



Comp Plan Explained

PATH TO PREMIER

AND BEYOND

A roadmap to creating your success with
the XanGo Compensation Plan

Life. As it Should Be.

XANGO COMPENSATION PLAN

Automatic Delivery Program (ADP) is a valuable program that authorizes the Company to automatically ship Product to a Distributor on a recurring monthly basis. This opportunity assists with qualifications, building organizations and growing a Distributor's business.

Dynamic Compression

The XanGo Compensation Plan has Dynamic Compression which seeks out qualified Distributors until the full 50% commission is paid. Dynamic Compression is used three different ways in the payout structure to help maximize Distributor earnings:

- PowerStart Commission payments (paid weekly)
- UniLevel Commission payments (paid monthly)
- Sponsorship Compression (for qualification purposes)

There are 4 ways Distributors can earn money with the XanGo business opportunity:

- 1 Distributors can earn a Retail Profit from sales to customers (the difference between the wholesale and retail pricing).
- 2 Distributors can earn a weekly PowerStart Commission from new personally sponsored Distributors that are trained and make their first sale within 30 days of sign-up.
- 3 Distributors can earn a UniLevel Commission for additional sales made by Distributors in their downline, based on a qualified rank.
- 4 Premier Distributors and above can earn a portion from Global Bonus Pool.

1 RETAIL SALES
Buy Wholesale and Sell Retail

2 POWERSTART COMMISSIONS (Paid Weekly)

PowerStart is paid (up to 1,000 points in product volume) on a Distributor's **Initial Order** that is placed within 30 days of sign-up. PowerStart is paid to the first two qualifying sponsors (see chart). PowerStart compresses up to the next qualified sponsor level as needed.

Qualified Sponsor	PowerStart "Basic"		PowerStart "Plus"	
	Minimum Qualification	Commission Paid	Minimum Qualification	Commission Paid
1st level	100PV without ADP	20%	100PV/100ADP*	30%
2nd level	200PV/200ADP**	25%	200PV/200ADP**	15%

ADP (Automatic Delivery Program) – A valuable program that authorizes XanGo to automatically ship XanGo products to Distributors on a recurring monthly basis.

*When a qualification requirement says 100PV/100ADP it means you have 100 PV and an active ADP set up with 100 PV. It does not mean you must have 200 in volume.

**When a qualification requirement says 200PV/200ADP it means you have 200 PV and an active ADP set up with 200 PV. It does not mean you must have 400 in volume.

Distributors do not earn commission on their own order.

3

UNILEVEL COMMISSIONS (Paid Monthly)

	Level	Rep	Pref Rep	1K	5K	20K	Premier	
Commission % paid per level	1st	5%	5%	5%	5%	5%	5%	* Premier to X-1 all are paid 9 levels
	2nd	5%	5%	5%	5%	5%	5%	
	3rd		10%	10%	10%	10%	10%	
	4th			5%	5%	5%	5%	
	5th				5%	5%	5%	
	6th					5%	5%	
	7th					5%	5%	
	8th						5%	
	9th						2%	

Rank/Title	Personal Volume	Personal ADP	Minimum GV	Minimum Personally Sponsored	Global Bonus Pool*	500K Bonus Pool*	Global Pool Minimum Check Amount Requirement
Representative	100	- NA -	- NA -	- NA -	- NA -	- NA -	- NA -
Preferred Representative	100	100	- NA -	- NA -	- NA -	- NA -	- NA -
1K	100	100	1,000	{3} Pref Reps or Pref Cust	- NA -	- NA -	- NA -
5K	100	100	5,000	{3} 1Ks	- NA -	- NA -	- NA -
20K	200	200	20,000	{3} 5Ks	- NA -	- NA -	- NA -
Premier	200	200	50,000	{2} 20Ks {1} 5K	GV3	- NA -	\$2,500 USD
Premier 100K	200	200	100,000	{3} 20Ks {1} 5K	GV6	- NA -	\$5,000 USD
Premier 200K	200	200	200,000	{3} Premiers {1} 20K	GV9	- NA -	\$10,000 USD
Premier 500K	200	200	500,000	{1} 200K {2} 100Ks {2} Premiers	GV9	GV6	\$10,000 USD
Quantum Premier Bonus \$750,000	200	200	750,000 GV6	{1} 500K {1} 200K {1} 100K {3} Premiers	GV9	GV6	\$10,000 USD
Premier X1 Bonus \$1,000,000	200	200	1,000,000 GV6	{1} 500K {2} 200Ks {4} Premiers	GV9	GV6	\$10,000 USD

*Qualifications for that rank must be met for all three months of the calendar quarter.

A Distributor earns a title (highest achieved rank) in the XanGo Compensation Plan and these are retained. Titles are never lost but replaced with a higher title as the Distributor advances. Commission payments are made based on the rank that a Distributor qualifies. Qualifications must be made each month to get paid at a specific rank.

500K and 200K "Ranks" must be earned before they will count towards qualification. Meaning, the 100K, 200K, 500K, and X1 Premier Select Distributors must have already achieved the rank for an entire calendar quarter and been paid at that rank before they can count towards the next distributor qualification. They also must maintain their qualification each month during the quarter to qualify. This includes all requirements to be paid in the Global Bonus Pool.

4

BONUS POOLS (Paid Quarterly)

Global Bonus Pool

The Global Bonus Pool consists of 3% of worldwide commissionable volume from all orders. The pool is shared by all qualified Premiers and above.

500K Bonus Pool

The 500K Pool consists of 2% of commissionable volume from PowerStart orders worldwide. The 500K Pool is shared by all qualified 500K, Quantum and X1 Premiers.

1K

Better to have it and not need it, than to need it and not have it.

-Gordon Morton Sr.



A	B	C	D	E
200PV	200PV	200PV	200PV	200PV
NAME	NAME	NAME	NAME	NAME
PHONE	PHONE	PHONE	PHONE	PHONE
EMAIL	EMAIL	EMAIL	EMAIL	EMAIL
30% of 200PV is \$60	30% of 200PV is \$60	30% of 200PV is \$60	30% of 200PV is \$60	30% of 200PV is \$60

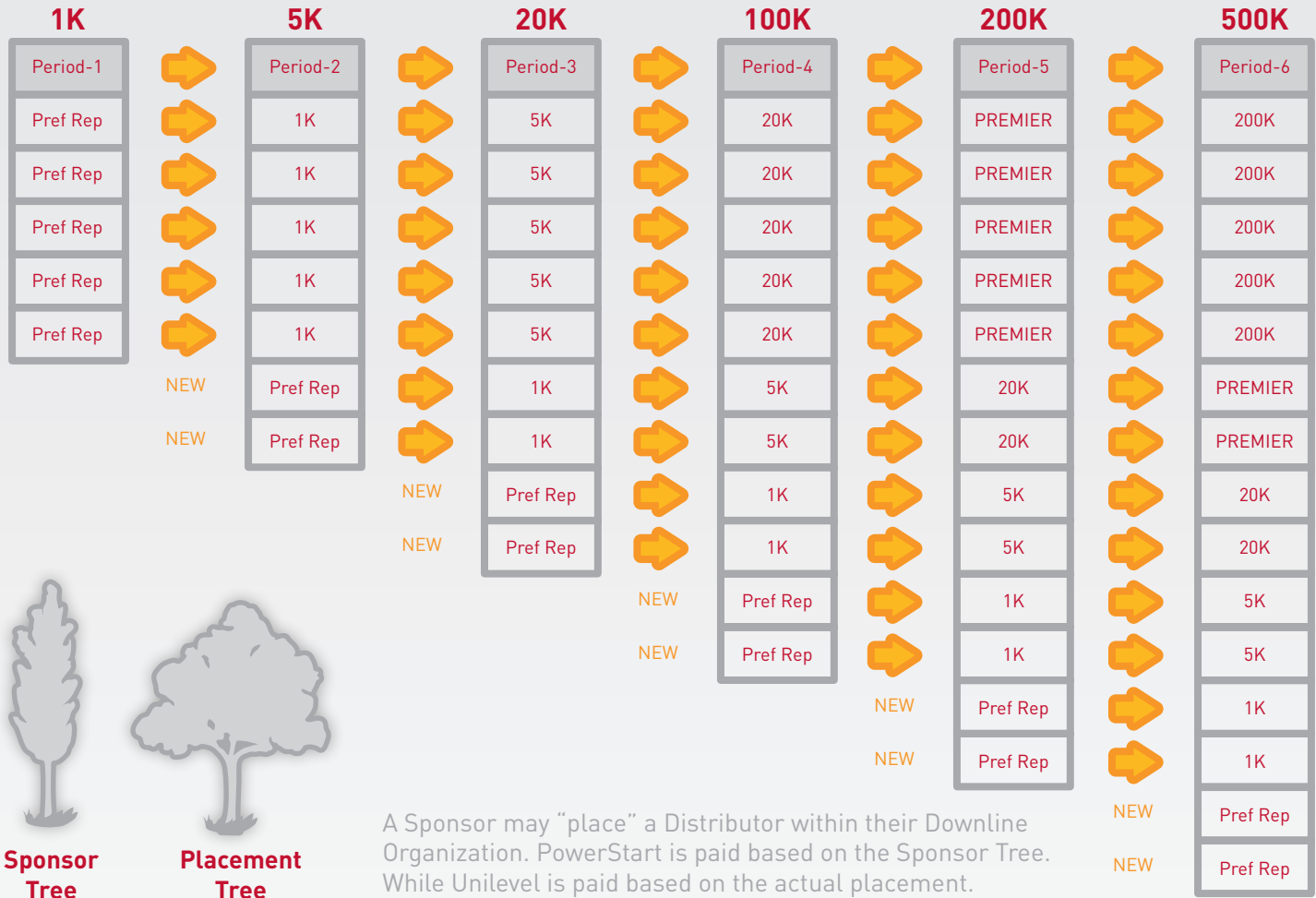
You would make \$300 in “PowerStart” bonuses this week if you met this challenge.

(The above diagram is based on a 200 PV ADP per month, per person. Results may vary.)

The 1K is the fundamental building block of all ranks and titles - You can't be a 5K or a 500K without solid 1Ks!

1K - 500K

{This chart represents the possible results that can come from actively building your organization.}



A Sponsor may "place" a Distributor within their Downline Organization. PowerStart is paid based on the Sponsor Tree. While Unilevel is paid based on the actual placement.

Paid Rank	Personally Sponsored	Oct GV3	Oct GV6	Oct GV9	Average Monthly Earnings in USD
P 500K Average	110	21,702	226,897	1,042,912	\$111,702
P 200K Average	90	22,186	199,737	827,470	\$41,764
P 100K Average	57	15,532	116,186	350,047	\$18,104
Premier Average	66	12,517	79,227	244,851	\$10,384
20K Average	46	8,896	47,345	84,201	\$3,143
5K Average	28	4,883	18,844	18,844	\$763
1K Average	15	1,858	3,988	4,669	\$260

The income statistics reported in this presentation are based on the individual efforts of XanGo Distributors and are not typical of what you can expect. Business success varies widely according to market conditions and the time and effort devoted.

A "Distributor" is any person who has executed a Distributor Application and is in good standing with the company. "Active" means a Distributor who received a check in a given month. Average annualized earnings were calculated by multiplying the average monthly earnings by twelve. Categories represent paid Ranks, not Title.

The following are the approximate percentages of Active Distributors by rank in 2009: Rep. 2.04%, Pref. Rep. 70.76%, 1K 21.95%, 5K 4.04%, 20K 0.84%, Premier 0.22%, 100K 0.10%, 200K 0.04%, 500K 0.01%. These income statistics are based on earnings for Active Distributors during the 2009 calendar year with international earnings being converted to USD based on the day the earnings were incurred.

3 x 3 vs 5 x 5



LEVEL 1
5%



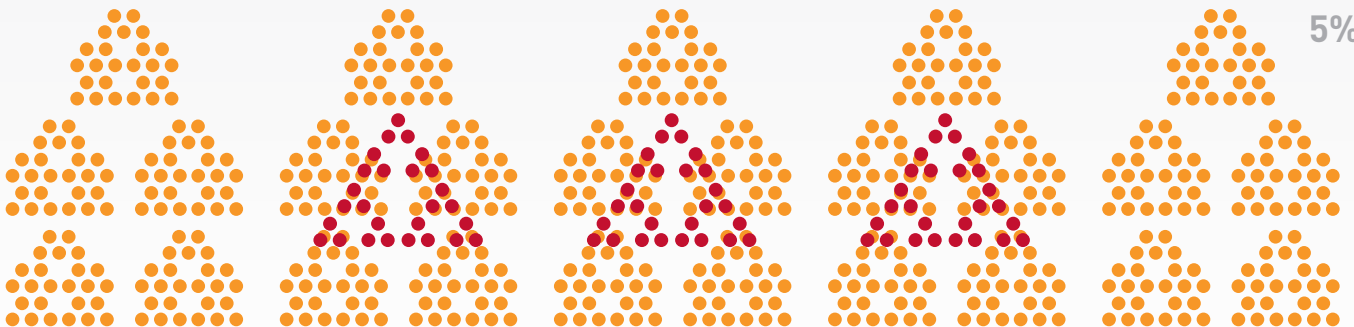
LEVEL 2
5%

125
27



LEVEL 3
10%

625
81

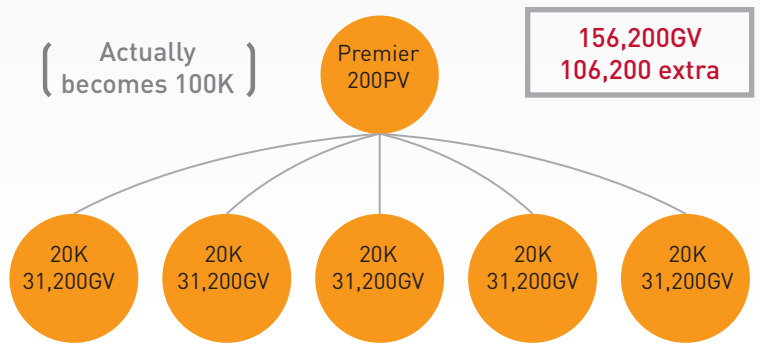
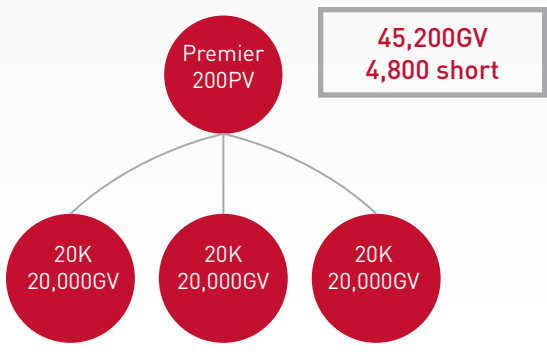
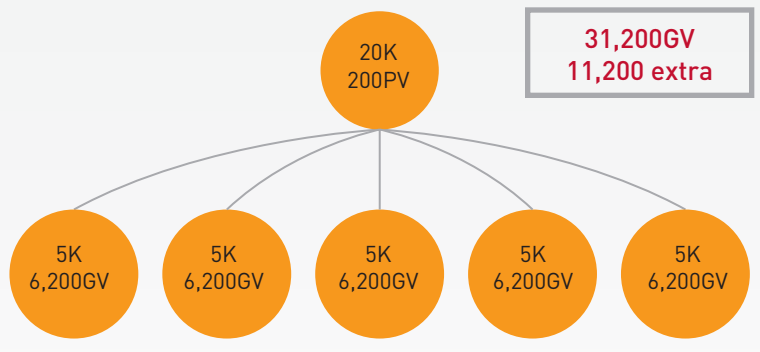
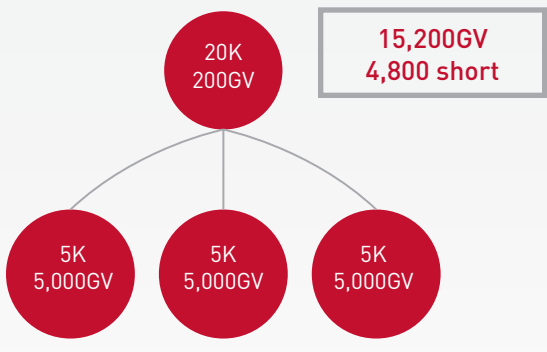
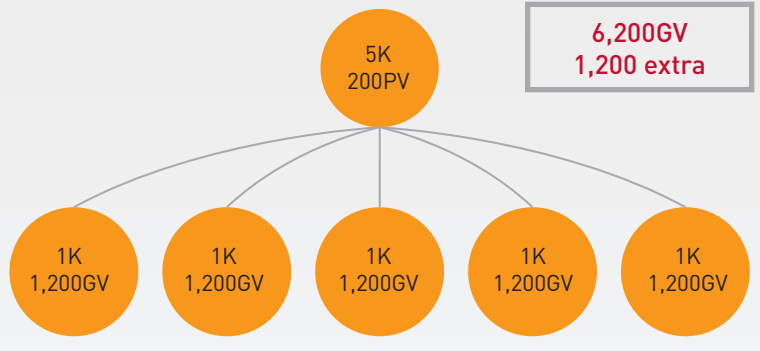
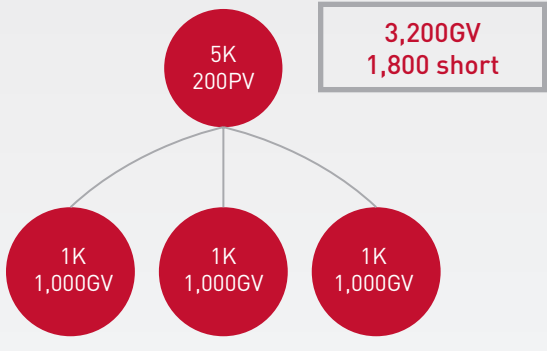
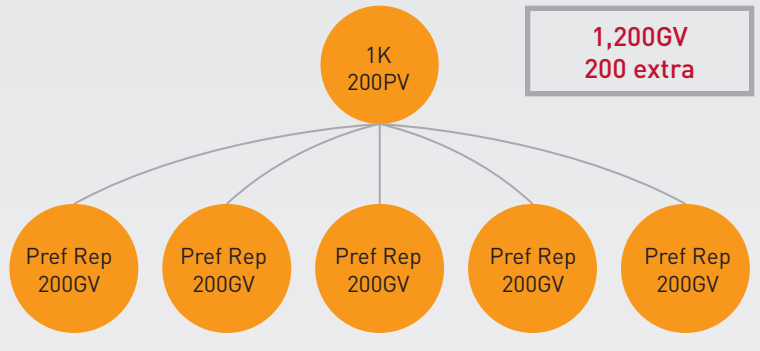
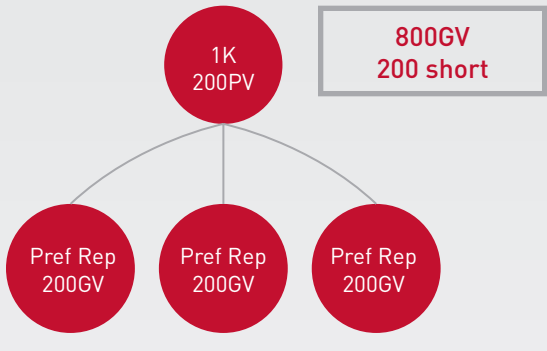


LEVEL 4
5%

XanGo insurance:

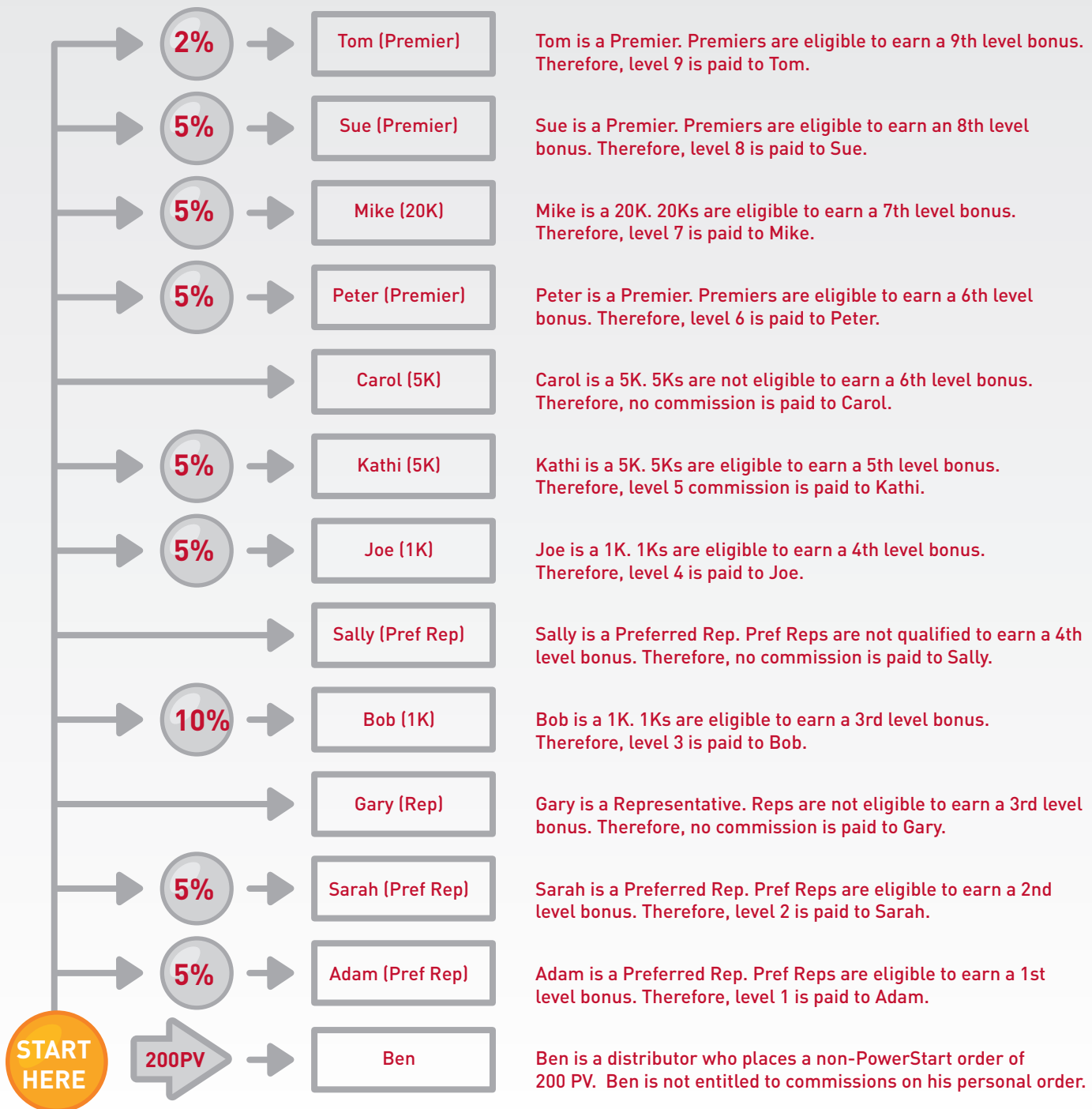
- Don't let the minimums become the maximums.
- The more volume and people you have on the levels you get paid on, the greater the potential earnings.

3 x 3 vs 5 x 5



UNILEVEL COMPRESSION

To understand how commissions are paid on a single Order you need to look from the bottom up. Follow this chart from the bottom up to see how commissions are paid on a non-Power-Start order of 200 PV of XanGo product.



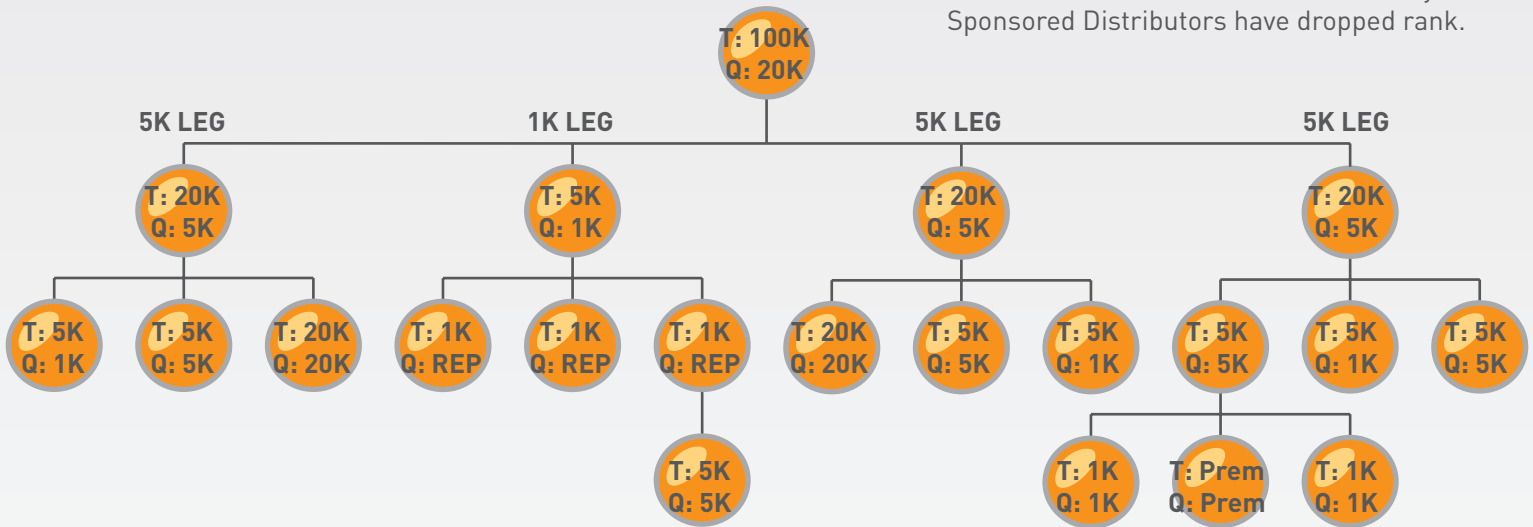
Every order paid as a UniLevel order in XanGo's Compensation Plan is paid out 9 levels in the Placement Tree. If a distributor does not qualify for a given level, that level will compress up to the next qualified distributor. In other words, there is no breakage.

TITLE COMPRESSION

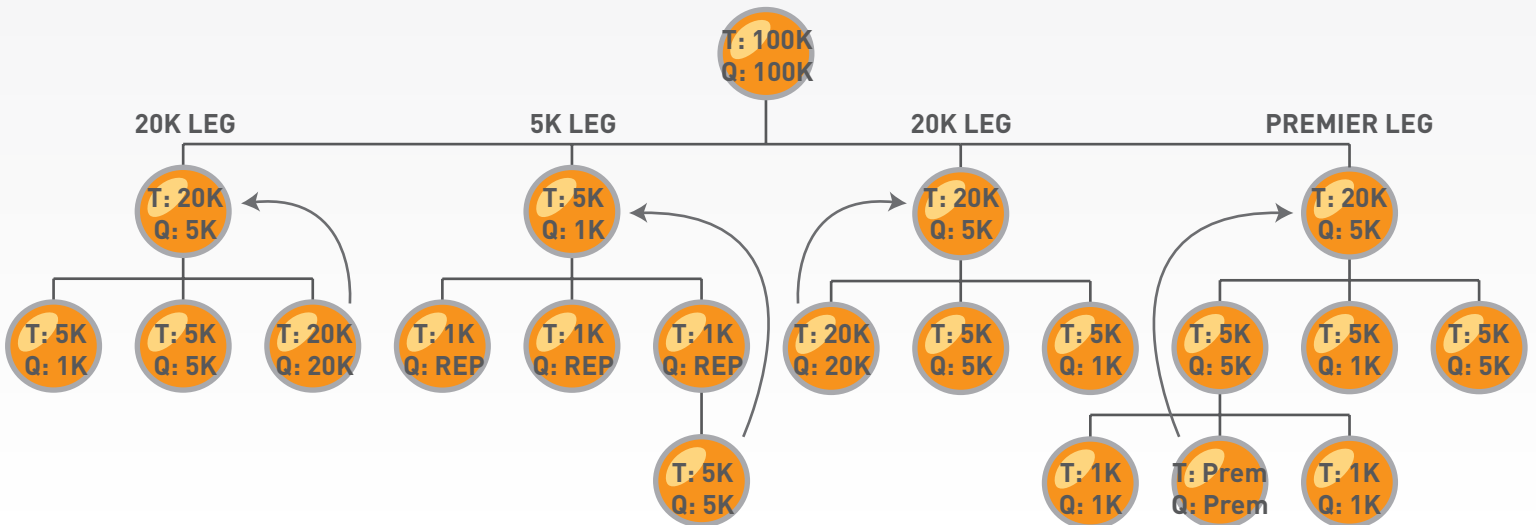
Title Compression Summary

1. A Personally Sponsored Distributor is your link to the leaders below. For your qualification that link will count as the HIGHEST rank below them in the Sponsor Tree.
2. Only ONE Distributor will count for that Personally Sponsored leg.
3. To utilize Title Compression, a 100K or above must have a Personally Sponsored Distributor advance in title during the current or previous UniLevel commission period. The title increase must be to a 1K or higher.

In the example below, a 100K has fallen back to a 20K because some of the Personally Sponsored Distributors have dropped rank.

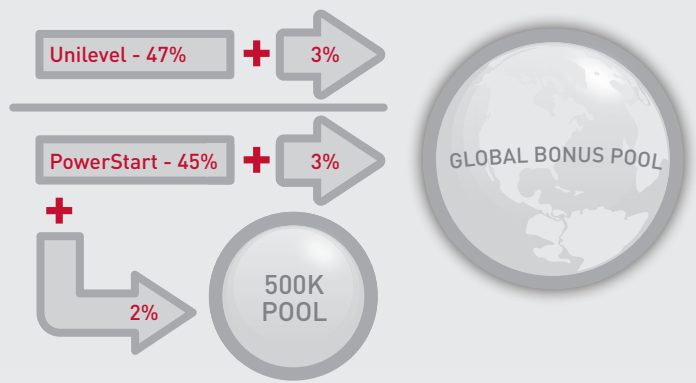


With **Title Compression** applied to the 100K Distributor's organization, they are able to take advantage of **qualified Distributors** in their downline and **maintain 100K rank**.

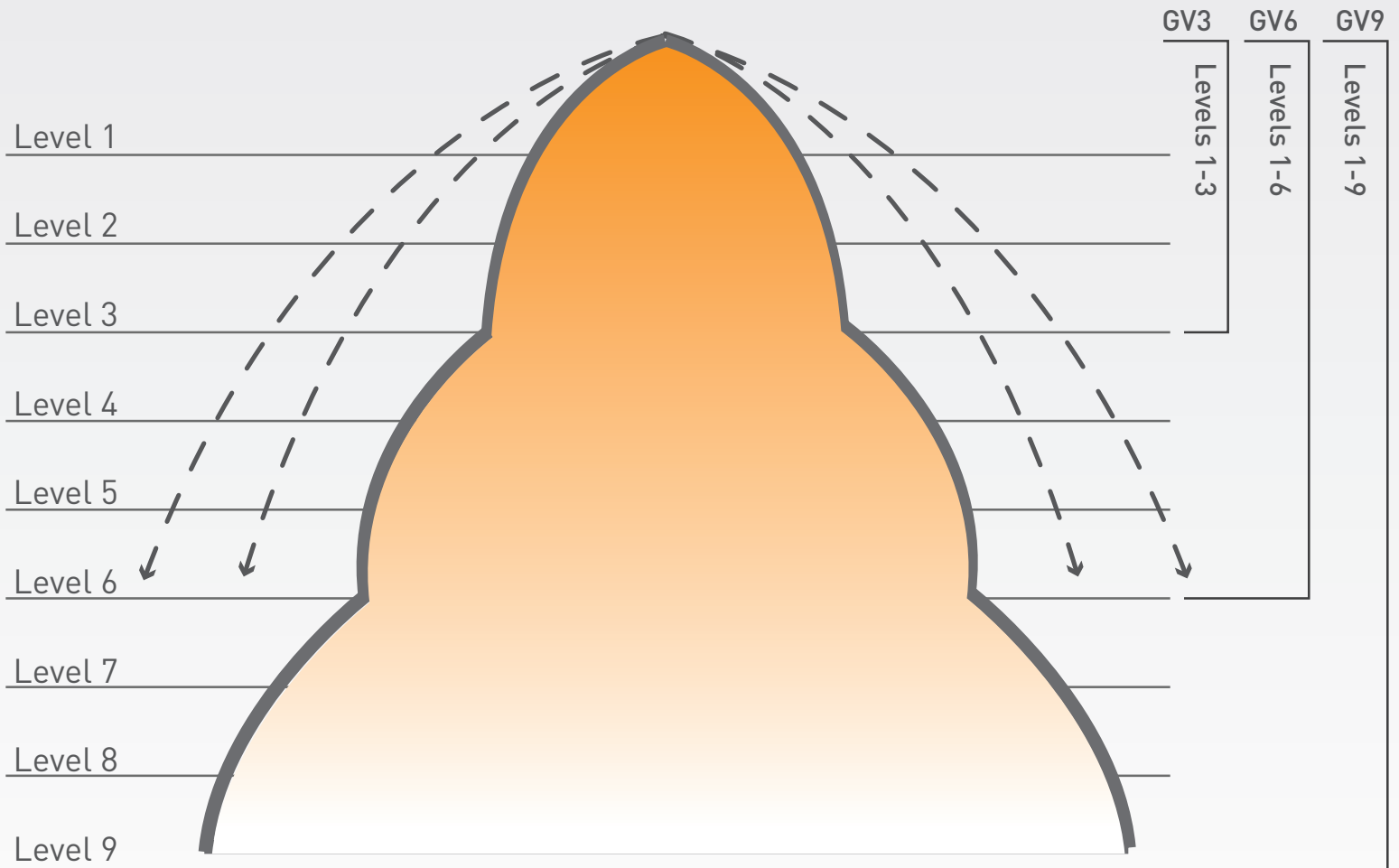


BONUS POOLS

1. Qualified Premiers and above participate in the Global Bonus Pool
2. Worldwide volume goes into the pools
3. GV3, GV6 and GV9 are compressed volume



4. The more volume you have on the levels that you are paid on, the larger your payout. If you want to increase your check, put more volume in the levels you get paid on.



Example:

Four Premier Distributors are qualified to participate in the Global Bonus Pool for the period. two are Premier, one is 100K Premier, and one is 200K Premier. A,B,C and D respectfully. For this example, we will say that the Global Bonus Pool has \$150,000 to be paid out to the participating Premiers.

A. Premier	-	GV3	=	15,000 GV (15,000/300,000)	=	5% x \$150,000	=	\$7,500
B. Premier	-	GV3	=	20,000 GV (20,000/300,000)	=	6.7% x \$150,000	=	\$10,500
C. 100K	-	GV6	=	65,000 GV (65,000/300,000)	=	21.6% x \$150,000	=	\$32,400
D. 200K	-	GV9	=	200,000GV (200,000/300,000)	=	66.7% x \$150,000	=	\$100, 050
Total combined				300,000		100%		\$150,000