

# KYÄNI COMPENSATION PLAN MALAYSIA

# WELCOME

# Welcome to the Kyäni family!

Kyäni's mission is "To bring hope—the promise of a better life—through wellness and opportunity." As a Kyäni Independent Business Partner, you are an integral part of fulfilling that mission for yourself and for people all around the world.

In the following pages, you'll see the details of how you are compensated for the time, energy, and hard work you put in to your Kyäni business. We encourage you to spend the time it takes to familiarize yourself with this compensation plan so that you can optimize your efforts, and build a business that will ensure a better life for you and the people you love for many years to come.

As your business matures, keep in mind that a true measure of success is not just in what you have, but also in what you do for other people. We hope that as you achieve your personal goals, you will also participate in the Kyäni Caring Hands program, which enables you to improve lives and bring hope to people all around the world.

We are excited to have you as our business partner, and look forward to many years of success with you!

Sincerely,

Kyäni

# **Genealogy Trees**

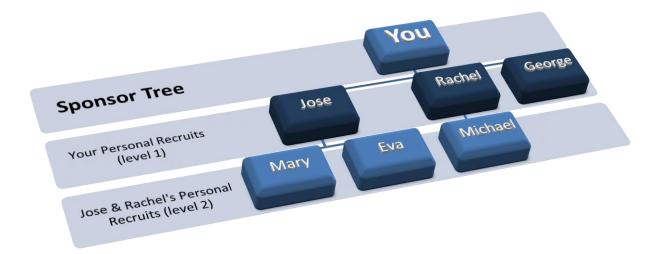
A genealogy tree is a means of tracking relationships between all the Independent Business Partners in Kyäni. In the Kyäni Compensation Plan, there are two genealogy trees, the Sponsor Tree and the Placement Tree. When a new Business Partner joins Kyäni, they appear in both trees.

# **Sponsor Tree**

The Sponsor Tree is similar to a family relationship tracker. Everyone you personally enroll is positioned directly under you on your first level. When you personally enroll team members and they enroll a new Independent Business Partner, the new Business Partners are then positioned under your team members on your second level. This positioning is automatic and directly determined by who enrolled the new Business Partner. The width of your Sponsor Tree is as wide as the number of people you personally enroll.

#### Bonuses calculated using the Sponsor Tree

- Product Sharing Bonus
- Team Bonus
- Generation Check Match



#### **Placement Tree**

The Placement Tree is another relationship tracker. Unlike the Sponsor Tree, you have the freedom to place your personally sponsored Business Partners anywhere you desire in your downline. There are different reasons why leaders may place newly enrolled Business Partners in different positions of the Placement Tree. These include A) synergy of building a team; B) geographical considerations; C) personal relationship considerations; or D) building to the next rank. Proper placing of new Business Partners in your Placement Tree is important and helps you build a wider, deeper, and more profitable organization.

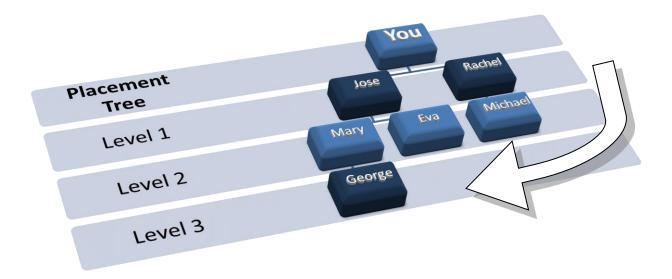
When you personally enroll a new team member, you may immediately place them in the Placement Tree or you may place them in the Holding Tank where you have up to 72 hours to decide where to place them. If you do not place them within the allotted time, the system will automatically place them in the first level of your Placement Tree. There is no limit to the width of the Placement Tree; you can build it as wide as you like. To be eligible for all bonuses, you only need to have three legs.

Your Customers may be considered one leg for Kyäni Monthly PayGate Accumulator calculations or for rank calculations.

In the illustration below, you will notice that George was placed below Mary. The same organization is represented in both the Sponsor Tree and the Placement Tree.

#### Elements that are calculated using the Placement Tree

- Rank
- Pearl Bonus
- Rank Bonuses
- Kyäni Monthly PayGate Accumulator



# **Qualification Requirements**

There are two levels of qualification. The first is reached with 1QV per month. At this level, you are considered a Distributor. You are eligible for select Weekly Bonuses.

At 100QV per month you are considered a Qualified Distributor and are eligible for all bonus compensation. Qualification is required monthly. To qualify, you can either have QV from personal customers or purchase adequate volumes of product to generate the required amount for your rank, or a combination of both.

#### **RANKS**

Ranks are calculated based on QV from the Placement Tree. You may count 600QV volume from personal purchases towards ranks of Pearl and below and 1000QV for ranks of Sapphire and above. Ranks up to and including Diamond require two active (100QV) legs and Blue Diamond and above require three active (100QV) legs.

# Rank Chart using Placement Tree QV

Rank	MQV Required	Total GQV Requirement	QV Volume Outside Largest Leg	QV Volume Outside Largest 2 Legs
<b>Qualified Distributor</b>	100			
Garnet	100	1,000	400	
Jade	100	2,000	800	
Pearl	100	5,000	2,000	
Sapphire	100	10,000	4,000	
Ruby	100	25,000	10,000	
Emerald	100	50,000	20,000	
Diamond	100	100,000	40,000	
Blue Diamond	100	250,000	100,000	12,500
Green Diamond	100	500,000	200,000	25,000
Purple Diamond	100	1,000,000	400,000	50,000
Red Diamond	100	2,000,000	800,000	100,000
Double Red Diamond	100	4,000,000	1,600,000	200,000
Black Diamond	100	10,000,000	4,000,000	500,000
Double Black Diamond	100	25,000,000	10,000,000	1,250,000

#### **Rank Determination Process**

Use the following process to determine rank.

- 1. Calculate total GQV (Group Qualifying Volume) and compare to chart for possible rank.
- 2. Does the QV volume outside of the largest leg (including personal and customer volume) meet the minimum requirements for that rank? (If no, restart with next lower rank.)
- 3. Does the QV volume outside of the largest two legs (including personal and customer volume) meet the minimum requirements for that rank? If no, restart with next lower rank. If yes, you have reached that rank.

# **Examples**

Below are two examples to illustrate calculation of rank.

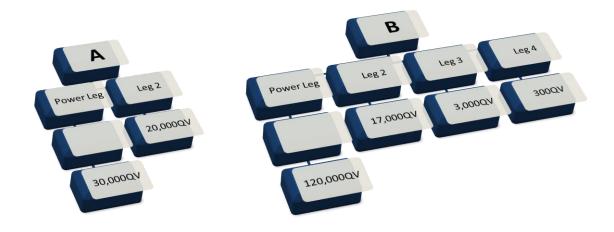
Example A: You have two legs. The largest leg has 30,000QV, Leg 2 has 20,000QV. Take the volumes through the calculation process.

- 1. Total volume of all legs equals 50,000QV. Comparing this to the chart, you may qualify for Emerald.
- 2. QV outside the largest leg equals 20,000. For the Emerald Rank the chart shows that 20,000QV is needed. That requirement is met.

Example B: This organization has 4 legs. The largest leg has 120,000QV, Leg 2 has 17,000QV, Leg 3 has 3,000QV, and Leg 4 has 300QV.

Take the volumes through the calculation process.

- 1. The total volume of the organization is 140,300QV. This is in the category for Diamond.
- 2. QV outside of the largest leg equals 20,300QV. This does not meet the minimum requirement for Diamond. We then look at the next lowest rank (Emerald).
- 3. QV outside of the largest leg equals 20,300QV. For the Emerald Rank the chart shows 20,000QV is needed. That requirement is met. You have reached the rank of Emerald.



#### **BONUSES**

#### **Personal Customer Bonuses**

#### **Product Sharing Bonus**

On every Business Partner marketing pack and Customer initial product purchase that you personally sponsor, you will earn a Product Sharing Bonus based on the products purchased (minimum 50QV). Each eligible product will have a specific bonus assigned to it in the currency where it is purchased. You must have a Paid-As Rank of Distributor at the time the bonus is calculated in order to earn this bonus.

Once you have three personally sponsored Business Partners with marketing packs or Customers with initial minimum 50QV product purchases during your first 35 days, you will earn a double Product Sharing Bonus through your first 90 days. Personally Sponsored Business Partners and Customers must be from a market with the Product Sharing Bonus. You must have a Paid-as Rank of Qualified Distributor at the time the double Product Sharing Bonus is calculated.

**Example:** Business Partner A sponsors new Customers B and C, who each purchase a minimum of 50QV in week 1. Business Partner A would earn the Product Sharing Bonus for Customers B and C initial purchases in week 1. Business Partner A then sponsors new Business Partner D, who purchases a marketing pack in week 2. They would earn a double Product Sharing Bonus on Business Partner D's marketing pack purchase and the additional Product Sharing Bonus on Customers B and C initial product purchases in week 2.

Once you have earned a double Product Sharing Bonus in your first 35 days, any personally sponsored Business Partner who earns a double Product Sharing Bonus will earn you an additional payout. During your first 90 days, you will earn 50% of your personally sponsored Business Partner's double Product Sharing bonus. You must have a Paid-as Rank of Qualified Distributor at the time your personally sponsored Business Partner's double Product Sharing Bonus is calculated.

**Example:** Business Partner A personally sponsors new Business Partner B and Customers C and D during their first 35 days. Business Partner B personally sponsors new Customers E and F and Business Partner G during their first 35 days. Business Partner B will earn a double Product Sharing Bonus for Customer E and F and Business Partner G. Business Partner A will earn 50% of the double Product Sharing Bonus that Business Partner B earned.

#### **Retail Profit Bonus**

After the initial purchase, every time you sell product to a registered customer, you make the difference between the Business Partner price and the selling price. The difference between the Business Partner pricing and the Customer price is the Retail Profit Bonus. It will be paid to you with the weekly bonuses. This bonus is earned every time one of your personal customers purchases a product after their initial order. You must have a Paid-As Rank of Distributor when the bonus is calculated in order to earn this bonus.

**Example**: Assume a customer places an order of RM560 worth of products—an order which would cost an Independent Business Partner only RM480. The Business Partner would then earn the Retail Profit Bonus of RM560 - RM480 = RM80

#### **Customer Bonus**

When your personal customers buy products from Kyäni, you will receive 60% of the CV for each order. This bonus is earned every time one of your personal customers purchases a product and will be paid out weekly. You must have a Paid-as Rank of Distributor (minimum 1QV) when then bonus is calculated to be eligible.

**Example**: Assuming a customer makes an order with 50CV. This would translate into RM120 profit for you. This is determined by multiplying the CV on the customer order by 60%. Customer Bonus  $(60\% \times 50\text{CV} = \text{RM}120)$ .

#### **Customer Referral**

Any eligible Customer who refers another Customer with their link will earn 10% of the subtotal on the customer's order in an account credit. The sponsoring Business Partner of this Customer will not be eligible for the Retail Profit Bonus or Product Sharing Bonus of the referred customer(s), but will still be able to count the CV for Paygates.

**Example:** Customer A refers new Customer B. Customer B purchases a single order of a Triangle of Health (Packets) worth RM560 using Customer A's link. Customer A would earn the account credit of RM56.

#### **Customer Builder Bonus**

Every month your Customers have a combined QV of 750, 1,500, 2,500, 5,000 or 8,000 you will receive a bonus. You may only earn one bonus level per month.

Customer Volume	Customer Bonus
750 QV	RM400
1,500 QV	RM800
2,500 QV	RM1,600
5,000 QV	RM4,000
8,000 QV	RM8,000

# **Independent Business Partner Bonuses**

#### **Pearl Bonus**

Achieve the month-end Paid-as rank of Pearl for two calendar months within your enrollment month plus six months, or, achieve the month-end Paid-as rank of Sapphire once within your enrollment month plus six months and receive RM2,000. Your enrollment month is considered month zero.

**Example:** A Business Partner enrolls on April 5. The Business Partner will have April, May, June, July, August, September, and October to achieve the month-end Paid-as rank of Pearl twice or the month-end Paid-as rank of Sapphire or higher once.

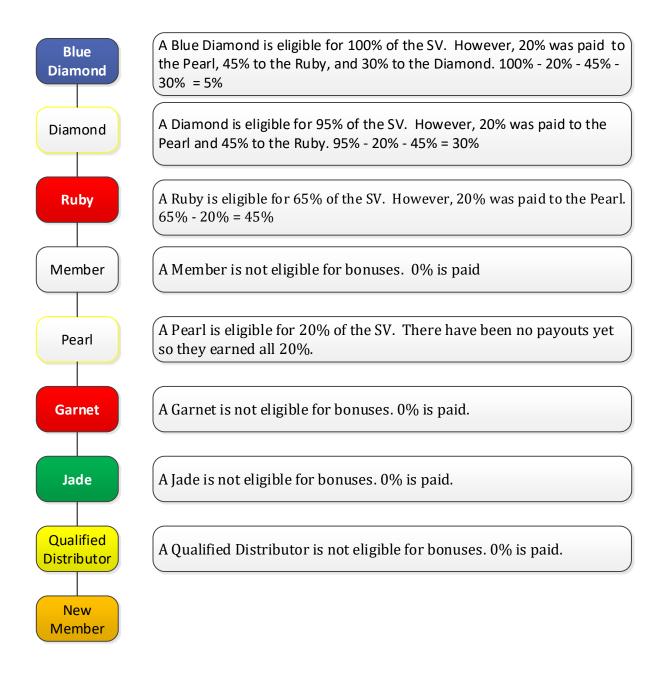
#### **Team Bonus**

Whenever someone in your downline enrolls a new team member, you may be eligible to receive the Differential Team Bonus. The Differential Team Bonus is calculated using the Sponsor Tree. It is paid based on the Marketing Pack purchased by the new member, your rank, and the rank of the Business Partners between you and the enrollment.

The Team Bonus uses SV (Special Volume) to determine payouts. Each marketing pack has an SV value associated with it. Depending on your rank you will receive a percentage of the SV as a bonus. Your previous month rank will be compared with your current month rank. The higher of the two ranks will be the rank used in Team Bonus Calculations. The chart below illustrates the percentage you will receive based on your rank.

Pearl	Sapphire	Ruby	Emerald	Diamond	Blue Diamond +
20%	45%	65%	85%	95%	100%

#### **Differential Team Bonus Example**



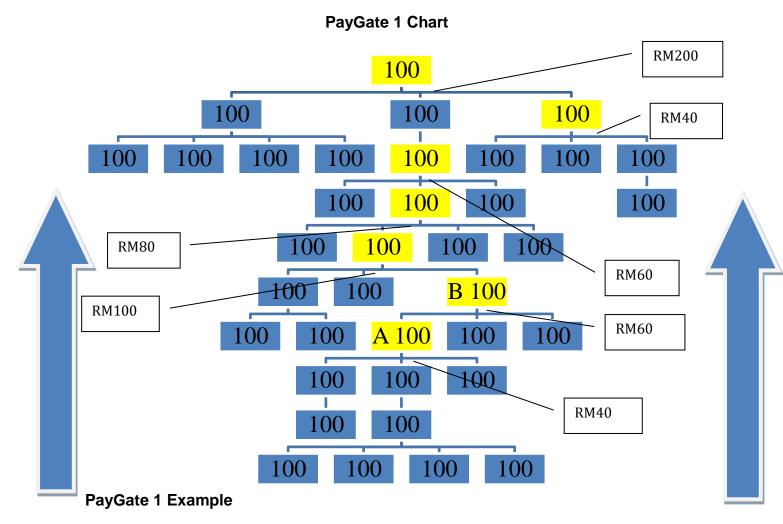
# Kyäni PayGate Accumulator

The Kyäni PayGate Accumulator is calculated on the monthly CV generated in your Placement Tree. The Kyäni PayGate Accumulator calculates residual income monthly by starting at the bottom of the Placement tree and accumulating volume flowing upward until it reaches a Business Partner with a qualifying PayGate where it pays out the earned commission. This process is repeated for all PayGate levels. As your volume increases, you may qualify for new PayGates depending on the distribution of your volume in your Placement Tree. Each additional PayGate you qualify for creates additional residual payout for you. For Paygate qualifications and payouts all personal customer CV will be calculated as a leg by itself. For example, if a Business Partner has 2 legs of Business Partners and personal customers this would be as if they had 3 legs for qualifications and payouts. Personal CV from your own Business Partner account will not be included towards your own Paygate qualifications and payouts.

Below is a chart of the PayGates, the percentage of CV for each level, and the volume requirements to earn the respective PayGate.

# PayGate Accumulator Chart using Placement Tree CV

PayGate	Rate	Largest Leg Requirement	Total of Small legs	3rd leg Minimum
1	5.00%	200	100	
2	7.00%	700	500	
3	8.00%	2,200	1,500	
4	7.00%	4,500	3,000	
5	6.00%	9,000	6,000	
6	5.00%	18,000	12,000	
7	3.00%	40,000	27,000	
8	1.00%	90,000	55,000	6,000
9	1.00%	200,000	125,000	12,000
10	0.50%	400,000	260,000	18,000
11	0.25%	1,000,000	450,000	40,000
12	0.25%	2,000,000	900,000	100,000

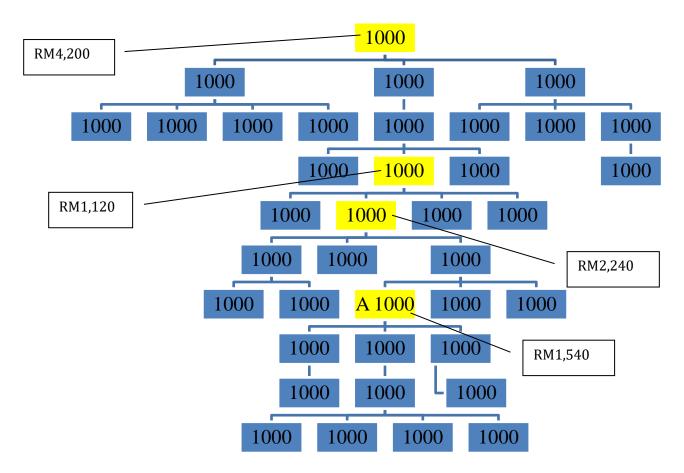


Review the example for PayGate 1 above. From the bottom of the organization, the volume flows upward and accumulates CV. As the volume reaches the first qualifying Business Partner for PayGate 1, we calculate how much CV is to be paid out (indicated by the yellow box). A total of 900CV has accumulated at the first yellow box A (Business Partner A). Once a PayGate is reached, the following process is used to determine the amount to pay on the PayGate:

- 1. Add all CV accumulated up through the organization from either the bottom or from the last PayGate payout—whichever is closer.
- Subtract the PayGate base amount (Largest Leg Requirement). For PayGate 1 this is 200CV. This 200CV amount will flow up along with your Personal CV to the Business Partner above them. For this example, you have 900CV 200CV = 700CV. This 700CV amount is multiplied by 5% for PayGate 1. This equals RM140.

The volume that flows up from Business Partner A (yellow box A) is now 300CV (200CV PayGate base amount + personal volume of 100CV). Business Partner B (yellow box B) is the next Business Partner to qualify for PayGate 1. The volume they receive is 500CV. Run it through the two step process above remembering that the PayGate amount of 200CV in addition to their personal CV of 100 flows up and repeat the process again. Business Partner B would receive RM60. The personal volume of Business Partner B (100CV) plus 200CV PayGate base amount volume flows up. Each of the yellow boxes represents Business Partners who qualify for PayGate 1. Once a PayGate flows to the top of the organization-the next PayGate process starts again at the bottom of the organization using the same volume.

# PayGate 4 Chart



# PayGate 4 Example

Above is another example to illustrate this further you will notice that the higher the gate, the more volume. Above is an example for Paygate 4. We will use the same organization as the PayGate 1 example, but we have increased the volume to 1000CV in order to keep the illustration small enough to demonstrate this PayGate. Remember that PayGates 1 – 3 would have been paid before PayGate 4 was processed. To qualify for this gate, your largest leg needs to have at least 4500CV and the total of all your other legs needs to have at least 3000CV.

Each of the Business Partners in yellow has qualified to receive a payout for PayGate 4. To calculate the amount of the payout for Business Partner A (yellow box A), first add the volume from all the legs. A total of 10,000CV is accumulated by Business Partner A. Next subtract the PayGate base amount (4500CV for PayGate 4). 10,000CV – 4500CV = 5500CV. Multiply this by 7% and we get RM1,232. This RM1,540 would be added to the other PayGate Bonuses (PayGates 1-3) for that Business Partner.

Finally, the PayGate 4 base amount of 4500CV flows up along with their personal 1000CV to the Business Partner above them. This process is repeated for every Independent Business Partner that qualifies for PayGate 4. In this example a total of four Business Partners received this PayGate 4 bonus in this example.

#### **Generation Check Match**

One of the most exciting bonuses is the Generation Check Match. You can earn a percentage of every PayGate payout from Independent Business Partners in your Sponsor Tree downline up to nine generations deep. A Generation is defined as a Business Partner with a Paid-as Rank equal to or greater than Sapphire, down to, and including the next Independent Business Partner with a Paid-as Rank equal to or greater than Sapphire. Based on your Paid-as Rank you will earn a percentage of your downline's PayGate earnings. The chart below itemizes the breakdown of generations and percentages.

Generations	Sapphire	Ruby	Emerald	Diamond	Blue Diamond	Green Diamond	Purple Diamond	Red Diamond	Double Red Diamond	Black Diamond	Double Black Diamond
1	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
2	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
3		10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
4			5%	5%	5%	5%	5%	5%	5%	5%	5%
5				5%	5%	5%	5%	5%	5%	5%	5%
6					4%	4%	4%	4%	4%	4%	4%
7						3%	3%	3%	3%	3%	3%
8							2%	2%	2%	2%	2%
9								1%	1%	1%	1%

# Generation One Generation Two Generation Three

# **Generation Check Match Example**

In the example above the Independent Business Partner at the top has a Paid-as Rank of Diamond which entitles them to five generation payouts (only three generations shown). The Business Partners in red are in Generation One, and the Diamond would receive 15% of the Paygate bonus of each one. The Business Partners in green are in Generation Two, and the Diamond would receive 10% of the Paygate bonus of each one. The Business Partners in yellow are in Generation Three, and the Diamond would receive 10% of the Paygate bonus of each one.

#### **Rank Bonus**

**Emerald Rank Bonus -** Achieve the month-end Paid-as rank of Emerald for two total months and receive RM20,000.

**Blue Diamond Bonus -** Achieve the month-end Paid-as rank of Blue Diamond for three total months and receive RM100,000.

**Purple Diamond Bonus -** Achieve the month-end Paid-as rank of Purple Diamond for three total months and receive RM400,000.

**Double Red Diamond -** Achieve the month-end Paid-as rank of Double Red Diamond for three total months and receive RM2,000,000 (RM400,000 per month for five months).

**Double Black Diamond -** Achieve the month-end Paid-as rank of Double Black Diamond for three total months and receive a RM4,000,000 (RM400,000 per month for ten months).

#### LEADERSHIP BONUSES

#### **Diamond Pool**

1.5% of all Global CV every month is put into the Diamond Pool. This pool is calculated monthly and paid monthly on a 60 day delay. For example, pool earnings from January would be paid out to you in March.

To participate in the pool, an Independent Business Partner must have a Paid-as Rank of Diamond or above in the current month and one of the two previous months. Participants receive shares in the pool based on their rank as follows:

Diamond 1 Share
Blue Diamond 2 Shares
Green Diamond 4 Shares
Purple Diamond 8 Shares
Red Diamond 8 Shares
Double Red Diamond 8 Shares
Double Black Diamond 8 Shares
Double Black Diamond 8 Shares

A Red, Double Red, Black, or Double Black Diamond participates in this pool until he or she qualifies for the next pool. If a participant in the pool helps someone in their Sponsor Tree downline reach the same Paid-as Rank or higher, then their shares are multiplied by 1.5. A participant can only receive one multiplying factor. Qualification is determined by the monthly Paid-as Rank. A Business Partner will never be paid in more than one leadership pools for the same month.

#### **Red Diamond Pool**

0.5% of all Global CV every month is put into the Red Diamond Pool. The pool is calculated monthly and paid on a 60 day delay. For example, pool earnings from January would be paid out to you in March.

To participate in the pool, an Independent Business Partner must be a Paid-as Rank of Red Diamond or above in the current month and one of the two previous months. Participants receive shares in the pool based upon their rank as follows:

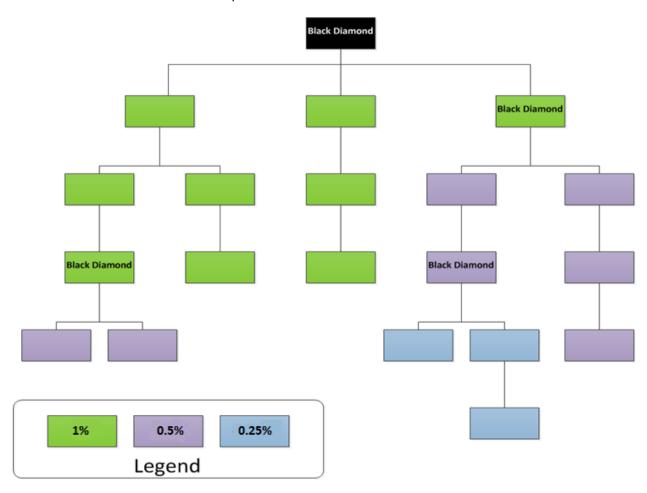
Red Diamond 1 Share
Double Red Diamond 2 Shares
Black Diamond 2 Shares
Double Black Diamond 2 Shares

If a participant in the pool helps someone in their Sponsor Tree downline reach the same Paid-as Rank or higher, then his or her shares are multiplied by 1.5. A participant can only receive one multiplying factor. Qualification is determined by the monthly Paid-as Rank. A Business Partner will never be paid in more than one leadership pools for the same month.

# **Infinity Bonus**

The Infinity Bonus allows a Paid-as Rank Black Diamond and Double Black Diamond to be paid 1% on all the CV in their sponsor downline. If the Black Diamond or Double Black Diamond has another Black Diamond or higher in their downline then the Infinity Bonus paid out below them becomes one-half. With each new Black Diamond in your Sponsor Tree the payout never ends but is reduced by one-half.

To participate in the bonus, a Business Partner must be a Paid-as Rank of Black Diamond or above in the current month and one of the two previous months.



# **Incentive Trips**

Kyäni provides Incentive Trips to reward those who are growing. Incentive Trips vary by market. To see your current Incentive Trip promotion, check your Backoffice.

#### KYÄNI BONUS SCHEDULE

# **Weekly Bonuses**

Team Bonus Retail Profit Bonus Customer Bonus Product Sharing Bonus Customer Referral

Posted in Backoffice	Check Mailed	Bank Transfer	Payoneer Upload
Tuesday	Thursday	Thursday	Thursday

<sup>\*</sup>Weekly bonuses are calculated for the previous Monday – Sunday based on local time in the country of registration.

# **Monthly Commissions/Bonuses**

Kyäni Paygate Accumulator Generation Check Match Pearl Bonus Customer Builder Bonus

Posted in Backoffice	Check Mailed	Bank Transfer	Payoneer Upload
8th	12th	12th	13th

# **Leadership Bonuses**

Diamond Pool\* Red Diamond Pool\* Infinity Bonus Rank Bonuses

Posted in Backoffice	Check Mailed	Bank Transfer	Payoneer Upload
8th	25th	25th	25th

<sup>\*</sup> The Diamond and Red Diamond Pools are paid in the second month after earned. For example January Leadership Pools would not be paid until March 25th.

Note: When the posting or payout date of any bonus falls on a weekend or holiday, the activity will occur on the next business day.

#### **DEFINITIONS**

**Leg** – The entire group of a Business Partner's individual first-level Business Partners. There can be legs in both the Sponsor Tree and the Placement Tree. If you have three individual Independent Business Partners on your first level, you have three legs.

**Downline** – All legs of your organization.

**Subscription Order** – An order setup by an Independent Business Partner or Customer that will be paid for and shipped at the interval selected. Once setup the subscription will be conveniently processed without any further action required by the Business Partner or Customer. There are multiple options to select from, but available products vary by market. Subscription orders can be set up through the Kyäni Backoffice or by contacting customer service.

**Backoffice** – The secure Internet program that allows you to view and control your business. You can view reports about your team, order product, set up new customers, enroll new Business Partners, obtain training, and control your subscription.

**Holding Tank** – When you enroll a new Independent Business Partner into your organization, you may place them temporarily in a Holding Tank for up to 10 days. This allows you time to determine where to place them within your Placement Tree. If you fail to place them within the 10 days period, the new Business Partner will automatically be placed in your first level of the Placement Tree.

**Generation** – A Kyäni Business Partner who has a Paid-as Rank equal to or greater than Sapphire, down to and including the next Kyäni Business Partner who has a Paid-as Rank equal to or greater than Sapphire, and every Business Partner in between. Generations are determined individually on each leg.

**Paid-as Rank** – The rank at the time of any bonus or commission pay period. This rank will vary with your team volume. You can find your Paid-as Rank in your Backoffice associated with each commission detail.

Lifetime Rank – The highest rank you have achieved.

**Preferred Customer** – A customer who sets up their product orders as a subscription. This also entitles them to a discount on their product purchase.

**Retail Customer** – A customer who purchases their product one order at a time. If they want product, they can contact the Independent Business Partner directly, contact customer service, or go to the corporate website and log in to purchase the product.

**Kyäni Personal Website** – A Business Partner's personal Kyäni approved and provided website where customers can order product and your prospective Business Partners can enroll.

**QV** — Qualifying Volume - Volume assigned to products and used to determine rank and minimum qualification.

MQV - Member Qualifying Volume (Includes customer purchases)

**GQV** – Group Qualifying Volume. (Includes yourself and your entire group including customers)

**CV** – Commissionable Volume. Volume used in calculating bonuses.

**SV** – Special Volume. Volume used to calculate Team Bonus payouts