

Independent
Instructor



Compensation
Plan



One of the first things that we encourage you to do when you become a Kiwi Lane Instructor is to focus on creating a playful atmosphere for the guests at each of your Get-Togethers.

If they can let loose and just have fun with scrapbooking and card-making, then they will find that they are more creative than they believed, and they will ultimately feel more fulfilled.

Wouldn't it be great to feel that way in our work as well?

We believe that we can and should invite that same spirit of play into our Kiwi Lane businesses. It's important to work hard, but we believe that it is just as important to enjoy what we are doing!

For that reason, you will notice that there are no 'Executives' or 'Directors' along the career path at Kiwi Lane. Instead you will find Ninja Playmasters, Supervisors of Creativity, and — one of our personal favorites — Royal Templateers!

While these titles may seem a little silly at first glance, they are designed to help you look at your new Kiwi Lane business through the lens of playfulness, and to gently remind you of the things that you should be focusing on and developing.

For example, as a Royal Templateer you will be charged with upholding the Templateer's motto:

'ALL FOR FUN and FUN FOR all!'

A reminder to make sure that you haven't gotten overly distracted by the details or become bored with something you've done a hundred times. Are your team's Get-Togethers still a source of creative fulfillment and enthusiasm?

As an Inspiration Guru, you will be reminded to focus on mentoring others and to share your accumulated wisdom so that they can join you on the path toward Creative Enlightenment!

Playing our way to Creativity is the inspiration and the motivation for everything we do at Kiwi Lane, and we firmly believe that this can and should be true as you build your own business with us!

So, if you are interested in Inspiring and being Inspired, and in Lifting others up through the Power of Play, then we think that you will thrive at Kiwi Lane!

We can't wait to work with you!

> Welcome to Kiwi Lane! <

This document will explain to you the ins and outs of our Compensation Plan. Though we highly recommend that you take advantage of the entire plan, we've designed it to be flexible enough to meet your needs, whatever they may be!

There are **3 WAYS** to earn money with Kiwi Lane!



Selling

As you SHARE our products with customers, you can earn between 20-40% on everything that you sell. By holding Get-Togethers and building your customer base, you can earn as much as you want, just by selling!

Building a Group

When you find others that want to do what you are doing, you can earn up to 10% of their sales and the sales of the people below you, down through three levels. Plus, when you hit certain achievements, you can earn an additional percentage on the sales of your entire personal group.

Leadership

As you help others do what you have done, they will build their own groups and, as a Leader, you can earn a percentage on the sales of those groups that develop below you.



Compensation Plan

First **INSPIRE**...then **LIFT**

	I	N	S	P	I	R	E
Titles	Instructor	Ninja Playmaster	Supervisor of Creativity	Professor of the Designing Arts	Inspiration Guru	Royal Templateer	Eminently Successful Person
CAREER PATH	INSTRUCTOR PHASE				MANAGER PHASE		
Abbreviations	INS	NPL	SOC	PDA	IGU	RTP	ESP
Personal Volume (PV)	~~	\$200 (Active)	\$300	\$400	\$500	\$600	\$800
Active Legs (200+ PV)	~~	1 Active Leg	2 Active Legs	2 Active Legs	3 Active Legs (1 NPL Leg)	4 Active Legs (2 NPL Legs)	4 Active Legs (2 PDA Legs)
Group Volume (GV)	~~	~~	~~	\$1500	\$3000	\$5000	\$8000
RETAIL PROFIT	(Less Active Instructors receive a 20% retail profit but no Team bonuses or overrides.)						
Less Active (Under \$200 PV)	20%	20%	20%	20%	20%	20%	20%
Active (\$200+ PV)	25%	25%	25%	25%	25%	25%	25%
SELLING BONUSES							
PV Sales Bonus \$1200 - \$1999	5%	5%	5%	5%	5%	5%	5%
PV Sales Bonus \$2000 - \$2999	7%	7%	7%	7%	7%	7%	7%
PV Sales Bonus \$3000 - \$3999	10%	10%	10%	10%	10%	10%	10%
PV Sales Bonus \$4000+	15%	15%	15%	15%	15%	15%	15%
LEVEL OVERRIDES							
Level 1	~~	5%	6%	8%	9%	10%	10%
Level 2	~~	~~	~~	2%	4%	5%	6%
Level 3	~~	~~	~~	~~	~~	2%	4%
FAST>>LANE BONUS							
Level 1 (Must be Active)	5%	5%	5%	5%	5%	5%	5%
GROUP VOLUME OVERRIDE							
GV Override	~~	~~	~~	~~	~~	~~	2%
GENERATION OVERRIDE (for paid-as ESP's with a career title of LOL or higher)							
Gen 1 Override	~~	~~	~~	~~	~~	~~	2%

Active/Less Active - An Instructor with at least \$200 PV in a month is Active. An Instructor with less than \$200 PV in a month is Less Active.

Active Leg - Any 1st level Instructor and their entire downline where at least one person is Active.

QV - Qualifying Volume. The point value assigned to a category of inventory items, based on retail, which is used to determine qualification for titles.

PV - Personal Volume. The total Qualifying Volume from your personal orders as well as those from your customers.

CV - Commissionable Volume - which is 70% of retail, with the exception of a few items that do not have any commissionable volume.

GV - Group Volume. The total QV from yourself and your downline, down to but not including the next ESP or higher based on career title.

TV - Team Volume. The total QV from yourself and your entire downline, which includes you and ALL downline Instructors regardless of title.

Levels - Instructors whom you personally sponsor become your Level 1. Instructors personally sponsored by your Level 1 become your Level 2, etc.

Level Overrides - NPL Instructors and higher may receive a percentage of the CV from the sales of their downline through 3 levels.

Fast Lane Bonus - Active Instructors will receive a 5% bonus on the CV of their new Level 1 Instructors during the first 3 full months of those new Instructors.

GV Override - Paid as ESP's and higher may receive a 2% GVO on the Commissionable Volume of their sales and the sales of their personal group.

Generation - A group that develops below you in your downline which starts with an ESP or higher, based on Career Title. (See Generation in glossary for more details.)

Generation Overrides - Paid-as ESP's with a Career Title of LOL or higher may receive a percentage of the CV from the sales of their Generations through 4 levels.



Compensation Plan

First **INSPIRE**...then **LIFT**

L

I

F

T

Titles

Layout
Legend

Icon of
Encouragement

Fabled
Mentor

Template
Titan

CAREER PATH

LEADERSHIP PHASE

Abbreviations

LOL

ICE

FAM

TPT

Personal Volume (PV)

\$800

\$800

\$800

\$800

Active Legs (\$200+ PV)

4 Active Legs
(1 PDA Leg)
(1 ESP Leg)

4 Active Legs
(2 ESP Legs)

2 ESP Legs
+ 2 LOL Legs

4 ESP Legs
+ 2 ICE Legs

Group Volume (GV)

\$8000

\$8000

\$8000

\$8000

Team Volume (TV)

~~

\$35K

\$90K

\$220K

NEW 1st GENERATION ESP

NEW 1st Generation ESP
within the last 12 months

~~

~~

1

1

RETAIL PROFIT

Active

25%

25%

25%

25%

SELLING BONUSES

PV Sales Bonus \$1200 - \$1999

5%

5%

5%

5%

PV Sales Bonus \$2000 - \$2999

7%

7%

7%

7%

PV Sales Bonus \$3000 - \$3999

10%

10%

10%

10%

PV Sales Bonus \$4000+

15%

15%

15%

15%

LEVEL OVERRIDES

Level 1

10%

10%

10%

10%

Level 2

6%

6%

6%

6%

Level 3

4%

4%

4%

4%

FAST>>LANE BONUS

Level 1

5%

5%

5%

5%

GROUP VOLUME OVERRIDE

GV Override

2%

2%

2%

2%

GENERATION OVERRIDES

Generation 1

4%

4%

4%

4%

Generation 2

~~

4%

4%

4%

Generation 3

~~

~~

4%

4%

Generation 4

~~

~~

~~

4%

Kiwi Lane Compensation Plan Glossary

This Glossary contains an alphabetical listing of the terms and concepts used in our Compensation Plan, along with their definitions. It is recommended that you read through the entire glossary in order to become more familiar with the language and meaning of the Kiwi Lane Compensation Plan.

Active

Kiwi Lane Instructors must maintain at least \$200 Personal Volume (PV) to be considered Active in the period (a calendar month). If you are Less Active for the period, you will still receive 20% Retail Profit on your own purchases and your customer's purchases, however, you will not receive any commissions or bonuses from your Team.

Active Leg

Any Level 1 Instructor and their entire Team where at least one person is considered to be Active.

Cancellation Policy

Instructors must have a minimum of \$750 PV in a 12-month period in order to remain an Instructor and keep their Team. If you don't meet this requirement in any 12-month period, it causes you to be canceled and removed from the company downline organization. If that happens, your Team and customers will be compressed to the next upline Instructor.

Career Title

Your Career Title is the highest title you have achieved and only changes when you are promoted or demoted (see Demotion Policy). This is sometimes referred to as your recognition title. You have two titles: Career Title and Paid-as Title. (Please see Paid-as Title.)

Commissionable Volume (CV)

Each inventory item has both a Qualifying Volume (QV) and Commissionable Volume (CV) assigned to it. Commissionable Volume is the volume on which downline commissions are paid, which is 70% of retail, with the exception of a few items that do not have any CV. (Please see 'Commissions By Item' document in your back office.)

Customer

A customer is someone who purchases products for personal use and has not signed an Instructor Agreement with the Company.

Demotion Policy

When you have a Career Title of ESP or higher, you need to be paid-as your Career Title at least once every 12 months in order to keep it. Otherwise, your Career Title will be changed to the paid-as title you qualify for in the 12th consecutive month. There are no demotions for titles lower than ESP.

Downline

All of the people below you are considered to be part of your downline.

Fast Lane Bonus

When you are Active and have a new Level 1 recruit that is within their first 3 full months (Join month + 3 months), then you will receive a Fast Lane Bonus on the Commissionable Volume of the purchases and sales from that new recruit during those first 3 full months.

Generation

A Generation is a group that has developed in your downline. It starts with an ESP or higher, based on Career Title, and includes everyone below them, down to but not including the next ESP or higher, based on Career Title. If an ESP or higher is not Paid-as an ESP or higher, they are still considered a generation to their upline.

Generation Overrides

When you have a Career Title of LOL or higher and are Paid-as an ESP or higher, then you may receive Generation Overrides on the CV from the sales of the generations below you. The number of generations whose sales you are paid on is based on your Paid-as Title.

Grace Period

When an ESP or higher, based on Career Title, has an Instructor in their personal group that promotes to an ESP or higher, then that upline ESP and each Instructor down to, but not including, the newly promoted ESP or higher will have 2 Grace Periods (following the month of promotion) where they will only be required to have 1/2 of the total Group Volume (GV) required for whatever title they are qualifying for, including promotions. Beginning with the third period following the promotion, they must again have the full GV requirement for their title. If a sponsor has more than one Instructor promoting to ESP or higher in the same month or in back-to-back months (one following the other), then any overlapping Grace Periods will have a GV requirement of \$0 for the sponsor. (Please also see Group Volume.)

Group

An Instructor and their entire downline - down to, but not including, the next ESP (Career Title) or higher. This is also often referred to as your "personal group".

Group Volume (GV)

Group Volume is the Qualifying Volume (QV) from you and your entire group. In the period that you promote to an ESP for the first time, your GV will be included in your upline's GV for qualification purposes only. Beginning with the following period, the Grace Period applies (see Grace Period).

Group Volume Override

Paid-as ESP's and higher may receive a Group Volume Override on the Commissionable Volume of the sales of their personal group, including their own personal volume.

Leg

A leg begins with a Level 1 Instructor and includes all of the Instructors beneath them. So, you have as many legs as you have Level 1 Instructors. For example, if Karen has five Level 1 Instructors, then she has five legs. Chris is one of Karen's Level 1 Instructors, so Chris - and her entire Team - is considered to be one leg to Karen.

Level

The position an Instructor has in a downline in relation to another upline or downline Instructor. Instructors that you personally sponsor are your Level 1. Those Instructors which are sponsored by your Level 1 Instructors are your Level 2.

Level 1-3 Overrides

Active Instructors that are paid-as a Ninja Playmaster (NPL) or higher may receive a percentage on the CV from the sales of their downline through 3 levels. The percentages and number of levels that you receive is based on your Paid-as title and is regardless of the title of the people below you. If you are less active or unqualified, then that Level Override will not roll upline. (Please refer to the definitions of Active and Qualified.)

Minimum Commission Payment

\$10. No payment will be deposited into your commission account if less than \$10. If in a month your commissions do not equal or exceed \$10, the commissions will be accrued until they do. When they equal or exceed \$10, they will be deposited to your commission account. Commissions will be deposited on the 15th of each month for the previous month's earnings.

New 1st Generation ESP

Fabled Mentors (FAM) and above must meet an additional maintenance requirement. They need to maintain at least one New 1st Generation ESP every 12 months or promote to a higher title. This means that every 12-month rolling period (oldest month off, newest month on), they need to have at least one new ESP from their personal group or promote to a higher title. If they fail to meet this, then their paid-as title will be demoted to an ICE. However, if they subsequently meet the requirements to promote to a higher title (even without this requirement), then the counter will be reset and they will once again have 12 months. For example, Heidi becomes a Fabled Mentor in January. January becomes month one in her counter for this maintenance requirement. In the following January, if Heidi has not had a New 1st Generation ESP, then the highest she can be Paid-as is an ICE. If Heidi meets this requirement in November, then that would fulfill this requirement through October of the following year and the counter is reset. If she does not meet this requirement, her Paid-as title in November would be demoted to ICE unless she fulfilled the requirement again in November.

Paid-As Title

Each Instructor is paid at the title for which they qualify during the period. The requirements to be Paid-as a title are the same as the requirements to promote to that title, with the exception of Fabled Mentors and higher, which have one additional requirement (please see New 1st Generation ESP). If, in any period, you fail to achieve your Career Title level, you are paid at the lower title to which you do qualify for during the period. You retain your Career Title (except when the Demotion Policy applies), but are Paid-as the title you actually qualify for.

Period

A period refers to the specific time frame in which qualifications and payouts are calculated for. In this plan, a period is equal to an actual calendar month. Six periods would be six calendar months.

Personal Volume (PV)

Your total Qualifying Volume (QV) from orders placed personally as well as those from your customers.

Personal Sponsor

The Instructor directly above you in the genealogy is considered to be your "Personal Sponsor."

Promotion

An Instructor promotes to a new Career Title when they meet all of the qualifications for that title in the period. The promotion is effective the first day of the same period, meaning that regardless of what day the promotion was actually qualified for, the new Career Title is effective for the entire period. For example, if you meet the qualifications for a Layout Legend on March 25th, you "promote" to the title of Layout Legend for the entire period of March, effective March 1st, and will be paid-as a Layout Legend for the entire period of March.

(PV) Personal Volume Sales Bonus

If you achieve a minimum PV in the period, you will be qualified to receive an additional percentage on your personal purchases and your customer's purchases. The percentage will be paid on the Qualifying Volume (QV) of the products purchased. Please refer to the PV Sales Bonus table for specific volume requirements.

Qualified

You are considered to be 'qualified' when you meet the requirements for a specific title or bonus. When you meet the requirements to be Paid-as a PDA, then you are 'qualified' as a PDA and are 'qualified' to receive the bonuses associated with that title.

Qualified Leg

Qualified Legs require that at least one Instructor in the leg is qualified to be paid as a specific title position, or higher, during the period. For example, to be an ESP, you need four Active Legs, two of which must have at least one Instructor that is paid-as a PDA or higher. Qualified Legs depend on the monthly Paid-As Title.

Qualifying Volume (QV)

This is a point value, based on retail price, assigned to inventory items, and is used to determine title qualifications. Items such as business tools and hostess rewards do not have QV. Retail Profit and PV Sales Bonuses are paid based on QV. All other commissions and bonuses are paid based on CV.

Retail Profit (Less Active Instructors)

All Instructors receive a retail profit on the sales from their customers, regardless of whether the Instructor is Active. However, the percentage received for the Retail Profit will vary based on whether the Instructor is Active or not. Less Active Instructors (under \$200 PV during a month) receive a 20% Retail Profit, but no Team commissions or bonuses.

Retail Profit (Active Instructors)

Active Instructors receive 25% Retail Profit on their own purchases and their customers' purchases, and may receive an additional 5-15% based on sales volume during a period (a calendar month).

Team

All of the people in your entire downline are considered to be part of your Team.

(TV) Team Volume

The total Qualifying Volume (QV) from an Instructor and their entire Team, which includes themselves and ALL downline Instructors, regardless of their titles.

Upline

All of the people above you are considered to be part of your upline.