributors for personal unilevel sales. Level 2 - 7 commission amounts are based upon the efforts of others in your direct genealogy. Levels 2 pays \$0.50. But notice that on level 3 - 5 the commission amount reduces to \$0.25, then up to \$0.50 for levels 6 & 7. This is to reward our IDs who work to bring their Unilevel pay level deep into their organization.

Unilevel Sales Commissions for E-cig cartridges & inForce

<u>Level</u>	<u>Commission Amount</u>
Level One	\$1.00
Level Two	\$0.50
Level Three	\$0.25
Level Four	\$0.25
Level Five	\$0.25
Level Six	\$0.50
Level Seven	\$0.50

Unilevel Sales Commissions for E-cig cartridges & inForce

<u>Level</u>	<u>RD Commission</u>	<u>RVP & EVP Commission</u>
Level One	\$1.00	\$1.00
Level Two	\$0.50	\$0.50
Level Three	\$0.25	\$0.25
Level Four	\$0.25	\$0.25
Level Five	\$0.25	\$0.25
Level Six	\$0.50	\$0.50
Level Seven	\$0.50	\$0.50
Level Eight		\$0.25
Level Nine		\$0.25

COMMISSION STRUCTURE FOR UNILEVEL SALE (Regional Directors, Regional Vice Presidents and Executive Vice President)

Once an individual reaches the ranks of Regional Director, Regional Vice President and Executive Vice President, levels 8 & 9 open up for the Regional Vice President and Executive Vice President positions. This can be quite significant depending in the amount of unilevel sales built in the lower levels of your matrix. Remember, the matrix is most profitable when you do two things: establish retails sales yourself on level one, and when you recruit others to join as Independent Distributors to do the same. The more Independent Distributors who join and actively establish retail sales, the greater earning potential there will be in your Unilevel Commission. It is important to maintain your qualification and earned positions in order to maintain your respective Unilevel Payout.

POPULATING YOUR UNILEVEL ORGANIZATION

Simply by selling the product to retail customers or 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 binary products) and simultaneously places your retail customers and your personally enrolled Independent Distributors into your first level of your unilevel organization (which pays commissions on the sales of unilevel items). While it might happen that someone in your upline (a person in the binary above you) might place someone in one of your binary legs, this would not be the case in your unilevel organization. Only those retail customers that you sell product to or IDs that you personally enroll and those people who are personally enrolled by your personally enrolled individuals....and so on..... will fall in your unilevel organization.

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.

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. Unilevel Cartridge & inForce Sales (qualification required)

Qualifications Required

Binary Bonus, Matching Binary Bonus, Unilevel Sales.

As part of the qualification to earn income in the Binary Bonus commission structure, for Matching Binary and Unilevel Sales an ID must personally enroll a minimum of two people as Independent Distributors who make an optional purchase of any binary product. These two people do not need to be in two separate legs. **Note: You will not start to collect any binary points until after you have become qualified in the Binary program.** The accumulation of binary points is also limited by Status Rank. In addition, an ID must maintain minimum number of personal retail customers who make a minimum monthly purchase of \$24.95 each in order to qualify for the unilevel sales commission. The amount of personal retail customers required to maintain qualification differs depending on status rank (please see below). An ID may use one of their personal purchases per mos. to help qualify but must find real retail customers outside of their own personal households for the balance of retail sales required to help maintain qualification.

PROMOTIONS

The amount of income that one can earned is limited and is defined to the Status Rank one achieves. One will fall backward or fall out of Status Rank when the qualifiers are no longer in place to support the position. Promotions are restricted to qualified individuals are determined by the following criteria:

<u>Status Rank</u>	<u>Earning Cap/mos.</u>	<u>Qualifier</u>	<u>Bonus</u>
Independent Distributor (ID)	\$1,000.00	None	N/A
Qualified Independent Distributor (QID)	\$2,500.00	Acquires & Maintains 3 personal retail customers making 1 unilevel purchase ea. / mos.	N/A
Regional Manager (RM)	\$3,500.00	Maintains QID qualification and has 2 personally enrolled QIDs and acquires & maintains 6 personal retail customers making 1 retail unilevel purchase ea. / mos.	Opens the unilevel to Level 4
Regional Director (RD)	\$15,000.00	Maintains RM qualification and holds 3 RMs in separate legs each mos. & holds a total of 100 customers in each leg. In addition RDs must acquire & maintains 10 personal retail customers making 1 unilevel purchase ea. / mos.	Opens the unilevel 7th level
Regional Vice President (RVP)	\$50,000.00	Maintains 3 qualified RDs in two different legs ea. mos & holds a total of 500 customers in ea. leg and acquires & maintains 20 personal retail customers making 1 unilevel purchase ea. / mos.	Opens the unilevel to 9th level
Executive Vice President (EVP)	\$500,000.00	Maintains 3 qualified RVPs in two different legs each mos. & holds a total of 500 customers in ea. leg and acquires & maintains 20 personal retail customers making 1 unilevel purchase ea. / mos.	Offers up to 0.05% override on unilevel

All Status levels must maintain qualificaion in order to continue to enjoy payments and bonuses offered by the company. Falling out of qualification will cause a ceasing of compensation.

THE POSITION OF EXECUTIVE VICE PRESIDENT

The position of Executive Vice President (EVP) is a highly sought after ranking where the highest income potential in **inLife** exists. To qualify as an EVP you must maintain your qualification as an RVP and maintain 3 qualified RVPs in different legs each month.

The qualified EVP position will receive an EVP bonus on their personal, total unilevel group volume down to the 3rd generation EVP in their unilevel downline:

A. As you hit EVP for the first time, you will be considered a 1st generation EVP in your unilevel leg. The override you will receive is 0.05% of your total Unilevel downline group volume sales down to the next EVP.

B. If you help to promote another underneath you in your unilevel group to the position of EVP, your override would be 0.025% on all unilevel volume that exists in your unilevel organization that occurs after your new EVP.

C. If your EVP helps to promote another underneath them in their unilevel group to the position of EVP, your override would be 0.012% on all unilevel volume that exists in your unilevel organization that occurs after that new EVP.

D. If a 4th generation EVP is promoted, your override is 0.05% down to infinity in that personal unilevel group volume line on all unilevel sales past that 4th generation EVP.

Executive Vice President

1st Generation EVP	A 0.05% Override on their Sales in their Personal Unilevel Matrix
2nd Generation EVP	A 0.025% Override on the sales in their Personal Unilevel Matrix that occur after the new EVP in that leg
3rd Generation EVP	A 0.016% Override on the sales in their Personal Unilevel Matrix that occur after the third EVP in that leg
4th Generation	A 0.05% Override on the sales in their Personal Unilevel Matrix that occur down to infinity after the fourth EVP in that leg

The position of Executive Vice President is a highly sought after position within inLife. A percentage of total group volume of your Unilevel sales is available at this position.

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.) Other state laws may apply of which we will comply with completely.

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 plan at any time without prior notice.

inLife products have not been evaluated by the Food and Drug Administration or the Office of the Surgeon General. The inLife electronic cigarette is not 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. To purchase or use the inLife electronic cigarette you must be of the legal age of smoking in the state where you reside.

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inLife was founded on the principles of “people helping people.” We are committed to bringing remarkable products to the market while helping our IDs toward financial independence.