



Shaklee® Dream Plan FAQs

These *FAQs* have been developed to help Business Leaders to get to know the new Compensation Plan that goes into effect on **10/1/10**.

More in-depth information can be found in the Dream Plan Business Rules document, which is posted on MyShaklee.com. The new *Statement of Privileges and Responsibilities of Shaklee Family Members* is the legal document that outlines the rules and qualifications for the Dream Plan, and it will be posted online in September 2010. In the event of a conflict between this document and the P&R, the P&R governs.

Other materials offer an overview of the Dream Plan, and those will be the best place to start in orienting yourself to the new plan provisions:

Future and Legacy Leaders:

- *How the Shaklee Dream Plan Works* — A Shaklee University course on the Dream Plan narrated by Jennifer Glacken and Shawn Gray. Available only in Shaklee University.
- *Live Your Dream* Presentation — A slightly less detailed review of the rewards of the Dream Plan, narrated by Jennifer Glacken and Shawn Gray. Available on the *Action DVD*, the *Live Your Dream DVD*, in Shaklee University and on MyShaklee.com.
- *Cars, Cash, Trips & Dreams* – Updated Opportunity Presentation (aka The FastTRACK to Infinite Possibilities), narrated by Barb Hill Behar and Matt Paddock. Available on the *Action DVD*, the *Live Your Dream DVD*, in Shaklee University and on MyShaklee.com
- Training Webinars by Rank — See MyShaklee.com for complete schedule
- Dream Plan Business Rules — For Future Business Leaders and for Legacy Leaders

Legacy Leaders:

- *Live Your Dream* DVD — 10 chapters, 60 minutes. Includes messages from Roger Barnett, Laura Collins-Hughes, Rich Higbee, the new Opportunity Presentation, testimonials from Field Leaders outlining The Shaklee Dream Plan, and why you will be excited by it.

If you have a question that is not addressed by these *FAQs*, you can send an e-mail to compensation@shaklee.com, or in Canada at canada@shaklee.com. We'll return your answer via e-mail, and your question may also be included here, so that others can benefit as well. Visit this page regularly, as we will continue to update these online *FAQs*.

General Questions

Q. What is the new Shaklee Compensation Plan called?

A. The plan is called ***The Shaklee Dream Plan***, because it's designed to invite and inspire new people to create the lifestyle of their dreams through Shaklee. The Dream Plan offers the opportunity to earn incredible new lifestyle rewards and benefits, the chance to quickly earn up-front cash, and the opportunity to build a long-term residual income that can help support your family today, tomorrow, and for generations to come.

Q. What are some of the new features of the Dream Plan?

A. Developed after 5 years of analysis, gathering and reviewing feedback from the Shaklee Field, and considering competitive compensation plans and rewards programs, the Dream Plan incorporates the best aspects of our existing compensation plan, with new features designed to

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attract, motivate and reward people for the activities involved in becoming leaders, and creating new leaders, including:

- New Directors Conference at Director
- Car Program beginning at Senior Director
- Future Masters Retreat for Executive Coordinators
- Hometown Celebration for Key Coordinators
- Leadership Bonuses up to 6 generations
- Infinity Bonuses
- Matching Infinity Bonuses

Q. Who can participate in the Dream Plan?

A. Any US or Canadian Shaklee Distributor who becomes a Business Leader (Director or above) in the October 2010 PV month or later is automatically included in the Dream Plan.

Q. What about Directors who broke out in July, August and September?

A. If you promoted to Director in July, August or September, you can choose to participate in the Dream Plan when it begins October 1, 2010 by emailing Shaklee Field Support at dreamplan@shaklee.com or in Canada at canada@shaklee.com by **October 20, 2010** and letting us know that's what you choose.

Q. When do we receive our first check in the Dream Plan?

A. The first month is October, so that means the first check issued in the new plan will be in November 2010.

Ways to Join

Q. In the Dream Plan, how does one join Shaklee to start experiencing all of the benefits of the Dream Plan?

A. There are still four ways to join Shaklee in the new plan, and the GOLD Ambassador Program is, in our opinion, still the best way to join.

There are no changes for those who choose to join as a Member or Distributor. GOLD Packs have more PV. Here are the four ways to join:

- \$19.95 Member Pack
- \$39.95 Distributor Kit
- \$299 GOLD Ambassador Mission Pack (250 PV)
- \$750 Super GOLD Ambassador Mission Pack (500 PV)

Q. What's different about the GOLD Ambassador Program?

A. We've increased the PV on the GOLD Pack, while eliminating all of the GOLD Phase qualifications and the \$75 upline bonus. We've reduced the annual renewal fee to \$29, and simplified the options to join, reducing the number of GOLD Packs to two - one GOLD Pack and one Super GOLD Pack.

Being a qualified GOLD Ambassador entitles you to participate in earning GOLD Ambassador bonuses, FastTRACK bonuses, and to participate in the global income opportunity (sponsor and earn bonuses in other countries).

Getting Paid

GOLD Bonuses

Q. How do GOLD Bonuses work, and who is eligible to earn them?

A. The GOLD Bonus is a one-time bonus paid on the sale of a GOLD Ambassador Mission Pack. A Shaklee Family Member who purchases a GOLD Pack is referred to as a GOLD Ambassador. The GOLD Bonus is paid on the first purchase of a GOLD Pack only.

To be eligible to earn GOLD Bonuses, one must:

- Hold the title of Distributor or higher, and
- Be a GOLD Ambassador

A GOLD Bonus of \$50 will be paid to the **original sponsor** of a Shaklee Family Member who purchases a GOLD Pack, and a GOLD Bonus of \$100 will be paid to the original sponsor of a Shaklee Family Member who purchases a Super GOLD Pack.

In the event that the original sponsor is not eligible to earn GOLD Bonuses, the bonus will not be paid.

Q. If an existing Member or Distributor upgrades to GOLD by purchasing a Mission Pack, will the GOLD Bonus be paid?

A. Yes, the GOLD Bonus will be paid for your Members or Distributors who upgrade to GOLD by purchasing a Mission Pack. However, in order to earn points on your sponsoring, that upgrade must take place within the first 60 days of the date of sponsoring.

Q. Are GOLD Bonuses still paid weekly?

A. Yes, they are paid on a weekly basis, to Distributors who have opted in to the Direct Deposit program.

Power Bonuses

Q. Who is eligible to earn Power Bonuses?

A. Power Bonus payments are available to new Distributors during the first three full months after the month in which they joined Shaklee.

Also, and this is new, when a Business Leader achieves a new, never before achieved rank, beginning with the Director rank, the new rank achiever has an additional 3 months to participate beginning with the month after promotion.

Example: If a new Director promotes in March, they can earn Power Bonuses in the months of April, May and June.

Example: If a new Senior Coordinator promotes in July, they can earn Power Bonuses in the months of August, September and October.

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Q. How does one qualify for Power Bonuses?

A. The Power Bonuses are earned in exactly the way that was announced when new incentive trip and recognition qualifications were announced on June 30, 2010. Accumulate 15 sponsoring points and you will earn \$150. These points also count toward your qualifications for incentive trips, recognition, and Team Up quarterly incentives.

Points are earned by the Original Sponsor, as follows:

- 1 point for a new Member or Distributor (\$19.95 join option) with 50 PV
- 2 points for a new Distributor (\$39.95 join option) with 100 PV
- 5 points for a new Distributor with a GOLD Ambassador Mission Pack
- 10 points for a new Distributor with a Super GOLD Pack

Q. Does my sponsoring across borders generate points?

A. If your new person is in Canada (for US Distributor) or in the US (for Canadian Distributor), then yes, your sponsoring counts.

A US or Canadian Distributor who sponsors someone in Mexico can also earn points as follows:

- 1 point for new Mexican Distributor sponsored with 1000-peso pack
- 2 points for new Mexican Distributor sponsored with 2000-peso pack

Q. Are Power Bonuses still paid weekly?

A. Yes, they are paid on a weekly basis, to Distributors who have opted in to the Direct Deposit program.

Personal Group Volume / Volume Bonuses

Q. How are volume bonuses earned in the Dream Plan?

A. Volume bonuses are earned in the same way as in the existing plan, but with a modified bonus percentage schedule. Everyone has a 100 personal PV requirement, which counts as part of the PGV requirement. Personal Group Volume is paid according to the following schedule, which also shows how the bonus pays differentially:

Title	PGV (incl. 100 Personal Volume)	% on Personal Volume*	% on 250 PGV Groups	% on 500 PGV Groups	% on 1000 PGV Groups	% on 1500 PGV Groups
Distributor/Associate	250	4%				
Distributor/Associate	500	8%	4%			
Distributor/Associate	1000	12%	8%	4%		
Distributor/Associate	1500	14%	10%	6%	2%	
Business Leader	2000	20%	16%	12%	8%	6%

* And Members and Distributor Groups with less than 250 PGV

Q. What changes are there?

A. A bonus percentage tier is added for those with 1500 PGV or higher, so that 14% can be earned at 1500, instead of 12% as in the previous plan. Also, Directors now earn 20% on their volume of 2000 or higher.

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Q. Why is the highest available volume bonus percentage 20%?

A. The rewards in the Dream Plan are designed to encourage and motivate a business builder to become a Director, and then to focus right away on helping others do the same. This will help new leaders to build organizations of other leaders – and when they do so, they'll be rewarded in multiple ways, with access to cars, trips, and ever increasing commissions. So the higher volume percentages that once may have encouraged a leader to build a very high volume – and which inadvertently discouraged promoting new Directors - are now being used to create cars, trips and cash to support you as you develop new Directors and help others to build a business in Shaklee.

Q. Is Vivix® volume (IPV) paid differently in the Dream Plan?

A. No – there is only one kind of volume in the Dream Plan – PV. For those who are participating in the Dream Plan, volume from Vivix is paid exactly the same way as all other volume from product purchases.

Q. Can Business Leaders choose to pay their own group members according to a different volume bonus schedule than the one described above?

A. In the Dream Plan, our policy is that all new Directors will have Pay Downlines Direct (PDD) as a part of their profile, and that bonuses be paid in accordance with the plan, including payment of the MN-DN differential at 500 PGV. If the new Director wishes to choose otherwise, Field Support can make this exception.

Business Leaders who choose not to participate in the PDD Program are required to comply with Federal, State and Local tax laws, including but not limited to issuing Forms 1099-MISC to Distributors and Associates as required by the IRS.

Business Leaders who choose not to participate in the PDD Program must observe the following:

- As an independent business person the Business Leader may choose not to adhere the Personal Group Bonus schedule published by Shaklee when paying bonuses to Distributors and Associates in their Personal Group.
- The Business Leader must state in writing their individual policies concerning bonuses, price tiers, and eligibility for price differential prior to the time that a prospective Member or Distributor completes and signs a Shaklee Application or equivalent, so that people interested in becoming Distributors will not be misled into assuming that their Business Leaders will pay bonuses in accordance with the Personal Group Bonus Schedule published by Shaklee, or that their Business Leader will offer pricing discounts or eligibility for price differential in accordance with materials published by Shaklee.
- A promise to pay a bonus is a contractual commitment that Business Leaders must honor by prompt payment.

Q. Can Business Leaders in the Dream Plan choose to manually appoint new Distributors, Associates and Directors?

A. The default for Dream Plan Business Leaders is that promotions to Distributor, Associate and Director will be made automatically by Shaklee when all requirements if a title are met. However, a Business Leader in the Dream Plan can choose to have all appointments to Distributor and Associate made automatically by Shaklee, or not. The Business Leader may separately choose to have all appointments to Director made automatically, or not.

Price Differential

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Q. What about price differential? How is this paid in the Dream Plan?

A. Price differential is the difference between the price tier at which one purchases product, and the price tier at which one’s downline Member, Distributor or Associate purchases product.

In the **Dream Plan in the US**, there are three price tiers:

- SRP (Suggested Retail Price)
- MN (Member Net)
- DN (Distributor Net)

SRP is the price that non-Shaklee Family Members pay for all product purchases.

MN represents a 15% discount on SRP, and all Shaklee Family Members become entitled to this pricing after they join Shaklee.

DN represents a 26.7% discount on SRP, and is the price that Directors and above pay for all product purchases in the Dream Plan.

In the **Dream Plan in Canada**, there are two price tiers:

- MP (Member Price)
- DN (Distributor Net)

DN represents a 13% discount on MP, and is the price that Directors and above pay for all product purchases in the Dream Plan.

A Distributor or above qualifies to receive the price differential between MN and DN, if they achieve 500 PGV, including 100 PV monthly.

Leadership Bonuses

Q. How are Leadership Bonuses earned in the Dream Plan?

A. Leadership bonuses are earned in the same way as historically, but with a modified bonus percentage schedule. You must be a qualified Business Leader (not in a volume grace month) to earn leadership bonuses on the PGV generated by your downline leaders. You are paid at the title for which you fully qualify, according to the requirements for each title (see Rank Requirements section below, or Chapter One in the P&R).

Q. What changes are there?

A. Leadership bonuses are now paid as deep as 6 generations. Here’s the bonus percentage schedule for leadership bonuses in the Dream Plan:

Leadership Bonuses and Infinity Bonuses*											
	GEN	SRDIR	CRD	SRCRD	EXEC	SREX	KEY	SRKEY	MSTR	SM	PM
Dream Plan	1st	6%	6%	6% +2%	6% +3%	6% +4%	6% +5%	6% +6%	6% +7%	6% +7.5%	6% +8%
	2nd	3%	4%	5% +2%	6% +3%	6% +4%	6% +5%	6% +6%	6% +7%	6% +7.5%	6% +8%
	3rd			+2%↓	4% +3%	4% +4%	4% +5%	4% +6%	4% +7%	4% +7.5%	4% +8%
	4th			∞	+3%↓	+4%↓	4% +5%	4% +6%	4% +7%	4% +7.5%	4% +8%

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Leadership Bonuses and Infinity Bonuses*											
	GEN	SRDIR	CRD	SRCRD	EXEC	SREX	KEY	SRKEY	MSTR	SM	PM
	5 th				∞	∞	+5%↓	+6%↓	3% +7%	3% +7.5%	3% +8%
	6 th						∞	∞	+7%↓	3% +7.5%	3% +8%
									∞	+7.5%↓	+8%↓
										∞	∞
	4 th						3%	3%	4%	4%	4%

* Infinity Bonuses are paid differentially and are “up to” the percentages shown.

Infinity Bonuses

Q. What are Infinity Bonuses and who earns them?

A. Infinity bonuses are paid to Senior Coordinators and above, on the PV of each of one’s downline leaders, to unlimited generations. These bonuses are paid differentially. That means that you are paid the difference between the percentage you qualify for, and the percentages that your downline Business Leaders qualify for. The Infinity Bonus percentages paid by rank are as follows:

Paid As Title	Infinity Bonus
Senior Coordinator	2%
Executive Coordinator	3%
Sr. Executive Coordinator	4%
Key Coordinator	5%
Sr. Key Coordinator	6%
Master Coordinator	7%
Sr. Master Coordinator	7.5%
Presidential Master	8%

Example: Senior Coordinator Karen has a First Generation Director, David. Karen earns a 2% Infinity Bonus in addition to her 6% First Generation Leadership Bonus, for a total of 8% on David and his Personal Group

Example: Joan is a Key Coordinator, and Gerard is her first generation Senior Coordinator. Joan is eligible to earn up to 5% in Infinity Bonuses on everyone in her downline, to unlimited generations. Gerard earns 2% of that 5%, so, in addition to the 6% Leadership Bonus Joan earns on Gerard’s PV, Joan also earns 3% of Gerard’s PV in Infinity Bonuses, for a total of 9% on Gerard’s PV.

Example: Kyle is a Senior Key Coordinator, and Luis is his first generation Senior Executive Coordinator. Kyle is eligible to earn up to 6% Infinity Bonus, but Luis earns 4% of that 6%, so, in addition to the 6% Leadership Bonus Kyle earns on Luis’ PV, Kyle also earns 2% of Luis’ PV in Infinity Bonuses, for a total of 8% on Luis’ PV.

Example: Willem is an Executive Coordinator, and Sheila is his second generation Senior Coordinator. When Sheila increases her rank to Executive Coordinator, Willem no longer earns Infinity Bonuses on Sheila or her downline. However, when he increases his rank to Senior Executive Coordinator, he earns 1% on Sheila’s PV, in addition to 6% Leadership Bonus, for a total

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of 7% on Sheila’s PV (and 1% plus applicable Leadership Bonuses on Sheila’s downline leaders assuming none has a paid as title higher than Executive Coordinator).

Q. Are Infinity Bonuses paid on a particular kind of volume, like IPV, or on all PV from product purchases?

A. Infinity Bonuses are paid on all volume from all product purchases, regardless of what products are purchased.

Matching Bonuses

Q. What are Matching Bonuses and who earns them?

A. Senior Key Coordinators and higher are eligible to be paid a Matching Bonus on the Infinity Bonus earnings of the first downline Business Leader in any leg who matches their paid as title (but not if a Business Leader of higher title intervenes).

These bonuses are designed to encourage leadership development, by giving our top leaders an extra bonus when their downlines achieve the same rank.

The Matching Bonus percentage increases as paid as title increases:

Paid As Title	Matching Bonus
Sr. Key Coordinator	10%
Master Coordinator	15%
Sr. Master Coordinator	20%
Presidential Master Coordinator	25%

Example: Senior Key Coordinator Amanda has a third generation Senior Key Coordinator in her organization, Elise. Since Elise has the same rank as Amanda, Amanda doesn’t earn Infinity Bonuses on Elise’s PV. However, she does earn a 10% Matching Bonus on Elise’s Infinity earnings each and every month.

Presidential Master Bonuses

Q. What is the Presidential Master Bonus and how does it work?

A. Presidential Masters are paid an additional infinity bonus on Presidential Masters they develop within their organizations. Here’s how it works:

- A Presidential Master receives ½% of the entire Organizational Volume of the first Presidential Master downline, down to but excluding the second Presidential Master downline.
- A Presidential Master receives ¼% of the entire Organizational Volume of the second Presidential Master downline, down to but excluding the third Presidential Master downline.

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- A Presidential Master receives 1/8% of the entire Organizational Volume of the third Presidential Master downline, down to but excluding the fourth Presidential Master downline.
- A Presidential Master continues to receive half of the previous percentage on each succeeding Presidential Master and their organization, until there are no more Presidential Masters in that leg.

Rank Qualifications

Q. What are the non-Business Leader ranks in the Dream Plan, and what are their qualification requirements?

A. The Member, Distributor and Associate ranks are the same, and are summarized in the table below.

Rank	Join Option	Can Also Be Appointed Automatically When:
Member	Join with \$19.95 Member Pack	
Distributor (must have SSN or ITIN on record with Shaklee)	Join with \$39.95 Distributor Welcome Kit, GOLD Ambassador Mission Pack or Super GOLD Pack	<ul style="list-style-type: none"> • 250 PGV/100 Personal is reached in a single month; or • A Member sponsors a GOLD Ambassador
Associate (must have SSN or ITIN on record with Shaklee)	Regardless how you join, this rank is achieved by manual or automatic appointment, when a Distributor reaches 1000 PGV/100 Personal in a single month	<ul style="list-style-type: none"> • 1000 PGV/100 Personal is reached in a single month

* To earn a bonus in the US, you must provide a Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN).

Q. What are the Business Leader ranks in the Dream Plan, and what are their qualification requirements?

A. The Business Leader ranks and their qualifications are summarized in the table below.

Title	PGV*	First Generation Business Leaders	Paid As Master Legs	OV/ OV Outside Strongest Leg
Distributor	250			
Associate	1000			
Director	2000			
Sr. Director	2000	1		
Coordinator	2000	2		
Sr. Coordinator	2000	2		10,000
Executive Coordinator	2000	3		20,000/10,000**
Sr. Executive Coordinator	2000	3		30,000
Key Coordinator	2000	4		50,000/25,000
Sr. Key Coordinator	2000	5		75,000/37,500
Master Coordinator	2000	6		100,000/50,000

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Title	PGV*	First Generation Business Leaders	Paid As Master Legs	OV/ OV Outside Strongest Leg
Sr. Master Coordinator	2000	8		200,000/100,000
Presidential Master Coordinator	2000	10	2	500,000/250,000

* **Must include 100 Personal PV**

** **10,000 OV outside the Strongest Leg is required to earn FastTRACK Executive Coordinator Rewards**

Q. What is Organizational Volume?

A. Organizational Volume is the sum of your Personal Volume plus the Personal Volume of every single person in your entire organization, regardless of how many levels or generations. In the Dream Plan, Organizational Volume is used to qualify you for rank. Rank used to be determined by your Business Group Volume from your first through fourth generations. Now, your rank is determined by the PV of your *entire organization*, which is always at least equal, if not more, than your BGV.

Q. How can I see what my Organizational Volume is? Is there a report in iTrack or on MyShaklee.com that displays this?

A. Your Organizational Volume will be part of the reporting that will be available to you through the MyShaklee.com web site, in the My Business tab, just like Business Group Volume is available for you today.

Q. What is the requirement for Organizational Volume outside of the strongest leg?

A. The purpose of introducing the idea of volume outside of the strongest leg is to ensure that our top leaders have the most stable businesses and maximize the full payout of the Dream Plan. This requirement applies only for the rank qualifications of Key Coordinator and higher, and to Executive Coordinators in order to earn the FastTRACK bonus and benefits. In order to qualify for one of these top ranks, a portion of the Organizational Volume (OV) which qualifies you for that rank needs to come from outside of the strongest (highest OV producing) leg.

Example: Susie is a Key Coordinator, with a total of 57,000 OV, and five first generation leaders (that is, five legs). One of these leaders is an Executive Coordinator whose organization produces 26,000 OV. This is Susie’s strongest leg. Susie’s Personal Group Volume plus the volume from her other first generation leaders (legs) totals 31,000 OV, which is more than the requirement of 25000 OV that Susie must have outside her strongest leg. Susie meets the qualification for Key Coordinator rank.

Q. What if I don’t meet the requirements for my rank in any given month? Will I be retitled to another rank?

A. If a Business Leader fails to meet the requirements to remain a Director (2000 PGV, 100 of which are personal), and has already used any available volume grace months, they will be retitled to Associate.

Q. Are the volume requirements for maintaining Business Leader status (at least a Director) different in the month that a new Director advances?

A. Yes, in the month that you promote a new Director from your personal group, you have several months to build your own personal group volume back to the 2000 Personal Group Volume / 100 PV Director qualifications requirement. Here is how this works:

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- In the month in which you promote a First Generation Director, you must have 1000 Unencumbered Group Volume, (i.e., 1000 Personal Group Volume not including the Personal Group Volume of the new Director).
- In the month following promotion of a First Generation Director, you must have 1250 Personal Group Volume (not including the Personal Group Volume of any additional First Generation Directors promoted in either of those two months), including 100 Personal Volume.
- In the second month following promotion of a First Generation Director, you must have 1500 Personal Group Volume, including 100 Personal Volume.
- In the third month following promotion of a First Generation Director, you must again have 2000 Personal Group Volume, including 100 Personal Volume.

Car Program

Q. What is the Shaklee Car Program, and who is eligible to participate?

A. The Shaklee Car Program is a new and exciting element in our rewards and incentives program. Anyone who is a Business Leader in the Dream Plan may participate by achieving the qualifications at each of the ranks listed below, and then meeting the specified minimum Car Volume (CV) for your rank, each and every month during the payment period.

Rank	Car Volume (CV)	Qualification Period	Gas/Hybrid Credit
Senior Director	5000	3 consecutive months	\$225/\$250
Senior Coordinator	7000	3 consecutive months	\$325/\$375
Senior Executive Coordinator	9000	3 consecutive months	\$400/\$450
Senior Key Coordinator	13,000	3 consecutive months	\$450/\$500
Master Coordinator	15,000	3 consecutive months	\$500/\$600

Q. What is “Car Volume” and how is it calculated?

A. Car Volume (CV) is defined as your unencumbered Personal Group Volume plus up to 2000 in credit for each first generation leader.

Q. What is unencumbered Personal Group Volume?

A. Unencumbered volume is a term that only really applies in the month that you promote a First Generation Director. It refers to your total Personal Group Volume, not including the Personal Group Volume of that First Generation Director in the month that he or she promotes.

Q. What are some examples of how this would work?

A. See below.

Example: Jean becomes a Senior Director, with one first generation leader who does 2000. Her own Personal Group Volume is 3000 and she gets credit for 2000 of the volume that her first generation leader does. She has a total of 5000 CV, and once she maintains this for 3 consecutive months, she will have qualified for the Senior Director Car.

Example: Michael is a Senior Director as well, but with two first generation leaders. In the month they promote, Michael’s Unencumbered Group Volume is 1000. His two leaders earn him 2000

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credit each, for a total of 4000. He has a total of 5000 CV, and once he maintains this for 3 consecutive months, he too will have qualified for the Senior Director Car.

Q. What is the impact of a Volume Grace Month on someone who is in qualification to participate in the Car Program for their rank?

A. Any month in which you take a Volume Grace Month (VGM) or waiver cannot be counted as part of your qualification. Likewise, any month in which you take a VGM while you are receiving car payments makes you ineligible to receive a car payment for that month, regardless of whether or not other qualifications have been met.

Q. What if one of my first generation leaders has a Volume Grace Month – do I get credit for their volume?

A. Yes, the way it works is you earn up to 2000 in credit for each First Generation Leader. But if the first generation is in a VGM and does less, you get credit for their actual volume.

Q. Once someone qualifies, what do they need to do to earn the car payment, and how is it paid?

A. You have to submit your registration form within 6 months after completing qualification. Your vehicle must have been acquired no earlier than 12 months before the completion of qualification.

Q. How long is the payment period?

A. The payment period for each rank's Car Program is 36 months.

Q. Is there a maintenance requirement?

A. Yes, you must maintain the required CV for your rank each and every month during the payment period in order to receive a car payment.

Q. What if my rank falls below the rank of the Car Program in which I'm participating?

A. As long as your required CV for your rank is met, you will still receive a car payment, but it will be the payment associated with your Paid As rank for that month.

Q. What if my CV falls below the required amount?

A. In any month in which your CV falls below the required amount for your rank, no car payment will be paid for that month.

Q. What if my rank increases while I'm participating in the Car Program?

A. If your rank increases to another rank at which you could qualify for a higher car payment, then we will increase your payment, as long as you also achieve the CV required for that rank. This does not impact your eligibility to then participate in Car Program for the higher rank, once the 36 months in the lower rank Car Program have passed.

Q. What if I don't have the down payment or initial payment for a lease in order to purchase or lease a car at the time I am qualified?

A. Business Leaders may choose to have Shaklee reserve up to six months' of Car Bonuses for them, which they may use to pay the "drive-off" charges on a car lease or a down payment for a purchase. Business Leaders who wish to use this option need to indicate that on the Car Program Registration form. The remaining period during which monthly car bonuses can be earned will be reduced by the number of months that bonuses have been placed on reserve.

Q. What happens after the payment period is over?

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A. Business Leaders may participate in the Car Program for each rank only once. So while you are participating in the Car Program for your rank, you will also be working to achieve the next rank at which you can participate again. Once you do that, and complete the qualifications for the Car Program for that rank, your car payment increases, and if you choose, you can upgrade to a more luxurious car.

Q. Can I receive car payments for a car that I have already purchased or leased (before my qualifications were completed)?

A. Yes. The date of purchase or lease inception must be within the last 12 months as of the time registration is submitted to Shaklee. The car may be either a new car or certified pre-owned car with model year within the last three years (e.g., If the registration is submitted in 2010, then the model year can be 2008, 2009, 2010 or 2011).

Q. If I earn the ability to participate in the Car Program, can I choose to receive the payment without a car?

A. No, the car payment is only paid if proof of purchase or lease of a car is provided.

Q. Is there a qualification for Presidential Master Coordinators in the Car Program?

A. Yes, hold paid as Presidential Master Coordinator title for three consecutive months and promote to the appointed title of Presidential Master Coordinator, then continue to hold paid as Presidential Master Coordinator for an additional three consecutive months (total of six), and you will be awarded a top of the line Mercedes S400 hybrid!

Trips

Q. What are the trips I can qualify for in the Dream Plan?

A. In addition to our annual Incentive Trip (Dream 2011 for the current year) and the Top Achievers International Trip, the qualifications for which were announced in June 2010, there are four new trips or celebrations that you can qualify for:

- **New Director:** New Directors Conference at the Shaklee World Headquarters in Pleasanton
- **New Executive Coordinator:** Future Masters Retreat in Pleasanton
- **New Key Coordinator:** Hometown Celebration
- **New Master Coordinator:** Napa Valley Retreat

There are other trips that you can earn if you achieve new rank according to FastTRACK time frames. These include free registration for the Global Conference in 2011, and automatic qualification for the Dream 2011 incentive trip and the Top Achievers International Trip. See the FastTRACK section of this FAQ below for more information on that.

Q. How do I qualify for the New Directors Conference at the Shaklee World Headquarters in Pleasanton, CA?

A. A new Director in the Dream Plan can qualify for the New Directors Conference by earning a total of 18,000 CV in any six-consecutive month period within your first 12 months as a Director (month of promotion plus eleven months). That's an average of 3000 CV per month. The entire qualification must be completed by the end of the 12th month. The Business Leader must be fully qualified during each month of the six-month qualification period and in the month of the conference. The six-month qualification period must be completed no later than two months prior to the month of the conference.

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Q. When is the first New Directors Conference going to be held?

A. The very first New Directors Conference will be held **May 19-22, 2011**. If you'd like to be among the first to qualify (which will be very exciting!), you need to promote to Director by October 2010 and then maintain an average of 3000 CV per month for 6 consecutive months, through March 2011, for a total of 18,000 CV.

Q. What is CV?

A. CV is Car Volume, and it consists of a Business Leader's Unencumbered Group Volume, plus the Personal Group Volume of each First Generation Leader, up to a maximum of 2000 per First Generation Leader.

Q. What is unencumbered group volume?

A. Unencumbered volume is a term that only really applies in the month that you promote a First Generation Director. It refers to your total Personal Group Volume, not including the Personal Group Volume of that First Generation Director in the month that he or she promotes.

Q. So if I promote a new Director while I'm in qualification for the New Directors Conference, will my new Director's volume still count for my qualifications?

A. Yes, exactly as it does for Car Program qualifications. That is, up to 2000 CV can come from each of your First Generation Leaders.

Q. What is covered in the New Directors Conference?

A. Qualification is for two people and includes airfare, hotel, local transportation, and includes some meals including a gourmet dinner at the beautiful Wente Vineyard restaurant.

Q. What if I'm unable to attend the first New Directors Conference I'm eligible for?

A. You can choose to attend either the first NDC you qualify for, or the one after that if you remain a qualified Business Leader.

Q. As a new Executive Coordinator in the Dream Plan, what do I need to do to qualify for the Future Masters Retreat?

A. You must be a Business Leader in the Dream Plan to qualify for this trip. Then, you need to reach qualifications for the rank of Executive Coordinator (20,000 OV/3 First Generation Leaders), maintain those qualifications for three consecutive months (including the month you first achieved them) and you must also be qualified as an Executive Coordinator in the month of the trip.

Q. What is included in the Future Masters Retreat Trip for new Executive Coordinators who qualify?

A. Qualification is for two people and includes airfare, hotel, local transportation, registration, meals and participation in the Future Masters Retreat.

Q. As a new Key Coordinator in the Dream Plan, what do I need to do to qualify for the Hometown Celebration?

A. You must be a Business Leader in the Dream Plan. Then, you need to reach qualifications for the rank of Key Coordinator (50,000 OV, including 25000 OV outside the strongest leg /4 First Generation Leaders), maintain those qualifications for three consecutive months (including the month you first achieved them) and you must also be qualified as a Key Coordinator in the month of the Hometown Celebration.

Q. What is included in the Hometown Celebration for new Key Coordinators who qualify?

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A. Shaklee will come to your town, and invite 25 of your guests to an evening of food, fun and friendship with recognition of your achievement, including a local press release that announces what you've accomplished!

Q. As a new Master Coordinator, what do I need to do to qualify for the Napa Retreat/Master Pinning Trip?

A. You need to reach qualifications for the rank of Master Coordinator (100,000 OV, including 50,000 OV outside the strongest leg/6 First Generation Leaders), maintain those qualifications for three consecutive months (including the month you first achieved them) and you must also be qualified as a Master Coordinator in the month of the trip.

Q. What is included in the Napa Retreat/Master Pinning Trip for new Master Coordinators who qualify?

A. Qualification is for two people and includes airfare to the San Francisco Bay Area, a luxurious Napa Valley spa retreat, local transportation, a huge welcome and celebration of your attainment of this prestigious rank, along with a never-to-be-forgotten evening with Roger and Sloan Barnett!

FastTRACK

Q. How does the FastTRACK career path work in the Dream Plan?

A. The FastTRACK career path continues as the supercharged career path in Shaklee that helps new distributors reach the rank of Executive Coordinator in 15 months and rewards them with progressively greater incentives as they reach key milestones along the way.

The way it works is that if you achieve a Business Leader rank within a specific time frame after the month you join Shaklee, and maintain that new rank for 3 consecutive months (including the month you achieved it), then you qualify for some pretty great rewards. And the upline Business Leader who helped you get there benefits too, earning matching cash bonuses that can really add up!

Q. Who can participate in FastTRACK?

A. FastTRACK is open to all new Shaklee Members, Distributors and GOLD Ambassadors. Before earning any FastTRACK reward, one must become a GOLD Ambassador.

Q. What about existing Distributors who aren't Business Leaders? Can they participate?

A. Yes, as a special promotion, as announced at our 2010 Global Conference in Anaheim, all existing Members, Distributors and Associates (i.e., non-Business Leaders, as of the August 2010 PV month) are once again eligible to participate in FastTRACK. They must be a GOLD Ambassador or upgrade to GOLD Ambassador status with the purchase of a Mission PAK.

For existing Shaklee Family Members, the milestones and time frames to achieve them are as follows:

- Achieve Director by **October 2010** and then maintain for two additional months.
- Achieve Senior Director by **January 2011** then maintain for two additional months.
- Achieve Coordinator by **April 2011** then maintain for two additional months.
- Achieve Senior Coordinator by **July 2011** then maintain for two additional months.
- Achieve Executive Coordinator by **October 2011** then maintain for two additional months.

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The “5-year rule” applies. To be treated as a non-Business Leader in FastTRACK during this special promotional period, you must be a new Director. And you are considered “new” as long as you have not held a Business Leader title for more than 2 months during July 2005 – June 2010.

If you did hold Director rank or above July 2005 or later, you can still earn the 50% matching bonus when you become a Business Leader and promote new leaders who also earn bonuses in FastTRACK.

Q. What are the rewards I can earn when I participate in FastTRACK?

A. The rewards in FastTRACK are *in addition to* the rewards and benefits you can qualify for at each new rank (like the Car Program and the New Directors Conference), which have other requirements as well. Here’s what you can earn:

Achieve this FastTRACK Rank and You’ll Receive:	Bonus	Matching Bonus to First Qualified Upline	Trip	Other Rewards
FastTRACK Director			Two free registrations to the 2011 Global Conference	<ul style="list-style-type: none"> • 25 Join Us DVDs • One full year of PWS/iTrack • Program Business Card Holder
FastTRACK Senior Director	\$1,000	\$500		<ul style="list-style-type: none"> • Program Planner • 25 Join Us DVDs
FastTRACK Coordinator	\$3,000	\$1,500	Automatic qualification for the annual incentive trip (Dream 2011)	<ul style="list-style-type: none"> • Program Portfolio
FastTRACK Senior Coordinator	\$5,000	\$2,500		
FastTRACK Executive Coordinator	\$25,000	\$12,500	Automatic qualification for the Top Achievers International Trip	

Legacy Leaders - Grandfathering

General Questions

Q. What is a Legacy Leader?

A. A Legacy Leader is a Business Leader who held the title of Director or above in the September 2010 PV month.

Q. How will Legacy Leaders earn once the Dream Plan begins in October 2010?

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A. You will continue to receive SN pricing on all of your personal purchases, and you will continue to earn the SN/DN differential on purchases made by those in your personal group, as well as any MN/DN Price Differential not paid to a Distributor or Associate. You will continue to earn Personal Group Bonuses up to 34% on PV from your personal group (see below for a special provision on the bonus percentages for which you may qualify). And you will continue to be paid the same Leadership Bonuses of up to 7-6-5-4% on your existing organization.

But you can also earn most of the rewards that are available to your new leaders in the Dream Plan as you introduce new people to the plan, including a car bonus! And that is what is especially exciting for you.

Q. What about those who promoted in July, August or September – what if they wish to participate in the Dream Plan instead of being deemed Legacy leaders?

A. They need to contact Field Support by emailing dreamplan@shaklee.com or in Canada at canada@shaklee.com prior to **October 20, 2010** to opt into the Dream Plan.

Q. Can a Legacy Leader opt into the Dream Plan?

A. No. But most of the additional rewards in the Dream Plan are also available to you. You are eligible to earn a car bonus, to qualify for Leadership Bonuses on your new leaders in the Dream Plan up to six generations deep, and for Infinity Bonuses and Matching Bonuses on the leaders in your organization who are in the Dream Plan. Your rank increases under the terms of the Dream Plan. You are also eligible to earn Power Bonuses and GOLD Bonuses.

Q. If I'm a Legacy leader and I revert, can I come back into the Legacy plan?

A. Yes, if you were retitled as an Associate, and then subsequently promote to Director within 6 months after you were no longer a Director, you will remain in the Legacy Plan. If it is more than six months from the time you were first retitled as an Associate, then you will promote in the Dream Plan.

(This provision only applies to Legacy Business Leaders – those who held a Business Leader title in September 2010 PV month. Any former Business Leader who did not hold a Business Leader title in September PV 2010 PV month, and who is reinstated as a Director in October 2010 or later, will promote in the Dream Plan.)

Q. Is there anything in the Dream Plan that I cannot qualify for, as a Legacy Leader?

A. The New Directors Conference, Future Masters Retreat, and Hometown Celebration are trips that only new Business Leaders in the Dream Plan can earn. And of course, while you are eligible to earn an unlimited number of matching bonuses in FastTRACK, only non-Business Leaders as of August 2010 can earn the FastTRACK rewards.

Q. What happens with the GOLD Ambassador Program and the \$75 upline bonus?

A. We've increased the PV on the GOLD Pack, while eliminating all of the GOLD Phase qualifications and the \$75 upline bonus. We've reduced the annual renewal fee to \$29, and simplified the options to join, reducing the number of GOLD Packs to one GOLD Mission Pack and one SuperGOLD Pack.

Q. So are there any Phase or GOLD requirements for any of the bonuses or rewards?

A. There are no longer any Phase or GOLD sponsoring requirements for GOLD Bonuses, FastTRACK, or Infinity Bonuses. However, to earn FastTRACK bonuses and rewards, to earn GOLD bonuses, and to participate in the Global Opportunity, you must be a GOLD Ambassador, and you must renew your GOLD Ambassador status annually for a fee of \$29. You can join as a GOLD to

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meet this requirement, or you can upgrade. No other GOLD qualifications or sponsoring are required.

Q. What happens with Tru-Infinity™?

A. Infinity Bonuses are now paid on **all PV** generated by Dream Plan leaders – no longer on IPV, or according to who is in a “room” or “phase.” And there are no GOLD requirements to earn it.

Grandfathering of Titles

Q. When the Dream Plan goes into effect in October 2010, what will happen to the ranks or titles of those who are already Business Leaders? Will they change, or stay the same?

A. For all existing Business Leaders as of September 2010, with ranks from Director through Senior Executive, the new Dream Plan rank requirements apply. You will be titled at the rank you qualify for in the Dream Plan. In most cases, that will mean you’ll have the same rank you now have. But in some cases, your rank will increase because in the Dream Plan the requirements for the titles of Senior Coordinator, Executive Coordinator and Senior Executive Coordinator have been reduced. In any case, the Dream Plan rank requirements now apply to you.

Example: Jillian is a Senior Coordinator with 3 First Generation Business Leaders and 21,000 OV, as of the October 2010 PV month. She will promote to Executive Coordinator.

Q. I am a Paid As Key Coordinator, but my Organizational Volume outside of my strongest leg does not meet the requirement for that rank in the Dream Plan (25,000 OV). What will my title be going forward?

A. Because there are some Key Coordinators and above who may not initially meet the Strongest Leg Rule in the Dream Plan requirements for the titles of Key Coordinator and higher, Key Coordinators and above, will be Grandfathered at their Paid As or Appointed rank (whichever is higher) as of the June 2010 PV month, for a period of 12 months after the Dream Plan starts. During that time, they will retain their Appointed Title and they will be paid on both their Legacy Business Leaders and their Dream Plan Leaders at the higher of the title they qualify for using the Legacy Plan requirements (up to their Grandfathered Title) or the title they qualify for using the Dream Plan requirements.

Example: Sal is a Business Leader with the Appointed Title of Key Coordinator as of the June 2010 PV month. He had 3 First Generation Business Leaders that month, with BGV at just under 49,000. His Paid As title was Senior Executive Coordinator that month. Sal will be grandfathered as a Key Coordinator.

Q. What happens to my paid as title after September 2011 PV month?

A. Beginning October 2011 PV month, you will be paid on your Legacy Business Leaders at the title you qualify for using the Legacy Plan qualifications (up to your Grandfathered Title) and you will be paid on your Dream Plan Business Leaders at the title you qualify for using the Dream Plan qualifications.

Rank Increase

Q. When I increase my rank, do I do that within the Dream Plan qualifications, or using the Legacy qualifications?

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A. Effective October 2010 PV month, to promote to and be paid as a higher rank, you must meet the Dream Plan qualifications for that rank.

Q. What are the requirements for a Legacy Plan Business Leader to promote to Senior Master Coordinator?

A. To promote to and be paid as a Senior Master Coordinator, a Legacy Business Leader must have:

- 8 First Generation Business Leaders, of which 2 must be in the Dream Plan and must be either first time Directors or meet the 5-Year rule, and
- 200,000 OV, including 100,000 outside the largest Business Leader Leg

Promotion is effective in the third consecutive month in which the requirements have been met.

Personal Group Bonuses

Q. For Legacy Leaders, how will Personal Group Bonuses be paid?

- A. You will continue to be paid volume bonuses on your personal group up to 34%. One important difference is that a **Grandfathered personal bonus percentage** will be set for each Legacy Business Leader. The way this will work is, for the 12-month period between 7/09 and 6/10, we will look at the three months in which your bonus percentage was the highest. The lowest percentage earned in those three highest months is what will be your Grandfathered PGV bonus percentage.

The Grandfathered Personal Bonus Percentage for Legacy Business Leaders promoted in July, August or September 2010 is 16%.

Example 1: If you earned 24% in all 12 months during the 12-month period, your Grandfathered Personal Bonus Percentage is 24%.

Example 2: If you earned 30% once, 28% twice and 24% in the other 9 months during the 12-month period, your Grandfathered Personal Bonus Percentage is 28%.

Example 3: If you earned 20% once, 16% twice and were not a Business Leader during the other nine months, your Grandfathered Personal Bonus Percentage is 16%.

Title	PGV (incl. 100 Personal Volume)	% on Personal Volume*	% on 250 PGV Groups	% on 500 PGV Groups	% on 1000 PGV Groups	% on 1500 PGV Groups
Distributor/Associate	250	4%				
Distributor/Associate	500	8%	4%			
Distributor/Associate	1000	12%	8%	4%		
Distributor/Associate	1500	14%	10%	6%	2%	
Business Leader	2000	16%	12%	8%	4%	2%
Business Leader	2500 SGV	Up to 20%	Up to 16%	Up to 12%	Up to 8%	Up to 6%
Business Leader	3000 SGV	Up to 24%	Up to 20%	Up to 16%	Up to 12%	Up to 10%
Business Leader	4000 SGV	Up to 28%	Up to 24%	Up to 20%	Up to 16%	Up to 14%

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Title	PGV (incl. 100 Personal Volume)	% on Personal Volume*	% on 250 PGV Groups	% on 500 PGV Groups	% on 1000 PGV Groups	% on 1500 PGV Groups
Business Leader	5000 SGV	Up to 30%	Up to 26%	Up to 22%	Up to 18%	Up to 16%
Business Leader	7000 SGV	Up to 32%	Up to 28%	Up to 24%	Up to 20%	Up to 18%
Business Leader	10000 SGV	Up to 34%	Up to 30%	Up to 26%	Up to 22%	Up to 20%

*** And Members and Distributor Groups with less than 250 PGV**

Q. I notice an additional percentage for Distributors and Associates at 1500 PGV. Does that also apply to Legacy Leader groups?

A. Yes, the new volume bonus percentage of 14% at 1500 PGV applies for your group members.

Q. What about Volume Bonuses paid on Vivix® volume, or IPV?

A. For Legacy Leaders who have a Grandfathered Personal Bonus Percentage of 20% or more, IPV will continue to be identified in your bonus recap and will be displayed in the MyShaklee.com My Business section. Determination of Volume Bonus Percentages through 16% will continue to include both SGV and IGV combined. For Volume Bonus Percentages of 20% or higher, you qualify for your bonus percentage based on your SGV, just like today, but the new benefit is that you then get paid that percentage on **both your SGV and your IGV**.

Example: If you have 1000 IGV and 1000 SGV for a total of 2000 PGV, you earn 16% on that total 2000.

Example: If you have 2000 IGV / 5000 SGV, for a total of 7000, the 5000 is paid at the 30% PGV bonus level so you earn 30% on the entire 7000, including your 2000 IGV.

For many Legacy Leaders, this will mean an automatic increase in how much you are paid on Vivix sales in your personal group.

Leadership Bonuses & Infinity

Q. How are Leadership Bonuses paid for Legacy Leaders?

A. Legacy Leaders are paid according to the **Dream Plan Leadership Bonus Schedule on their Dream Plan Business Leaders** and according to the **Legacy Plan Leadership Bonus Schedule on their Legacy Business Leaders**.

Leadership Bonuses and Infinity Bonuses*											
	GEN	SRDIR	CRD	SRCRD	EXEC	SREX	KEY	SRKEY	MSTR	SM	PM
Dream Plan	1 st	6%	6%	6% +2%	6% +3%	6% +4%	6% +5%	6% +6%	6% +7%	6% +7.5%	6% +8%
	2 nd	3%	4%	5% +2%	6% +3%	6% +4%	6% +5%	6% +6%	6% +7%	6% +7.5%	6% +8%
	3 rd			+2%↓	4% +3%	4% +4%	4% +5%	4% +6%	4% +7%	4% +7.5%	4% +8%
	4 th			∞	+3%↓	+4%↓	4% +5%	4% +6%	4% +7%	4% +7.5%	4% +8%
	5 th				∞	∞	+5%↓	+6%↓	3% +7%	3% +7.5%	3% +8%
	6 th						∞	∞	+7%↓	3% +7.5%	3% +8%

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Leadership Bonuses and Infinity Bonuses*											
	GEN	SRDIR	CRD	SRCRD	EXEC	SREX	KEY	SRKEY	MSTR	SM	PM
									∞	+7.5%↓	+8%↓
										∞	∞
Legacy Plan	1 st	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
	2 nd		5%	6%	6%	6%	6%	6%	6%	6%	6%
	3 rd				4%	4%	5%	5%	5%	5%	5%
	4 th						3%	3%	4%	4%	4%

* Infinity Bonuses are paid differentially and are “up to” the percentages shown.

Q. As a Legacy Leader, how can I earn Infinity Bonuses?

A. Legacy Leaders can earn Infinity Bonuses if they are a Senior Coordinator or above, on the PV of **all Dream Plan leaders** in their organization, to unlimited generations, according to the following schedule:

Paid As Title	Infinity Bonus
Senior Coordinator	2%
Executive Coordinator	3%
Sr. Executive Coordinator	4%
Key Coordinator	5%
Sr. Key Coordinator	6%
Master Coordinator	7%
Sr. Master Coordinator	7.5%
Presidential Master	8%

These bonuses are paid differentially. That means that you are paid the difference between the percentage you qualify for, and the percentages that your downline Business Leaders qualify for.

Example: Senior Coordinator Karen has a First Generation Director, David in the Dream Plan. Karen earns 2% on the PV of David and everyone in David’s downline.

Example: Joan is a Key Coordinator, and Gerard is her first generation Senior Coordinator in the Dream Plan. Joan is eligible to earn up to 5% in Infinity Bonuses on everyone in her Dream Plan downline, to unlimited generations. Gerard earns 2% of that 5%, so, in addition to the 6% Leadership Bonus Joan earns on Gerard’s PV, Joan also earns 3% of Gerard’s PV in Infinity Bonuses. So Joan earns 9% (6% +3%) on First Generation Leader Gerard. She earns 9% (6% +3%) on her Second Generation Leaders under Gerard (assuming none of them have a higher paid as title than Senior Coordinator). She earns 8% (5% + 3%) on her Third and Fourth Generation Leaders, if any, under Gerard and 3% on any Business Leaders on her Fifth Generation or more under Gerard (again assuming all are in the Dream Plan and none having a paid as title higher than Senior Coordinator).

Example: Larry is a Senior Key Coordinator, and Carlos is his first generation Legacy Senior Executive Coordinator. Carlos has a first generation Senior Director in the Dream Plan named

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Cecilia. Carlos earns 4% on Cecilia’s PV, and Larry earns 2% on Cecilia’s PV. Larry does not earn any Infinity bonuses on Carlos’ PV because Carlos is in the Legacy Plan.

Example: Nancy is an Executive Coordinator, and Sheila is her second generation Senior Coordinator in the Dream Plan. When Sheila increases her rank to Executive Coordinator, Nancy no longer earns Infinity Bonuses on Sheila or her downline. However, when Nancy increases her rank to Senior Executive Coordinator, she earns 1% on Sheila’s PV, in addition to 6% Leadership Bonus, for a total of 7% on Sheila’s PV (and 1% plus applicable Leadership Bonuses on Sheila’s downline leaders assuming none has a paid as title higher than Executive Coordinator).

Q. As a Legacy Leader, how can I earn Matching Bonuses?

A. Legacy Leaders who are Paid As Senior Key Coordinators and higher are eligible to be paid a Matching Bonus on the Infinity Bonus earnings of the first downline Business Leader in any leg who matches their Paid As title (but not if a Business Leader of higher title intervenes).

These bonuses are designed to encourage leadership development, by giving our top leaders an extra bonus when their downlines achieve the same rank.

The Matching Bonus percentage increases as paid as title increases:

Paid As Title	Matching Bonus
Sr. Key Coordinator	10%
Master Coordinator	15%
Sr. Master Coordinator	20%
Presidential Master Coordinator	25%

Presidential Master Organization Bonus

Q. As a Legacy Leader, can I earn the Presidential Master Bonus?

A. Yes, Legacy Leaders who are Presidential Masters are paid an additional infinity bonus on **Presidential Masters** that they develop within their organizations. Here’s how it works:

- A Presidential Master receives ½% of the entire Organizational Volume of the first Presidential Master downline, down to but excluding the second Presidential Master downline.
- A Presidential Master receives ¼% of the entire Organizational Volume of the second Presidential Master downline, down to but excluding the third Presidential Master downline.
- A Presidential Master receives 1/8% of the entire Organizational Volume of the third Presidential Master downline, down to but excluding the fourth Presidential Master downline.
- A Presidential Master continues to receive half of the previous percentage on each succeeding Presidential Master and their organization, until there are no more Presidential Masters in that leg.

A Legacy Presidential Master who has one or more Presidential Masters in their downline earns the Presidential Master Organizational Bonus on that portion of the downline Presidential Masters’ Organizational Volume that comes from people in the Dream Plan.

Car Program

Q. As a Legacy Leader, can I earn a car?

A. Yes, you can, and we encourage you to take advantage of this opportunity, so that you too can have a billboard for the Shaklee Opportunity parked in your driveway. You can earn a car by promoting **two new First Generation Directors in the Dream Plan**.

The "5-year rule" applies. Your new First Generation Director must be a new Director. And they are considered "new" as long as they have not held a Business Leader title for more than 2 months during July 2005 – June 2010.

Q. Which car will I qualify for when I meet that requirement?

A. Once you meet the two new Directors requirement, you'll qualify for the car bonus associated with your Grandfathered title:

Director – when you promote two new Directors, you will qualify for the Senior Director or Coordinator car bonus

Senior Director or Coordinator – \$225/\$250 Hybrid

Senior Coordinator or Executive Coordinator - \$325/\$375 Hybrid

Senior Executive Coordinator or Key Coordinator – \$400/\$450 Hybrid

Senior Key Coordinator - \$450/\$500 Hybrid

Master Coordinator or Senior Master Coordinator - \$500/\$600 Hybrid

Example: Lynn is a Legacy Business Leader and was a paid as Senior Coordinator in June 2010 PV month (her Grandfathered Title is Senior Coordinator). Lynn promotes First Generation Directors Diane and David in January 2011 PV month. Diane is a first time Director and David had not been a Business Leader in the past five years, so both Diane and David count for Lynn's qualifications for the Legacy Car Bonus at the rank of Senior Coordinator.

Q. Is there a maintenance requirement?

A. Yes, to earn your car payment each month, you need to have two First Generation Directors in the Dream Plan who are either first time Directors or who have not held Business Leader rank within the last five years.

Q. What if one of the First Generation Directors that I qualified with falls below Business Leader qualifications and is retitled to Associate?

A. In any month in which the requirement of having two First Generation Dream Plan Business Leaders isn't met, no car bonus will be paid. So it is important, once you meet the initial qualification of two Dream Plan leaders, that you work to "back them up" with additional First Generation Dream Plan leaders.

Q. If that reverted First Generation Director promotes back to Director, can I still count them for my requirements even though now they haven't been reverted for five years?

A. Yes, as a Director in the Dream Plan, they will still count for your qualification.

Q. What if someone I am counting as one of my two First Generation Directors in the Dream Plan takes a volume grace month? Will I still earn my car payment in that month?

A. Yes.

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Q. Do my July, August and September breakouts count for me for the Car Program?

A. Yes, if they are new and if they choose to enter the Dream Plan. Their 3-month maintenance period begins in October 2010.

Q. Can Lifetime Master Coordinators earn an extra car credit by promoting new Directors in the Dream Plan, as above?

A. Yes, Lifetime Masters can earn the Car Bonus by promoting two new Directors in the new plan, as described above. All other requirements also apply.

Q. Is there a different requirement for Legacy Presidential Masters?

A. Yes, Legacy Presidential Masters need to have held the paid as title of Presidential Master Coordinator for three consecutive months and be promoted to the appointed title of Presidential Master Coordinator, then maintain rank as a paid as Presidential Master for three additional months (total of six). Shaklee will then make the payments on a 36-month lease of a Mercedes S400 hybrid.

Pay Downlines Direct/Automatic Appointment/PV Transfers

Q. Can Business Leaders in the Dream Plan choose to pay their own group members according to a different volume bonus schedule than the one described above?

A. Yes, Legacy Business Leaders may choose to have Shaklee pay bonuses to qualified Distributors and Associates in their Personal Groups by opting into the Pay Downlines Direct (PDD) program, or may choose to pay their Distributors and Associates themselves.

Business Leaders who choose not to participate in the PDD Program are required to comply with Federal, State and Local tax laws, including but not limited to issuing Forms 1099-MISC to Distributors and Associates as required by the IRS.

Legacy Business Leaders who choose not to participate in the PDD Program must observe the following:

- As an independent business person the Business Leader may choose not to adhere the Personal Group Bonus schedule published by Shaklee when paying bonuses to Distributors and Associates in their Personal Group.
- The Business Leader must state in writing their individual policies concerning bonuses, price tiers, and eligibility for price differential prior to the time that a prospective Member or Distributor completes and signs a Shaklee Application or equivalent, so that people interested in becoming Distributors will not be misled into assuming that their Business Leaders will pay bonuses in accordance with the Personal Group Bonus Schedule published by Shaklee, or that their Business Leader will offer pricing discounts or eligibility for price differential in accordance with materials published by Shaklee.
- A promise to pay a bonus is a contractual commitment that Business Leaders must honor by prompt payment.

Q. Can Business Leaders in the Legacy Plan choose to manually appoint new Distributors, Associates and Directors?

A. Yes, a Legacy Business Leader may choose to have all appointments to Distributor, and Associate made automatically by Shaklee, or not. The Business Leader may separately choose to have all appointments to Director made automatically, or not.

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Q. Are PV Transfers still allowed in the Dream Plan, and in the Legacy Plan?

A. Yes, but no PV transfers can be made from someone in the Legacy Plan to someone in the Dream Plan, or from someone in the Dream Plan to someone in the Legacy Plan.