



Commission & Career Plan

With Paperly's Plan, you earn income 3 different ways:

1. Personal Sales Volume (PSV)

- a. Commissions range from 20 – 26%
- b. Monthly bonuses can add an *additional* 4 – 12%

2. Team Building & Support

- a. Downline commissions range from 3 – 6%
- b. Team bonuses of between 2 – 3%
- c. Generational bonuses of between 2 – 8%

3. Bonuses

- a. Cash bonuses range from \$50 – \$1,000
- b. Paperly Dollars to help restock your business supplies



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A few examples may help illustrate the income opportunity:



**1. New Enrollee:** In Month 1, imagine you sell \$1,000.

$$\text{\$1,000 PSV} \times 20\% \text{ commission} + 4\% \text{ monthly bonus} = \text{\$240} + \text{Paperly Dollars}$$

**2. Rising Star:** Now imagine you've added your first teammate and you both achieve \$1,000 in monthly sales.

$$\text{\$1,000 PSV} \times 22\% \text{ commission} + 4\% \text{ monthly bonus} + 5\% \text{ downline commission} = \text{\$310} + \text{Paperly Dollars}$$

**3. Team Director:** Now imagine you've qualified to be a Team Director.

$$26\% \text{ commission} + 10\% \text{ monthly bonus} + 12\% \text{ downline} + 2\% \text{ team bonus} + \text{\$1,000 cash bonus} = \text{BIG MONEY!}$$

Of course, Paperly cannot offer any guarantees; however, we are confident your rewards at Paperly will reflect your own hard work!

# Commission & Career Plan

|                                                 |                             |                                        |                                                         |                                                | Director Level                                 |                                                  |                                     |                                     |
|-------------------------------------------------|-----------------------------|----------------------------------------|---------------------------------------------------------|------------------------------------------------|------------------------------------------------|--------------------------------------------------|-------------------------------------|-------------------------------------|
| Title                                           | Consultant                  | Rising Star                            | Shooting Star                                           | Team Leader                                    | Team Director                                  | Senior Director                                  | Silver Director                     | Diamond Director                    |
| <b>Commission on PSV</b>                        | 20%                         | 22%                                    | 25%                                                     | 25%                                            | 26%                                            | 26%                                              | 26%                                 | 26%                                 |
| <b>PSV Bonus</b>                                |                             |                                        |                                                         |                                                |                                                |                                                  |                                     |                                     |
| \$1,000 in a calendar month                     | 4%                          | 4%                                     | 4%                                                      | 4%                                             | 4%                                             | 4%                                               | 4%                                  | 5%                                  |
| \$1,750 in a calendar month                     | 6%                          | 6%                                     | 6%                                                      | 6%                                             | 6%                                             | 6%                                               | 6%                                  | 8%                                  |
| \$2,500 in a calendar month                     | 10%                         | 10%                                    | 10%                                                     | 10%                                            | 10%                                            | 10%                                              | 10%                                 | 12%                                 |
| <b>Requirements to Qualify / Maintain Title</b> |                             |                                        |                                                         |                                                |                                                |                                                  |                                     |                                     |
| PSV in a calendar month                         | Paperly accepts application | \$300                                  | \$500                                                   | \$500                                          | \$500                                          | Be qualified Team Director, plus...              | Be qualified Team Director, plus... | Be qualified Team Director, plus... |
| TSV in a calendar month                         |                             | \$1,000                                | \$2,000                                                 | \$4,000                                        | \$8,000                                        |                                                  |                                     |                                     |
| GSV in a calendar month                         | -                           | -                                      | -                                                       | -                                              | -                                              | \$25,000                                         | \$40,000                            | \$60,000                            |
| # of Active, Frontline Consultants              | -                           | 1                                      | 2                                                       | 4                                              | 6                                              | -                                                | -                                   | -                                   |
| # of Active, Frontline Directors                | -                           | -                                      | -                                                       | -                                              | -                                              | 2                                                | 4                                   | 6                                   |
| <b>Downline Commissions</b>                     |                             |                                        |                                                         |                                                |                                                |                                                  |                                     |                                     |
| 1 <sup>st</sup> level override                  | -                           | 5%                                     | 5%                                                      | 5%                                             | 5%                                             | 5%                                               | 5%                                  | 6%                                  |
| 2 <sup>nd</sup> level override                  | -                           | -                                      | 4%                                                      | 4%                                             | 4%                                             | 4%                                               | 4%                                  | 5%                                  |
| 3 <sup>rd</sup> level override                  | -                           | -                                      | -                                                       | 3%                                             | 3%                                             | 3%                                               | 3%                                  | 4%                                  |
| <b>Team Bonus (on non-Director Teams)</b>       | -                           | -                                      | -                                                       | -                                              | 2%                                             | 2%                                               | 2%                                  | 3%                                  |
| <b>Generation Bonus</b>                         |                             |                                        |                                                         |                                                |                                                |                                                  |                                     |                                     |
| 1 <sup>st</sup> generation Director override    | -                           | -                                      | -                                                       | -                                              | 2%                                             | 2%                                               | 2%                                  | 3%                                  |
| 2 <sup>nd</sup> generation Director override    | -                           | -                                      | -                                                       | -                                              | -                                              | 4%                                               | 4%                                  | 5%                                  |
| 3 <sup>rd</sup> generation Director override    | -                           | -                                      | -                                                       | -                                              | -                                              | -                                                | 6%                                  | 8%                                  |
| <b>One-Time Cash Bonuses</b>                    |                             |                                        |                                                         |                                                |                                                |                                                  |                                     |                                     |
|                                                 |                             | \$50 when lifetime PSV exceeds \$3,500 |                                                         |                                                |                                                |                                                  |                                     |                                     |
|                                                 |                             |                                        | \$100 when TSV exceeds \$1,000 for 3 consecutive months |                                                |                                                |                                                  |                                     |                                     |
|                                                 |                             |                                        |                                                         | \$250 when maintained for 3 consecutive months |                                                |                                                  |                                     |                                     |
|                                                 |                             |                                        |                                                         |                                                | \$500 when maintained for 3 consecutive months |                                                  |                                     |                                     |
|                                                 |                             |                                        |                                                         |                                                |                                                | \$1,000 when maintained for 3 consecutive months |                                     |                                     |
| <b>Paperly Dollar Bonus</b>                     |                             |                                        |                                                         |                                                |                                                |                                                  |                                     |                                     |
|                                                 |                             | 25 for every \$1,000 in PSV            |                                                         |                                                |                                                |                                                  |                                     |                                     |
|                                                 |                             |                                        | 10 for every \$1,000 in TSV, net of PSV                 |                                                |                                                |                                                  |                                     |                                     |

PSV = Personal Sales Volume  
 TSV = Team Sales Volume  
 GSV = Group Sales Volume

## Timing & Payments

Paperly runs its commission engine 2x per calendar month: once for days 1 – 15 and once for days 16 through month-end. Subsequently, Paperly pays commissions on Personal Sales Volume (PSV) by check 2x per month. Paperly mails commission checks via USPS typically on the day commissions are run (or soon thereafter). After 180 days, un-deposited commission checks become null and void, although Paperly will make every reasonable effort to ensure commission checks are rightfully deposited.

Monthly bonuses, downline commissions and title promotions/demotions only occur at month-end.

## Definitions

Also known as the “Fine Print”, below is an alphabetized listing of key terms used in Paperly’s Commission & Career Plan. These definitions, alongside Paperly’s Policy Statement and Consultant Agreement, should provide guidance as to the significant income opportunities available at Paperly.

To make these definitions more relevant to you, we’ve separated by level: either Non-Director (i.e. newer Consultants) or Director.

### Non-Director Level Terminology

|                    |                                                                                                                                                                                                                                                                                       |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Active             | A Consultant (or higher Title) is considered Active when her Personal Sales Volume (PSV) is at least \$200 in a “rolling quarter” (i.e. the past 3 months, inclusive of the current month). Being Inactive does not impact the commissions earned on her Personal Sales Volume (PSV). |
| Bonuses            | Paperly offers a number of different bonuses that add to a Consultant’s (or higher Title) base commission (see “Commissions on PSV”). One example of a Paperly bonus is the PSV Bonus (see “PSV Bonus”).                                                                              |
| Commissions on PSV | Consultants (or higher Title) receive a commission on their Personal Sales Volume (PSV). This commission begins at 20% and can grow to 26% before bonuses, downline commissions, etc.                                                                                                 |

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| Commissionable Volume       | The volume on which all commissions, overrides and bonuses are calculated. See Paperly's Policy Statement for additional details.                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Downline Commissions        | A Rising Star (or higher Title) may earn a commission (called an "override") on her Frontline (1st level override), Direct Recruits of her Frontline (2nd level override), and Direct Recruits of that 2nd level (3rd level override) of between 3% and 6%. Downline Commissions cannot go deeper than a 3rd level. Instead, Team and Generation Bonuses are earned for deeper teams/generations.                                                                                                                                                                                                  |
| Frontline                   | A Consultant (or higher Title) that is the 1st level of another Consultant (or higher Title). Frontline can be used interchangeably with "Direct Recruit".                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| One-Time Cash Bonuses       | Bonuses paid to a Consultant (or higher Title) when certain qualifications are met. These Bonuses are paid only once to a Consultant (or higher Title) and cannot be earned more than once even if an ex-Consultant (or higher Title) is re-instated (see Re-Instatement Policy).                                                                                                                                                                                                                                                                                                                  |
| Override                    | See "Downline Commissions"                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Paid As Titled              | A Consultant (or higher Title) is Paid As Titled for a calendar month for commission and bonuses related to her Personal Sales Volume (PSV). If during any calendar month, a Rising Star (or higher Title) fails to achieve the qualifications related to her Title, she is Paid As Ranked for that calendar month for all non-PSV overrides and bonuses (e.g. Downline Commissions, Team Bonus and Generation Bonuses) at the highest Rank she does qualify, regardless of her Title. A Rising Star (or higher Title) retains her Title until demoted (see "Re-Qualification & Demotion Policy"). |
| Personal Sales Volume (PSV) | The total retail volume of a Consultant (or higher Title) from orders placed by her customers or herself.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Promotion Policy            | If during a calendar month a Consultant (or higher Title) meets a higher Title's requirements, then she will be promoted to the highest Title for which she qualified. Titles are retained for 6 months, including the month in which a Consultant (or higher Title) qualifies (the "Re-Qualification Period"). For example, if a Consultant is promoted to Rising Star in February, then her Rising Star Title begins in February and is retained through July 31 of that year.                                                                                                                   |
| PSV Bonus                   | If during a calendar month, a Consultant's (or higher Title) PSV is at least \$1,000, she earns a bonus of between 4% and 12%.                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

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| Re-Instatement Policy                             | If a Consultant (or higher Title) is terminated or resigns, she may request, in writing to Paperly, re-instatement at any time and, if approved, will be re-instated as a Consultant (regardless of prior Title) under her original sponsor, assuming that sponsor remains a Consultant (or higher Title). Her former downline will not be re-instated. If a Consultant wishes to enroll under a sponsor different than her original sponsor, she must wait at least 6 months after termination before re-applying.                                                                                                                                                                                                                                             |
| Re-Qualification & Demotion Policy (Non-Director) | Titles are retained for 6 months, including the month in which a Consultant (or higher Title) qualifies (the "Re-Qualification Period"). For example, if a Consultant is promoted to Rising Star in February, then her Rising Star Title begins in February and is retained through July 31 of that year. At any time during the Re-Qualification Period, the Rising Star (or higher Title) may re-qualify for her existing Title, or qualify for a higher Title, either of which starts a new Re-Qualification Period. If the Rising Star (or higher Title) does not re-qualify for her existing or higher Title during her Re-Qualification Period, she will be demoted to the highest Title she would have qualified for during the Re-Qualification Period. |
| Team                                              | Team is a Rising Star (or higher Title) and her entire downline, excluding all downline Team Directors (or higher Title) and their Teams.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Team Sales Volume (TSV)                           | The total retail volume of a Rising Star's (or higher Title) Team (i.e. excludes all downline Team Directors (or higher Title) and their Teams).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Title                                             | A new enrollee to Paperly is titled as a Consultant, and as qualifications are met and maintained (see "Promotion Policy"), her Title advances to Rising Star, Shooting Star, Team Leader, Team Director, etc., unless she is demoted (see "Re-Qualification & Demotion Policy").                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

## Director Level Terminology

This section includes all the definitions listed above in the Non-Director section, plus...

|                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| Generation       | The concept of Generation does not exist until Team Director. A Team Director and her Team is a Generation to her up-line Qualified Team Director (or higher Title). She and her team are the 1st Generation to her immediate (or first) up-line Qualified Team Director (or higher Title), a 2nd Generation to her second up-line Qualified Team Director (or higher Title) and a 3rd Generation to her third up-line Qualified Team Director (or higher Title). |
| Generation Bonus | A percentage of commissionable Group Sales Volume (GSV) is paid to the up-line Qualified Team Director (or higher Title) for the number of Generations for which she is eligible and qualified. This commission is paid on the entire GSV of the Qualified Team Director (or higher Title).                                                                                                                                                                       |

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| Grace Period                                  | When a new Team Director is promoted for the first time, the 1st up-line Qualified Team Director (or higher Title) receives a 2 month Grace Period to allow her Team Sales Volume (TSV) to rebuild. This Grace Period is applied to the first 2 months starting in the first month of qualification for the new Team Director. The up-line Qualified Team Director may use this Grace Period only 1 time on each promoted Team Director.                                                                          |
| Group                                         | Group is a Rising Star (or higher Title) and her entire downline, including all downline Team Directors (or higher Title) and their Teams.                                                                                                                                                                                                                                                                                                                                                                        |
| Group Sales Volume (GSV)                      | The total retail volume of a Team Director's (or higher Title) entire group.                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Qualified Team Director                       | A Team Director who meets the requirements necessary to qualify or maintain the Title of Team Director.                                                                                                                                                                                                                                                                                                                                                                                                           |
| Re-Qualification & Demotion Policy (Director) | When a Team Director (or higher Title) is demoted to a Title lower than Team Director (a "Demoted Director"), she is moved back into the Team of her immediate up-line Qualified Team Director (or higher Title). The Team Sales Volume (TSV) of the Demoted Director is then included in the TSV of the Director in which she was moved into. Downline Generations then compress up one Generation. The 1st month the Demoted Director re-qualifies for Team Director (or higher Title), she will promote again. |
| Team Bonus                                    | A Qualified Team Director (or higher Title) earns a 2% bonus on her Team Sales Volume (TSV).                                                                                                                                                                                                                                                                                                                                                                                                                      |