



OPTAVIA®

INTEGRATED COMPENSATION PLAN



At **OPTAVIA**, our Coaches are the lifeblood of our program. **OPTAVIA** Coaches help others realize Lifelong Transformation, One Healthy Habit at a Time®.

YOUR BEST LIFE IS WAITING.
ALL YOU HAVE TO DO IS
TAKE THE FIRST STEP.

OPTAVIA Coaches are compensated for their efforts through the **OPTAVIA** Integrated Compensation Plan outlined in this document; it gives Coaches the power to shape their destiny and create a life of greater momentum and potential financial freedom.*

***OPTAVIA** makes no guarantee of financial success. Success with **OPTAVIA** results only from successful sales efforts, which require hard work, diligence, skill, persistence, competence, and leadership. Your success will depend upon how well you exercise these qualities. Please see the **OPTAVIA** Income Disclosure Statement (<http://bit.ly/idsOPTAVIA>) for statistics on the actual earnings of Coaches.

There are three primary earning opportunities with **OPTAVIA** which correlate to the three levels of Competency in our business plan:

- | | | |
|---|--|--|
| Ⓐ Client Support income to reward the OPTAVIA Coach Competency | Ⓑ Team building income to reward the Business Coach Competency | Ⓒ Leadership Development income to reward the Business Leader Competency |
|---|--|--|

Related to these three earning opportunities are ten different avenues of earning income:

- I. Client Acquisition and Support (**OPTAVIA** Coach Competency)
 - Client Support Commissions
 - Certification Bonus
 - Client Support Bonuses
 - Coach Consistency Bonuses
 - Client Acquisition Bonus
- II. Coach Sponsoring and Team Building (Business Coach Competency)
 - Assist Bonus
 - Team Growth Bonuses
 - Fully Integrated Business Coach Bonus
- III. Leadership Development (Business Leader Competency)
 - Executive Director Generation Bonuses
 - Elite Leadership Bonuses

The **OPTAVIA** Compensation Plan is designed to reward:

- Client acquisition & support
- Coach sponsorship & mentorship
- Team building & duplication
- Advanced team building & leadership development
- Mastery at each level of competency
- Certification & continuing education



At **OPTAVIA**, we believe in protecting the value of a Coach's business. Therefore, we have two types of volume in the **OPTAVIA** Compensation Plan:

- 1. COMPENSATION VOLUME (CV)** - the value assigned to any product/item in the **OPTAVIA** product portfolio for the purposes of compensation calculation. All products have a Compensation Volume, ranging from 0% to 100%, of the product price. All commissions and bonuses are paid on Compensation Volume.
- 2. QUALIFYING VOLUME (QV)** - the amount assigned to an item to determine rank and bonus qualification. Qualifying Volume is used to standardize the duplication model to ensure that the level of effort for qualification remains the same over time and across markets.

Let's look at these in greater detail:

Compensation Volume (CV) is on an item level. Since Clients typically order more than one item at a time, all of the CV for a Client is summed to create Personal Compensation Volume (PCV). Then, all of the PCV for a Coach's personally sponsored (Frontline or Level 1) Clients and Coaches are summed to create the Coach's Frontline Compensation Volume (FCV). A Coach's Group Compensation Volume (GCV) is simply the sum of all PCV for all Clients and Coaches on which they are paid. *Note: A Coach's own PCV is not included in either their FCV or GCV, since Coaches are not paid on their own personal orders.*

Qualifying Volume (QV) works exactly the same way. All of the QV for a Client's order is summed to create Personal Qualifying Volume (PQV). Then, all of the PQV for a Coach's personally sponsored (Frontline or Level 1) Clients and Coaches are summed to create the Coach's Frontline Qualifying Volume (FQV). A Coach's Group Qualifying Volume (GQV) is simply the PQV of all Clients and Coaches on which they are paid. *Note: A Coach's own PQV is not included in either their FQV or GQV, since Coaches DO NOT receive credit on their own personal orders.*

I. CLIENT ACQUISITION & SUPPORT

Welcoming Clients and supporting them on their journey are the foundation of a successful **OPTAVIA** business and, for many, are the starting point in our business model. **OPTAVIA** Coaches are compensated based on orders placed by their personally Sponsored and supported Clients. A Client can order online via a Coach's personalized co-branded website (which is provided by the Company) or by calling 1.888.**OPTAVIA**.

CLIENT SUPPORT COMMISSIONS & BONUSSES

Coaches earn a 15% commission on the Personal Compensation Volume (PCV) of orders placed by their Frontline (Level 1) Clients. Personal Compensation Volume is the combined Compensation Volume (CV) of all commissionable items on an order.

At **OPTAVIA**, we reward Coaches for their personal efforts and experience; therefore, our Client Support Bonuses are tiered, allowing for greater earning opportunities as more orders are generated by your personal Clients. While supporting a minimum of 5 Clients, the greater a Coach's Frontline Qualifying Volume (FQV), the greater percentage of Frontline Compensation Volume (FCV) he/she earns.

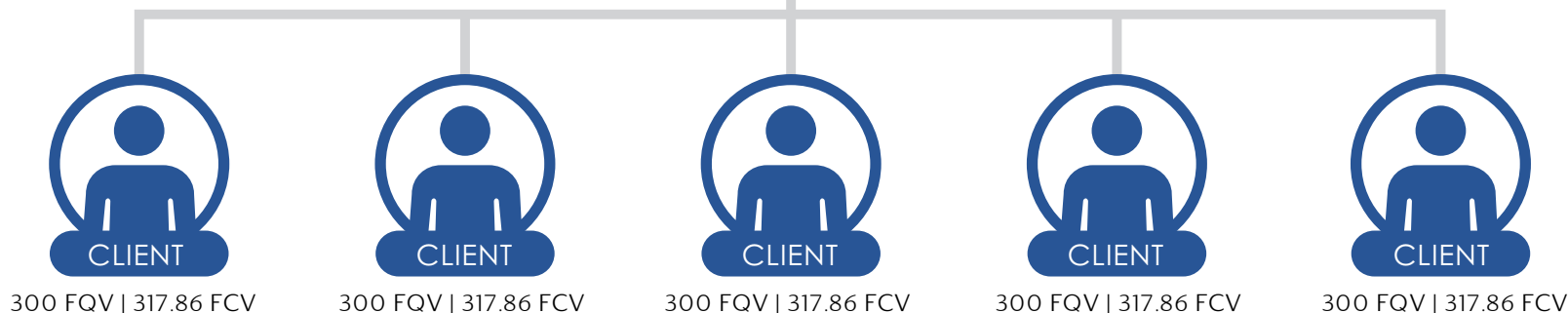
CERTIFICATION BONUS PAID MONTHLY

There is also a reward for continuing education and becoming Certified with **OPTAVIA**. Certified Coaches generally offer a higher level of service to their Clients via the knowledge gained through Certification. **OPTAVIA** values continuing education through Coach Certification so highly that our Compensation Plan rewards this behavior with an additional 3% bonus, paid on Frontline Compensation Volume (FCV).

| CLIENT SUPPORT COMPENSATION | | | | | | |
|---|-------------|-------|-------|-------|-------|-------|
| FRONTLINE QUALIFYING VOLUME (FQV) | UNDER 1,200 | 1,200 | 2,400 | 3,600 | 4,800 | 6,000 |
| CLIENT SUPPORT COMMISSIONS | 15% | 15% | 15% | 15% | 15% | 15% |
| CLIENT SUPPORT BONUS (MIN. 5 ORDERING ENTITIES) | N/A | 5% | 7% | 9% | 11% | 13% |
| CERTIFICATION BONUS | 3% | 3% | 3% | 3% | 3% | 3% |
| TOTAL MAXIMUM CLIENT SUPPORT COMPENSATION | 18% | 23% | 25% | 27% | 29% | 31% |

OPTAVIA COACH
1,500 FQV | 1,589.30 FCV

300 PQV x 5 Clients = 1,500 FQV = Senior Coach
 317.86 PCV x 5 Clients = 1,589.30 FCV * 20% (15% CSC + 5% CSB) = \$317.86
 317.86 PCV x 5 Clients = 1,589.30 FCV * 20% (15% CSC + 5% CSB) + 3% Certification Bonus = \$365.54



*Hypothetical example to illustrate the mechanics of the Compensation Plan only.



COACH CONSISTENCY BONUSES

OPTAVIA rewards Certified Coaches who have consistent Frontline Qualifying Volume (FQV), month after month. This bonus has three levels*:

- A Certified **OPTAVIA** Coach who generates a minimum of 2,000 in Frontline Qualifying Volume (FQV) for three (3) consecutive months will be paid a \$250 bonus.
- A Certified **OPTAVIA** Coach who generates an average of 4,000 in Frontline Qualifying Volume (FQV) for three (3) consecutive months will be paid a \$500 bonus.
- A Certified **OPTAVIA** Coach who generates an average of 6,000 in Frontline Qualifying Volume (FQV) for three (3) consecutive months will be paid a \$1,000 bonus.

*Note: In order to be eligible for this bonus, Frontline Qualifying Volume (FQV) cannot fall below 2,000 in any month. If Frontline Qualifying Volume (FQV) does fall below the 2,000 minimum threshold, the three-month consistency clock starts back at zero, and three additional months will be needed to achieve this bonus. The three-month cycle can begin in any month, and Coaches are eligible for this bonus four times in a 12-month period.

CLIENT ACQUISITION BONUS (CAB)

OPTAVIA knows how important it is to get off to the right start with your new **OPTAVIA** business. Therefore, to reward new Coaches who get on the fast track to success, we offer a special bonus. As a new **OPTAVIA** Coach, you have the opportunity to earn a one-time \$100 bonus in your first 30 days as a Coach. To achieve this bonus, generate a total of 1,000 Frontline Qualifying Volume (FQV) within your first 30 days from five (5) New* Frontline Clients and/or Coaches.

*A New Client means someone who has never ordered with any **OPTAVIA** Coach or through **OPTAVIA**. A New Coach means someone who has never purchased an **OPTAVIA** Coach business kit.

II. COACH SPONSORING & TEAM BUILDING

In order to maximize the earning opportunity with **OPTAVIA**, a Coach must build and mentor Coach Teams.

ASSIST BONUSES

As a Business Coach, if you assist a new personally Sponsored Coach in earning his/her Client Acquisition Bonus, you will be paid a matching \$100 Assist Bonus.

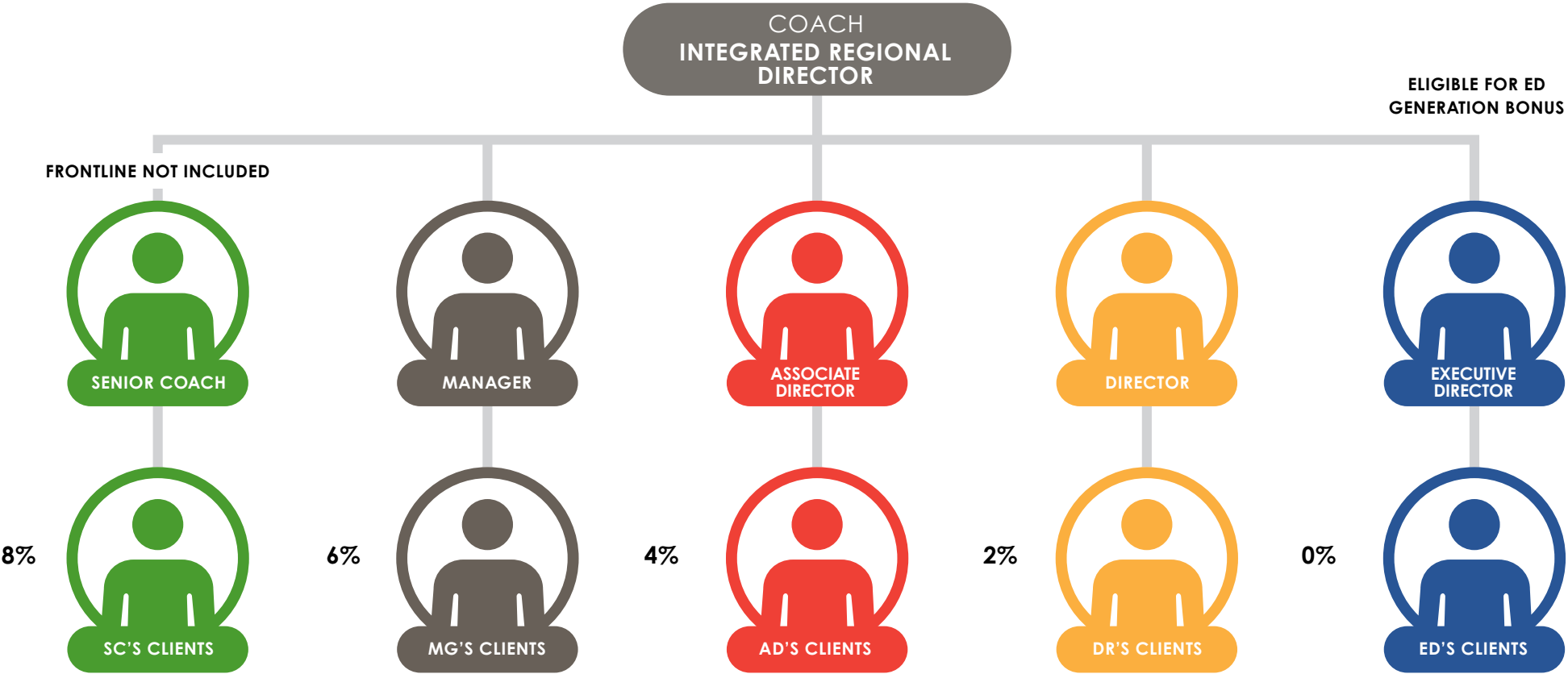
TEAM GROWTH BONUSES

The Team Growth Bonuses provide the opportunity for a Business Coach to earn on orders of other Coaches and their Teams. This bonus is only available to Business Coaches qualifying at the Senior Coach level or higher and is earned only on business Teams outside of a Coach’s Frontline.

This chart provides the Qualified rank earning percentage for each potential business Team rank. For example: a Qualified Director earns 6% on a Senior Coach Team down to the next qualifying **OPTAVIA** Coach above Senior Coach.

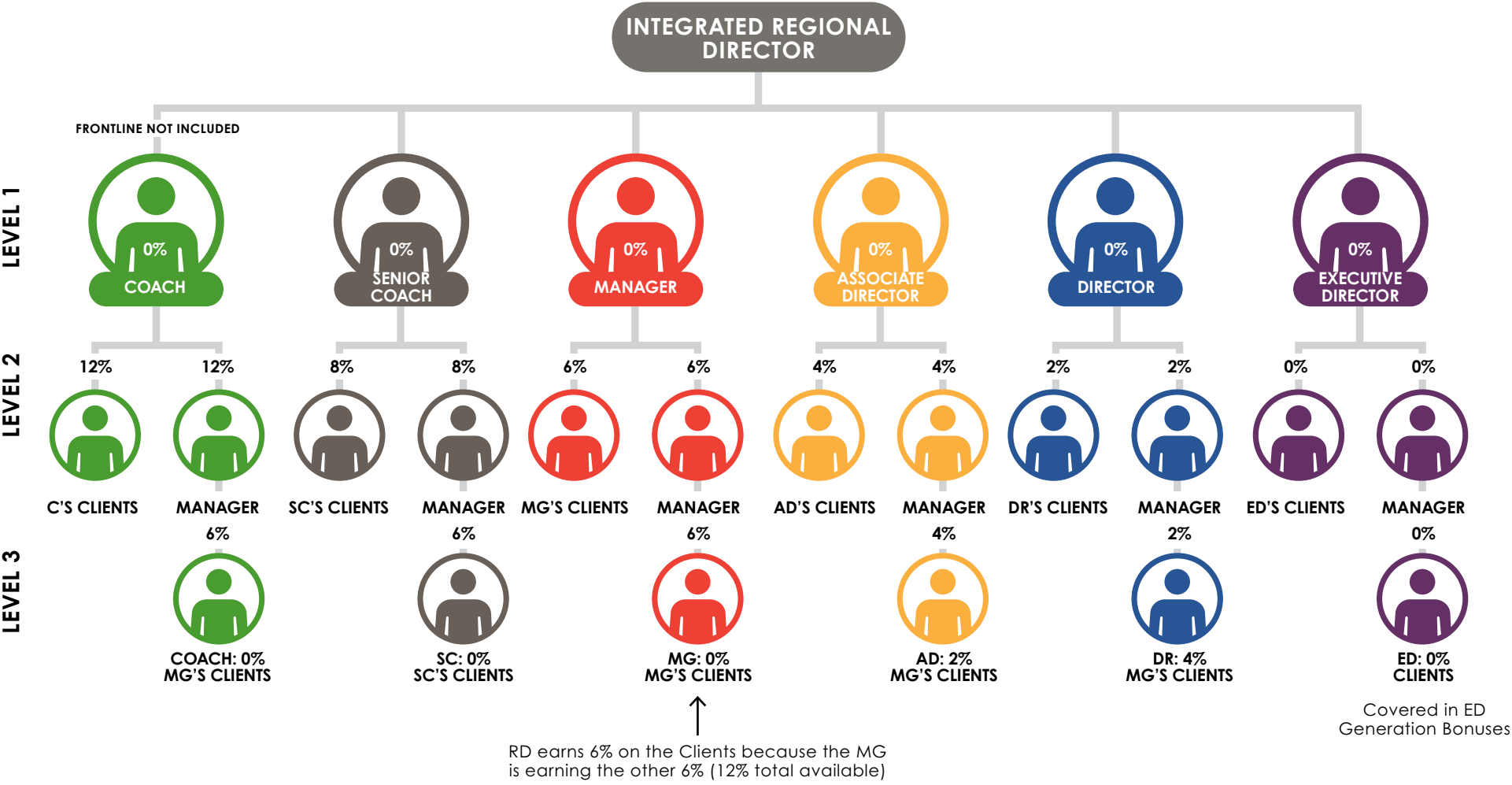
| TEAM GROWTH BONUSES (PAID ON LEVEL 2 AND BELOW) | | QUALIFIED RANK | | | | |
|--|--------------------|----------------|---------|--------------------|----------|--|
| | | SENIOR COACH | MANAGER | ASSOCIATE DIRECTOR | DIRECTOR | EXECUTIVE DIRECTOR |
| TEAM RANK | COACH | 4% | 6% | 8% | 10% | 12% |
| | SENIOR COACH | | 2% | 4% | 6% | 8% |
| | MANAGER | | | 2% | 4% | 6% |
| | ASSOCIATE DIRECTOR | | | | 2% | 4% |
| | DIRECTOR | | | | | 2% |
| | EXECUTIVE DIRECTOR | | | | | COVERED IN EXECUTIVE DIRECTOR GENERATION BONUSES |

TEAM GROWTH BONUS EXAMPLE



TEAM GROWTH BONUS EXAMPLE

Teams in-depth - Earning the Gap Example





FULLY INTEGRATED BUSINESS COACH CONSISTENCY BONUS

A Business Coach has reached a level of mastery when he/she has achieved the level of Fully Integrated Business Coach (FIBC). This is attained when a Qualified Executive Director (who is Certified) achieves 6,000 in Frontline Qualified Volume (FQV), five (5) Qualified Senior Coach Teams, and 15,000 in Group Qualified Volume (GQV) in a Monthly Bonus Period. A Business Coach who meets these qualifications for three (3) consecutive months will be paid a \$1,000 bonus.

A Business Coach can begin this three-month cycle in any month and has the opportunity to earn this bonus up to a maximum of four times in a 12-month period.

III. ADVANCED TEAM BUILDING & LEADERSHIP DEVELOPMENT

Leaders drive all successful organizations, and within **OPTAVIA**, leaders play a vital role in communicating, training, supporting, shaping, building, defining, and living the mission of **OPTAVIA**.

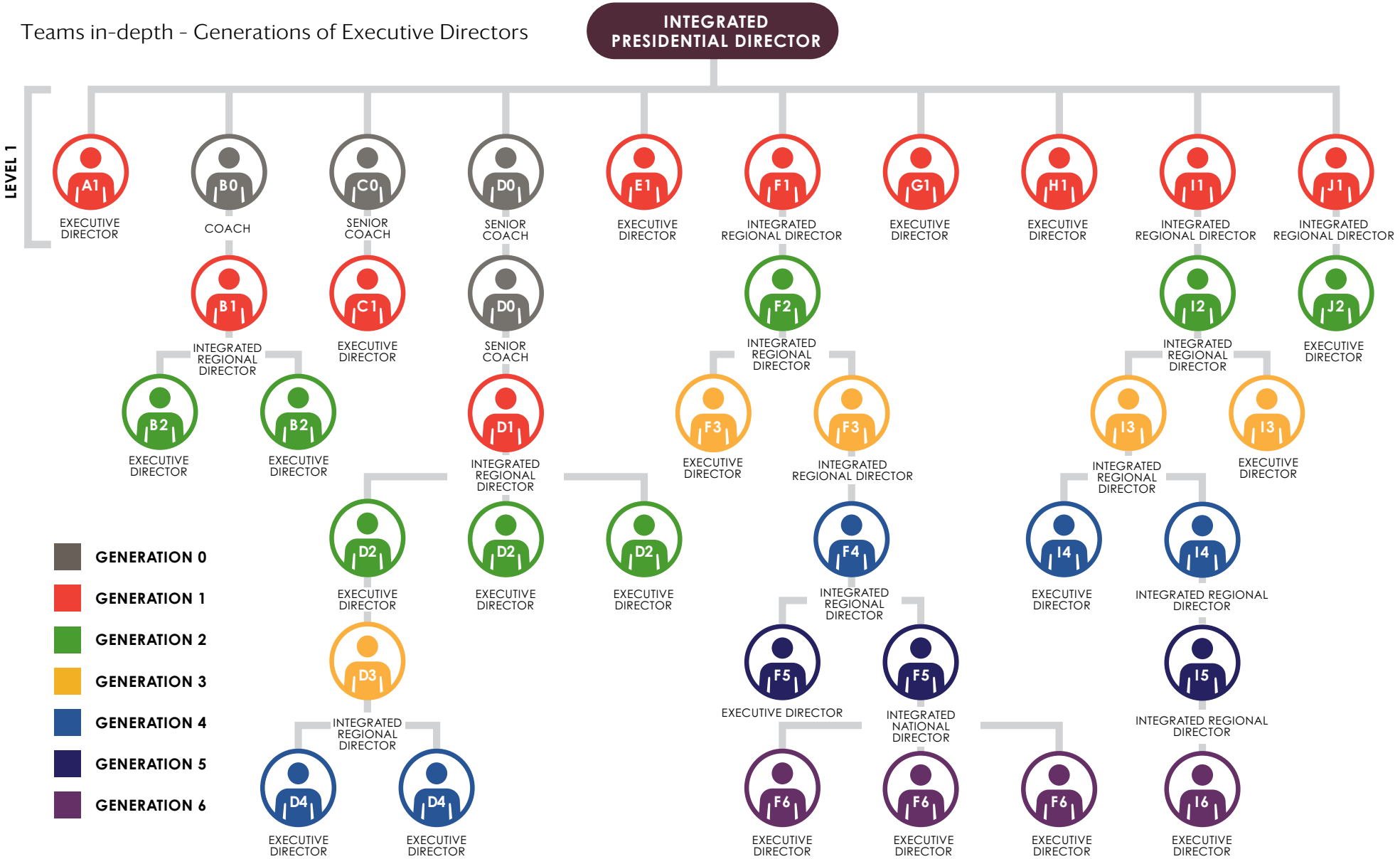
EXECUTIVE DIRECTOR GENERATION BONUSES

The Executive Director Generation Bonuses are business development bonuses that reward Business Leaders qualifying as a Regional Director or higher for developing Executive Directors within their organizations.

In order to maximize the benefit of the Executive Director Generation Bonuses, it is important for a Business Leader to develop separate Executive Director Teams. An Executive Director Team is defined as a qualifying Executive Director (or higher) in a unique Line of Sponsorship (an Executive Director does not need to be personally Sponsored). The Executive Director Generation Bonuses are paid on an entire Executive Director's organization, which is defined as all of the **OPTAVIA** Coaches and their Clients within a Line of Sponsorship of a Qualified Executive Director (or higher), down to the next Qualified Executive Director (or higher) in depth. The term for this is "Generation," and the diagram below demonstrates Executive Director Generations visually down through six Generations. The diagram outlines the six Generations of depth by which an Integrated Presidential Director is eligible to receive generational earnings.



Teams in-depth - Generations of Executive Directors



The table below displays the percentage earned on each Executive Director Generation. Bonuses are paid as a percentage of the Executive Director in depth's Group Compensation Volume (GCV), down to the next Executive Director in-depth (next Generation).

| | | QUALIFIED RANK | | | | | | | |
|----------------------|---|-------------------|------------------------------|-------------------|------------------------------|-----------------|----------------------------|-----------------------|----------------------------------|
| | | REGIONAL DIRECTOR | INTEGRATED REGIONAL DIRECTOR | NATIONAL DIRECTOR | INTEGRATED NATIONAL DIRECTOR | GLOBAL DIRECTOR | INTEGRATED GLOBAL DIRECTOR | PRESIDENTIAL DIRECTOR | INTEGRATED PRESIDENTIAL DIRECTOR |
| GENERATIONS OF TEAMS | 1 | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |
| | 2 | | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |
| | 3 | | | | 2% | 2% | 2% | 2% | 2% |
| | 4 | | | | | 2% | 2% | 2% | 2% |
| | 5 | | | | | | 1.5% | 1.5% | 1.5% |
| | 6 | | | | | | | | 1.5% |

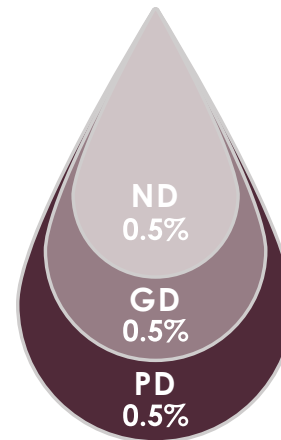
ELITE LEADERSHIP BONUSES

Elite Leadership Bonuses are paid to our Business Coaches qualifying at our Leadership ranks of National Director and higher to compensate for their role in directing and overseeing **OPTAVIA** businesses. The three separate bonuses listed below overlap, which means they are cumulative, so a qualifying Presidential Director will earn all three bonuses.

These bonuses are:

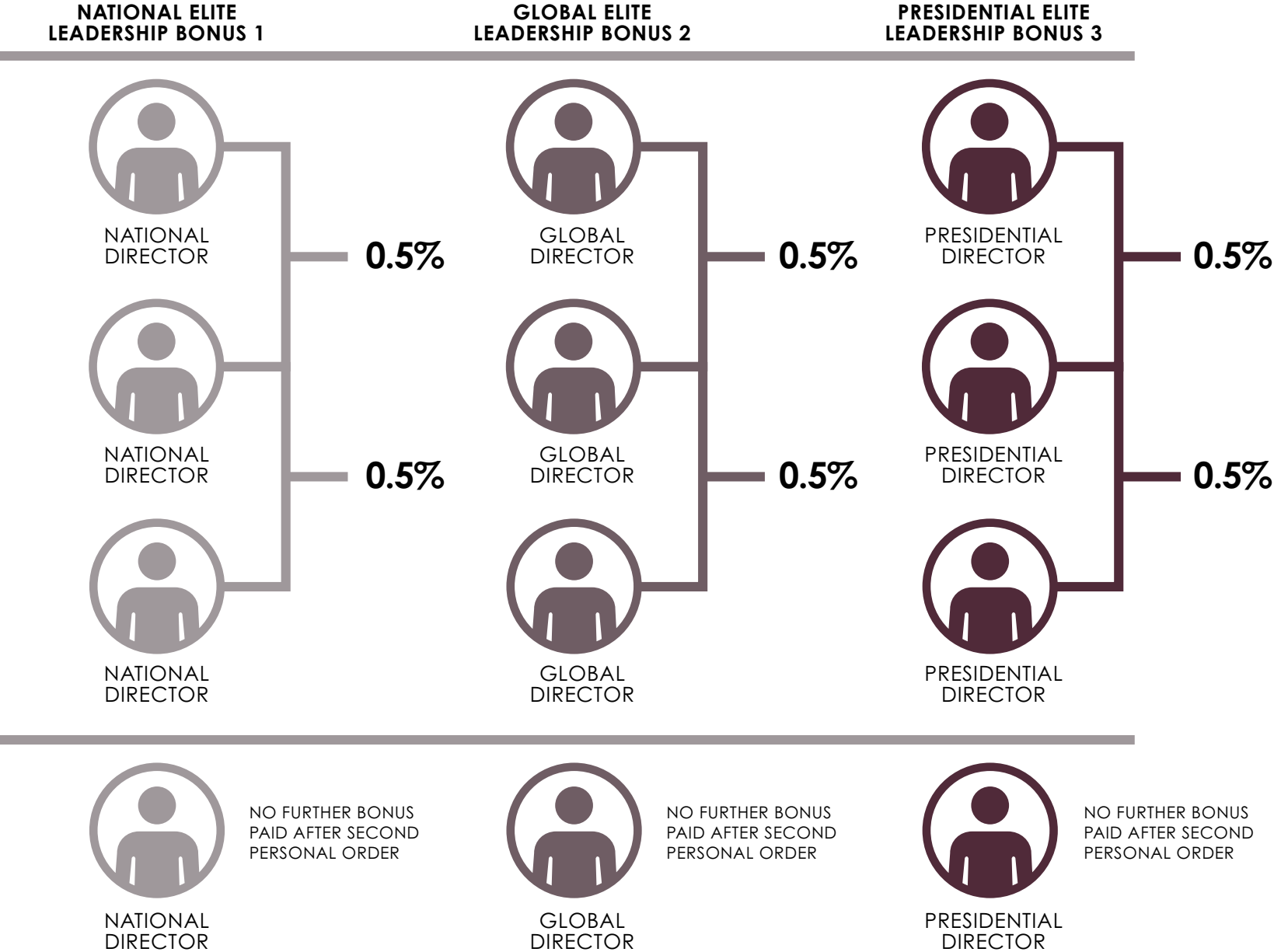
- National Elite Leadership Bonus
- Global Elite Leadership Bonus
- Presidential Elite Leadership Bonus

Each of these bonuses is paid in the same way on a Coach's organization. A Business Leader earns a 0.5% override on his/her entire business down through the first Business Leader at or above the qualifying bonus rank (National Director, Global Director, or Presidential Director) to the second Business Leader at or above that rank in each Line of Sponsorship. The Business Leader receives earnings on the personal order of the second



Business Leader at or above the bonus rank in a Line of Sponsorship but not on the orders of that Business Leader's Team.

These Elite Leadership Bonuses have the potential to pay deep into a Business Leader's organization beyond the level of Executive Director Generations a Business Leader also qualifies to receive. This is because a Business Leader earns on the entire organization down to the second Qualified Business Leader holding the same elite leader rank.



OPTAVIA CAREER PATH & RANK QUALIFICATIONS

| RANK | QUALIFICATIONS |
|---|---|
| COACH | Less than 1,200 GQV and 5 Ordering Entities |
| SENIOR COACH (SC) | 1,200 GQV and 5 Ordering Entities |
| MANAGER | Qualified SC with 2 Qualifying Points |
| ASSOCIATE DIRECTOR | Qualified SC with 3 Qualifying Points |
| DIRECTOR | Qualified SC with 4 Qualifying Points |
| EXECUTIVE DIRECTOR (ED) | Qualified SC with 5 Qualifying Points |
| INTEGRATED EXECUTIVE DIRECTOR (FIBC) | Qualified ED with 6,000 FQV, 5 qualified Senior Coach Teams, 15,000 GQV and Certified |
| REGIONAL DIRECTOR | Qualified ED with 1 ED Team |
| INTEGRATED REGIONAL DIRECTOR | Qualified FIBC with 1 ED Team and Certified |
| NATIONAL DIRECTOR | Qualified ED with 3 ED Teams |
| INTEGRATED NATIONAL DIRECTOR | Qualified FIBC with 3 ED Teams and Certified |
| GLOBAL DIRECTOR | Qualified ED with 5 ED Teams |
| INTEGRATED GLOBAL DIRECTOR (FIBL) | Qualified ED with 5 FIBC Teams and Certified |
| PRESIDENTIAL DIRECTOR | Qualified ED with 10 ED Teams |
| INTEGRATED PRESIDENTIAL DIRECTOR | Qualified FIBL with 5 additional ED Teams and Certified |

Qualifying Point definition = 1 Qualifying Point for every 1,200 FQV OR 1 Qualifying Point for every qualified Senior Coach Team.

SPECIAL CHARACTERISTICS & CRITERIA OF THE OPTAVIA COMPENSATION PLAN

To better understand the details of the **OPTAVIA** Compensation Plan, a Coach should be familiar with the following special characteristics and criteria. A Glossary, “Terms to Learn,” is provided at the end of this document for your reference.

CREDITING OF PRODUCTS & ORDERS FOR COMPENSATION

- Clients and Coaches pay the same price for products.
- Compensation (all Commissions and bonuses) is paid on Compensation Volume. Compensation Volume is the value assigned to any product/item in the **OPTAVIA** product portfolio for the purposes of compensation calculation. All products have a Compensation Volume, ranging from 0% to 100% of the product price. All commissions and bonuses are paid on Compensation Volume.
- Compensation is paid on the Compensation Volume of Commissionable Goods only. These include, but are not limited to, **OPTAVIA** Fuelings, Snacks, Purposeful Hydration®, Supplements, etc. Books, tools, apparel, program materials, events, fees, taxes, and shipping are not eligible for Compensation.
- Coaches do not receive Compensation or credit for their personal orders. This is because personally sponsored Coaches are considered the personal Clients of their Sponsors. A Coach’s personal orders are credited to the Sponsor of that Coach.
- All ranks and bonuses qualifications are based on Qualifying Volume (QV). All Commissionable Goods are assigned a Qualifying Volume. Non-commissionable goods (books, tools, apparel, program materials, events, fees, taxes, and shipping) do not have any Qualifying Volume.
- Personally acquired Clients and personally sponsored Coaches (people on a Coach’s Frontline) are considered to be on his/her first level (Level 1) for Compensation purposes.
- This plan employs seamless, global compensation, meaning that a Coach can have Clients and Coaches in any market in which **OPTAVIA** is officially open for business and receive Qualifying Volume and Compensation Volume accordingly.
- Coaches receive Compensation based on Clients’ or Coaches’ actual orders of products. When a product is returned for a refund, the Personal Qualifying Volume (PQV) amount associated with that return will be deducted from the **OPTAVIA** Coach’s Frontline Qualifying Volume and Frontline Compensation Volume (will appear as a negative Personal Qualifying Volume (PQV) and negative Personal Compensation Volume (PCV) amount for that Client). As returns are processed as negative Personal Qualifying Volume (PQV) and Personal Compensation Volume (PCV), they can impact all bonus and rank qualifications and commissions and bonus calculations. Returns and refunds are not processed on the last day of a month.
- A Client must have positive Personal Qualifying Volume (PQV) to count as an Ordering Entity in a Monthly Bonus Period. Clients who have negative or zero Personal Qualifying Volume (PQV) do not count as an Ordering Entity for rank qualifications.

PAYMENT SCHEDULES & METHODS

- Weekly Client Support Commissions (paid on Level 1) are paid the week following a Weekly Commission Period.
 - A commission week is Monday through Sunday and any orders placed and paid for during that week will be paid as Client Support Commissions the following week.
 - Weekly Client Support Commissions are paid at the base level of 15%. Any additional percentages earned for Frontline Qualifying Volume performance are paid with monthly bonuses, on or about the 15th of the month following the closure of the Monthly Bonus Period.
- Bonuses are paid on or about the 15th of the month following the closure of the Monthly Bonus Period.
 - The Monthly Bonus Period for the Compensation Plan is based on orders placed and payments received in a calendar month. The monthly period begins at 12:00 AM PST on the first day of the month and concludes at 11:59 PM PST on the last day of the month. Personal Compensation Volume (PCV) is credited for orders that are paid in full.
- Compensation is disbursed via **OPTAVIA PAY**, a virtual pay portal. The schedule for disbursements is once per week for commission payments and once per month for monthly bonuses (if applicable).

RANK ADVANCEMENT & RECOGNITION

- This is a real-time plan. Although Coaches are granted a recognition title based on their highest achievement level, they are paid month to month based on their current monthly rank performance.
- For the rank of Integrated Executive Director and above, a Coach must reach rank qualifications and maintain those qualifications for three consecutive months to be recognized and honored at that new recognition title rank/highest rank achieved.
- In order to advance to any Integrated rank (IED, IRD, IND, IGD, & IPD), a Coach must complete additional training via the online Certification Course and successfully pass the Certification Exam.
- A Coach will be paid at his/her performing rank, regardless of recognition title rank/highest rank achieved.
- The Company reserves the right to use recognition title rank or qualification rank for committee participation and selection, communication schedules, invitations for trainings and events, and/or special recognitions.
 - The Company reserves the right to make any event, incentive trip, or training, by invitation-only, based on recognition title rank or qualification rank.
- A Coach is responsible for reviewing his/her performance via **OPTAVIA Connect** throughout the month to ensure his/her personal business goals are met. If any questions or disputes about qualification, ranking, or performance arise, a Coach has two (2) business days from the end of the Weekly Commission Period or Monthly Bonus Period to notify **OPTAVIA**. Failure to do so will result in the acceptance of that qualification/rank/performance by the Coach.



PERFORMANCE OR ACTIVITY REQUIREMENTS

- In order to be eligible for compensation, an individual needs to fulfill the requirements to become a Coach as dictated by his/her market.
- A Coach is required to renew his/her business annually. The cost to renew the business is currently \$99.00 and is subject to change.

QUALIFICATION NOTES

- The first Coach to qualify at a required rank qualifies that Team for the purposes of Compensation. For example, if Bill, a Senior Coach, sponsors Sharon, also a Senior Coach, Bill qualifies that Team as a Senior Coach Team.
- This plan uses Compression, which is defined in the "Terms to Learn".

COMPENSATION STATEMENTS

- All Compensation statements (weekly commissions and monthly bonuses) are available online via **OPTAVIA CONNECT** for download by the Coach.



GLOSSARY “TERMS TO LEARN”

The following are some important terms to learn regarding the **OPTAVIA** Compensation Plan:

Assist Bonus - A matching \$100 bonus paid to the Sponsor of a new **OPTAVIA** Coach who earns his/her Client Acquisition Bonus.

Associate Director - An **OPTAVIA** Coach who qualifies as a Senior Coach with three (3) Qualifying Points in a Monthly Bonus Period.

Bonus Qualified - An **OPTAVIA** Coach who has met the requirements to earn specific bonuses within the **OPTAVIA** Compensation Plan.

Business Coach - A Coach who enrolls, trains, and mentors **OPTAVIA** Coaches. Synonymous with “Sponsor”.

Business Leader - A Business Coach who builds Teams of Business Coaches.

Career Path - Specific and measurable accomplishments and benchmarks within the **OPTAVIA** Compensation Plan that relate to set qualifications of achievement or “ranks.”

Certification: **OPTAVIA** offers additional optional training to help Coaches become more knowledgeable and skilled. Coaches who elect to purchase, complete, and pass this online = Certification Exam are deemed “Certified” and eligible for certain bonuses and for rank advancement.

Certification Bonus: A 3% bonus paid to Certified Coaches on their Frontline Compensation Volume (FCV).

Certified Coach: Someone who has successfully completed and passed the online Certification Course.

Client: An individual who receives the support of an **OPTAVIA** Coach and orders Fuelings and other items via a Coach’s personalized website or by calling **OPTAVIA** directly.

Client Acquisition Bonus (CAB): A one-time \$100 bonus for new Coaches who develop at least five (5) new Frontline Clients whose orders total at least 1,000 Frontline Qualifying Volume (FQV) within their first 30 days as a Coach.

Client Support Bonuses: Sliding scale bonus paid to Coaches who generate at least 1,200 Frontline Qualifying Volume (FQV) in a Monthly Bonus Period while supporting 5 Ordering Entities. Client Support Bonuses are paid as a percentage of Frontline Compensation Volume (FCV) generated in a Monthly Bonus Period from 5% to 13%, depending on the Frontline Qualifying Volume (FQV).

Client Support Commissions: Flat 15% bonus paid on Level 1 orders (15% of Frontline Compensation Volume/FCV) in a Weekly Commission Period.

Coach: An individual or business entity who has purchased a Coach Kit (or fulfilled the requirements in his/her home market for enrolling as a Coach) and agreed to **OPTAVIA**’s terms and conditions, including, but not limited to, the Independent **OPTAVIA** Coach Agreement. Also, base rank in the Compensation Plan. Coaches are ranked with tiers based on various qualifications, which may include Ordering Entities, FQV, GQV, Senior Coach Teams, Executive Director Teams, FIBC Teams, and Certification.

Coach Consistency Bonuses: A special bonus for Certified Coaches who demonstrate Frontline Qualifying Volume (FQV) consistency for a consecutive three month (rolling) period. Coach Consistency Bonuses are tiered (\$250, \$500, and \$1,000) based on a Coach’s Frontline Qualifying Volume (FQV) performance each month in the three-month period. A minimum of 2,000 Frontline Qualifying Volume (FQV) per month is required to be eligible for any Coach Consistency Bonus. Coaches are eligible to receive this bonus four (4) times in a 12-month period.

Commissionable Goods: Any products including **OPTAVIA** Fuelings, Snacks, Supplements, Flavor Infusers, etc. that can be consumed. Tools, apparel, program materials, events, fees, taxes, and shipping are not Commissionable Goods, and thus not eligible for compensation.

Compensation Volume (CV) - The value assigned to any product/item in the **OPTAVIA** product portfolio for the purposes of compensation calculation. All products/items have a Compensation Volume (CV) amount which is an indexed amount, ranging from 0% to 100% of the retail price.

Compression - Any Coach in the Line of Sponsorship that fails to meet the qualification requirements for rank or bonuses are ineligible to receive certain bonuses, including Executive Director Generation Bonuses and Elite Leadership Bonuses.

Director - A Coach who qualifies as a Senior Coach with four (4) Qualifying Points (QP) in a Monthly Bonus Period.

Elite Leadership Bonuses - Bonuses paid to Coaches who qualify as National Director or higher in a Monthly Bonus Period. Paid as a percentage of Group Compensation Volume (GCV), down to the second qualified Coach at or above that rank in-depth. There are three potentially overlapping Elite Leadership Bonuses available.

Executive Director - A Coach who qualifies as a Senior Coach with five (5) Qualifying Points (QP) in a Monthly Bonus Period.

Executive Director Generation Bonus - Bonus paid to Coaches who qualified as Regional Director or higher in a Monthly Bonus Period. Paid as a percentage of Group Compensation Volume (GCV) on generations of Executive Director Teams in depth.

Executive Director Team - A unique Line of Business starting with the first qualified Executive Director in depth. The first qualified Executive Director in the Line of Business qualifies the Team (Executive Director Teams DO NOT need to be personally sponsored or on a Coach's Frontline/Level 1).

Frontline - All Clients or Coaches in a Coach's Level 1.

Frontline Qualifying Volume (FQV) - The sum of all Qualifying Volume (QV) on a Coach's Level 1 (Frontline), excluding a Coach's own Personal Qualifying Volume (PQV). Frontline Qualifying Volume (FQV) in a Monthly Bonus Period also determines the percentage (if any) for various monthly bonuses, including the Client Support Bonuses, Client Acquisition Bonus and Coach Consistency Bonus (if applicable).

Frontline Compensation Volume (FCV) - All of the combined Personal Compensation Volume (PCV) from orders of Commissionable Goods placed by individuals in a Coach's Frontline (Level 1), excluding a Coach's own Personal Compensation Volume (PCV). Commissions are paid weekly on Frontline Compensation Volume (FCV).

Fully Integrated Business Coach (FIBC) - A Business Coach who demonstrates proficiency in both Client acquisition and support and Coach Sponsoring and mentorship. He/she is Certified, maintains Frontline Qualifying Volume (FQV) of at least 6,000, has five (5) qualified Senior Coach Teams, and has Group Qualifying Volume (GQV) of at least 15,000 in a Monthly Bonus Period.

Fully Integrated Business Coach Bonus (FIBC Consistency Bonus) - A \$1,000 bonus paid to individuals who are Certified and meet the following criteria for three (3) consecutive Monthly Bonus Periods:

- Frontline Qualifying Volume (FQV) of at least 6,000
- Five (5) qualified Senior Coach Teams
- Group Qualifying Volume (GQV) of at least 15,000

Fully Integrated Business Coaches (FIBC) are eligible to receive this bonus four times in a 12-month period.

Fully Integrated Business Coach (FIBC) Team - A Team that contains at least one qualified Fully Integrated Business Coach (FIBC).

Fully Integrated Business Leader (FIBL) - A Coach who demonstrates mastery in Team building. He/she is Certified and qualifies as a Global Director and has five (5) qualified Fully Integrated Business Coach (FIBC) Teams in a Monthly Bonus Period.

Generation - All of the Coaches and their Clients within a qualified Executive Director's Line of Business, down to the next qualified Executive Director (or above) in depth.

Generation Compensation Volume (Gen CV) - All Compensation Volume (CV) from a qualified Executive Director's (or higher) Team, down to the next qualified Executive Director (or higher) in depth. Generation Volume is used for the calculation of Executive Director Generation Bonuses.

Global Director - A Coach who qualifies as an Executive Director and has five (5) qualified Executive Director Teams in a Monthly Bonus Period.

Group Qualifying Volume (GQV) - The sum of all Qualifying Volume (QV) in a Coach's organization, including their Frontline Qualifying Volume (FQV). DOES NOT include a Coach's Personal Qualifying Volume (PQV).

Group Compensation Volume (GCV) - Total volume from all of the orders on which a Coach receives compensation, including their Frontline Compensation Volume (FCV). Group Compensation Volume (GCV) does not include a Coach's Personal Compensation Volume (PCV).

Highest Rank Achieved - The highest rank ever achieved by a Coach in the Compensation Plan. Highest Rank Achieved used for recognition purposes only and is subject to maintenance requirements. Also known as "Recognition Title Rank" or "Title Rank."

In-depth (or Depth) - The Clients and/or Coaches in a Coach's business below his/her Frontline (Level 1). Depth occurs as Coaches Sponsor other Coaches and begin building Teams.

Integrated Executive Director (IED) - A Certified Coach who has 6,000 Frontline Qualifying Volume (FQV), 5 qualified Senior Coach Teams, and 15,000 Group Qualifying Volume (GQV) in a Monthly Bonus Period. Also known as a Fully Integrated Business Coach (FIBC).

Integrated Global Director (IGD) - A Certified Coach who qualifies as an Executive Director and has five (5) qualified Fully Integrated Business Coach (FIBC) Teams in a Monthly Bonus Period. Also known as a Fully Integrated Business Leader (FIBL).

Integrated National Director (IND) - A Certified Coach who qualifies as a Fully Integrated Business Coach (FIBC) and has three (3) qualified Executive Director Teams in a Monthly Bonus Period.

Integrated Presidential Director (IPD) - A Certified Coach who qualifies as an Executive Director and has 10 qualified Executive Director Teams in a Monthly Bonus Period, five of which must be qualified Fully Integrated Business Coach (FIBC) Teams.

Integrated Regional Director (IRD) - A Certified Coach who qualifies as a Fully Integrated Business Coach (FIBC) and has one qualified Executive Director Team in a Monthly Bonus Period.

Line of Business ("Team") - A downline segment of business genealogy consisting of a qualified Senior Coach, Executive Director, OR Fully Integrated Business Coach (FIBC) that qualifies the entire Team as a Senior Coach Team, Executive Director Team, or FIBC Team. For qualification purposes, there can only be one qualified Senior Coach, Executive Director, and/or FIBC in a Line of Business (no "stacking"). A Line of Business looks downline, whereas a Line of Sponsorship looks upline.

Line of Sponsorship (“Upline”) - The lineage of Coaches from an individual to his/her Coach (Sponsor), connected to the next upline Coach and so forth until reaching Top of Tree. A Line of Sponsorship looks upline, whereas a Line of Business looks downline.

Manager - A Coach who qualifies as a Senior Coach with two (2) Qualifying Points (QP) in a Monthly Bonus Period.

Monthly Bonus Period - Period for which rank qualifications and monthly bonuses are calculated. Begins at 12:00 AM PST on the first calendar day of the month and ends at 11:59 PM PST on the last calendar day of the month.

National Director - A Coach who qualifies as an Executive Director and has three (3) qualified Executive Director Teams in a Monthly Bonus Period.

New Client - Someone who has never placed an order through an OPTAVIA Coach or with OPTAVIA.

New Coach - Someone who has never purchased an OPTAVIA Coach Business Kit.

Ordering Entity - Any Frontline /Level 1 Client or Coach with positive Personal Qualifying Volume (PQV) in a Monthly Bonus Period or a Coach Team with positive Group Qualifying Volume (GQV) in a Monthly Bonus Period.

Personal Compensation Volume (PCV) - The combined Compensation Volume (CV) for an individual in the given period (weekly or monthly). Personal Compensation Volume is NOT included in a Coach’s Frontline Compensation Volume (FCV) or Group Compensation Volume (CCV) since a Coach is always considered to be a Client of his/her sponsor. Coaches DO NOT receive compensation for their personal orders or on their own PCV at all.

Personal Qualifying Volume (PQV) - The sum of the Qualifying Volume (QV) for an individual account in the given period (weekly or monthly). Personal Qualifying Volume (PQV) is not included in a Coach’s Frontline Qualifying Volume (FQV) or Group Qualifying Volume (GQV), since a Coach is always considered to be a Client of his/her Sponsor. Coaches DO NOT receive credit for their personal orders or on their own PQV at all.

Presidential Director - A Coach who qualifies as an Executive Director and has ten (10) qualified Executive Director Teams in a Monthly Bonus Period.

Qualified - When a Coach meets all criteria for a specific rank or bonuses in the current Monthly Bonus Period.

Qualified Rank - A Coach will be paid in any Monthly Bonus Period based on the rank criteria they have achieved in that Monthly Bonus Period. Qualified rank is determined by actual performance for the month closing. E.g. Title rank in May = Global Director. Criteria met in May = Integrated National Director. Qualified rank in May (paid 15th June) = Integrated National Director.

Qualifying Point (QP) - A unit of measurement for qualification. As a Coach generates more Frontline Qualifying Volume (FQV) or Sponsors and grows Teams of qualified Senior Coaches, he or she becomes eligible to earn more Qualifying Points (QP). One (1) point is awarded for:

- Every 1,200 in Frontline Qualifying Volume (FQV) OR
- Every qualified Senior Coach Team

Qualifying Volume (QV) - The volume amount assigned to an item to determine rank and bonus qualification. Qualifying Volume (QV) is used to standardize the duplication model across market variations while ensuring that the level of effort for qualification remains the same across markets.

Recognition Title Rank - The highest rank a Coach has achieved in the Compensation Plan. Title rank is used for recognition purposes only. Recognition Title Rank is subject to maintenance requirements. Synonymous with Highest Rank Achieved or Title Rank.

Regional Director - Coach who qualifies as an Executive Director and has one (1) qualified Executive Director Team in a Monthly Bonus Period.

Senior Coach - A Coach who has at least 1,200 Group Qualifying Volume (GQV) in a Monthly Bonus Period from five (5) ordering entities.

Senior Coach Team - A unique Line of Business starting with the first qualified Senior Coach in depth. The first qualified Senior Coach in the Line of Business qualifies the team. (Senior Coach Teams DO NOT need to be personally sponsored or on a Coach’s Frontline/Level 1).

Team Growth Bonuses - Additional incremental bonuses available to those who qualify as Senior Coach or higher in a Monthly Bonus Period and have Coaches with volume on their Team. Paid as incremental percentages of the Coach in depth’s Group Compensation Volume (GCV) based on qualifying rank (both Coach and Team) down to the next qualifying Senior Coach or higher. Team Growth Bonuses are not paid on Frontline Compensation Volume (FCV) (covered in Client Support Bonuses) or Executive Director Teams (covered in Generation Bonuses).

Weekly Commission Period - Period for which Client Support Commissions are calculated. Begins at 12:00 AM PST on Monday and ends at 11:59 PM PST on Sunday.



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