

EMPOWER NETWORK

COMPENSATION PLAN

January 2016

Congratulations on joining Empower Network, LLC. Empower Network is a fast growing technology, personal development and direct sales company. We are focused on providing products and services that exceed anything found on the Internet today. Our products provide educational and personal development tools for entrepreneurs in all types of businesses. The goal of Empower Network is to provide small-business owners, entrepreneurs and opportunity seekers the ability to leverage the Internet by providing state-of-the-art technology without dealing with the technical and overhead challenges that generally frustrates and discourages entrepreneurs and small-business owners.

Mission

Founded on the idea that individuals can build businesses and have personal lives at the same time, Empower Network believes that individuals can use the struggles, hardships and experiences they've had in life and turn them into their most empowering assets. At Empower Network we don't believe that the past dictates your future. We want to provide our customers and affiliates the potential to go from disenfranchisement to full self-empowerment.

Empower Network aspires to be the go-to source to help inspire, uplift and empower people to fulfill their goals, both personal and financial. Empower Network is dedicated to empowering as many people as possible through the network, products, support, opportunities and the honest and authentic message of hope and freedom.

Empower Network was built with two goals in mind:

1. To provide you with the potential to make more money in your existing business by giving you tools, educational products, coaching and systems that work to help you achieve a more empowered life; and
2. To provide you with a way to earn leveraged income through our Affiliate program, which provides marketing systems, tools and products to help those in the Direct Sales, Network Marketing, and/or online marketing niche. To do this, we have created a system that distributes earnings on a 70% commission basis on the total purchase price of the product sold.

It is important to understand that all commissions are based on the sale of our state-of-the-art products and services and **not** on recruitment. To be clear, you do **not** earn commissions from recruiting other affiliates into your business. However, you do earn commissions on their products sales. The more products you and members of your downline sell, the more you have the potential to earn. Of course, becoming an affiliate is optional and not a requirement.

Key Point: Empower Network affiliates are not required to purchase any of our products in order to become an affiliate. Whether a customer or an affiliate, you can choose to use our products to build traffic, leads and marketing campaigns for any business you choose.

Core Products

The Empower Network core products truly offer revolutionary information, resources and education to provide our customers and affiliates with a better life. We provide marketing tools, systems and ongoing educational services. For those who choose to become an affiliate, we offer a generous commission structure that pays 70% commissions on qualifying product sales in a “powerline” commission structure described below, on a per product basis.

Kalatu Basic

This is the flagship product for Empower Network. It was designed by marketers, for marketers. When you buy the blog it comes out of the “box” ready for marketing. A lot of people will pay thousands of dollars to have a blog designed, usually by a designer – and later find out that most designers do not understand how to market. Design work and marketing are two separate skill sets. The Kalatu Basic is a blogging platform with a slick looking design, is fully customizable to meet individual needs and is set up to be optimized for your online marketing ... if you buy it with that purpose in mind. Many people use it for personal use, or to market their own businesses because it is much quicker, easier and ultimately more affordable than getting a self-hosted blog set up.

The current price of *The Kalatu Basic* is \$25 per month.

Inner Circle Membership

Successful entrepreneurs, whom relay important information about how to change your mindset to become successful in any business, have joined with Empower Network to put these “Mindset Training” audios together. This educational collection offers key success factors on how to start generating more sales, referrals, traffic, leads, and customers for life, simply by using established practices by marketing leaders who are successful in online promotion, direct sales and network marketing. These contain revolutionary techniques and philosophies you can implement to help explode your sales and commissions to lead a more prosperous life.

The current price of *The Inner Circle Membership* is \$100 per month.

Top Producer Formula

A “Must Have” for online marketing education! This video series was recorded in the mountains, near the beautiful beaches of Top Producer Formula with some of the most knowledgeable entrepreneurs in the online business. This small, tight knit group of incredible online marketers got together to share their secrets with the select few in attendance. In fact, the strategies they were sharing were so powerful there were only 10 seats available. Those 10 fortunate individuals paid \$2,997 plus airfare just so they could learn from “master marketers” and finally have the potential to get the results they desired. The sessions were recorded and edited down to the very best, most powerful “money- making” techniques so you may rise to the top and be the best you can possibly be! This video series includes a 42-page online instructional manual, 12-hours of video, quizzes and step-by-step guidelines.

The *Top Producer Formula* is a lifetime product and the current price is a one-time payment of \$500.

Team Building Formula

Looking for strategies and marketing tricks that work? Look no further. Simply put, the strategies in the Team Building Formula work and can be used in any business, which is why people rave about the product. The Team Building Formula is a comprehensive set of video

modules to *show* you as many marketing methods as possible, so you can choose for yourself the best option that will work with your personality. The truth about making money online is that there are a lot of “different roads up the mountain.” With so many people creating massive results in so many different ways, we decided to share some of them with you. Not only will these remarkable individuals tell you how they did it ~

they will show you! Extraordinary results are created in a variety of ways. Example Modules are: “Clarity for Success,” “Compelling Content Mastery,” “7 Figure Email Secrets,” “Dynasty Team Building Formula,” and “Selling Through the Power of Video.” What’s the strategy that will guide you and help you reach your desired level of success? The sky’s the limit in the Team Building Formula with so many possibilities to learn from experts in the field and take your business to the next level.

The *Team Building Formula* is a lifetime product and the current price is a one-time payment of \$1000.

Mass Influence Formula

In one word, Powerful! This is our “graduate level” series for those individuals who want the million dollar secrets to accelerate their business and put into action the keys to success. It will exceed your expectations and with Dave Wood at the helm, you will receive the direction you need to recognize how to attain sales faster and easier than ever before. There is actually a science to marketing online. There are several different phases of growth in business. After you go through the Mass Influence Formula, you will know exactly where you are in your business and you will have a game plan to reach your goals. Example courses include, “Niche Marketing,” “Email Marketing,” “Perpetual Marketing,” “Exponential Income,” “Essentials in Content,” “The Hero’s Journey,” “Leverage List Building,” “Myths and Truths of Duplication,” and so much more!

The *Mass Influence Formula* is a lifetime product and the current price is a one-time payment of \$3,500.

Core Products: The above five (5) products are part of the Empower Network core product line. A core product is one that is a “stand alone” product in the Empower Network business.

Specialty Products

Empower Network carries a line of specialty products that help our customers and affiliates in other aspects of their business. These products currently include:

Kalatu Premium

The ‘next-level’ tier in an all-encompassing blogging platform aimed towards being the industry’s top system for creating a profitable blog in today’s online Market. Kalatu Premium focuses on the biggest factors a blogger needs to create the ultimate blog. There are six main benefits to Kalatu Premium. They are: Premium Plugins, Premium Themes, Up to 10 Blogs, 7-Minute Blog Hacks, Live Q&A WebCasts, and Media Hosting.

Kalatu Premium is \$72/month.

Media Hosting

Provides the customer or affiliate with the ability to upload and host his or her own videos. The videos can be used with the Kalatu Basic or through many other methods. Media Hosting offers three different price points for three different volumes of bandwidth and storage.

The price is \$25/month and is NON-commissionable.

Unstoppable Dream

A remarkable “must-have” product geared toward branding yourself, building your audience, and driving traffic.

The price is a one-time payment of \$197.

Specialty Products: The above four (4) products are part of the Empower Network specialty product line. These items are extraordinary and people want to have them as part of their Empower Network business.

Each product within the Core Product and Specialty Product lines has its own affiliate compensation plan, which is not tied to any of the other products. The compensation plan for each product has to be activated individually or through our bundle offers (see below).

The success of this Compensation Plan, the success of other affiliates, and our system does not guarantee that you will earn any money. While some of our affiliates earn a significant income, many earn nothing at all. By participating as an affiliate, you acknowledge this and understand that your own success is based on your marketing skills, hard work, leadership ability, and other factors we may or may not present in this document.

For more information on the average earnings of an Empower Network affiliate, please visit www.empowernetwork.com/income

Affiliate Program and Participation

The Affiliate Program is optional and not a product, but rather part of the administrative process. The Affiliate Program allows an individual who has chosen to participate to sell products and earn commissions on those product sales. Additionally, it gives the affiliate access to tools, marketing data, etc. and supplies an in-house merchant account for commission payouts.

The monthly administrative fee is \$19.95 and will be billed every 30-days, until canceled by the affiliate. Additionally, the monthly fee is non-refundable. Only the initial payment of \$19.95 may be refunded within 14-days as established by the Refund Policy. All subsequent monthly payments are non-refundable. Empower Network reserves the right to change the membership fee at any time.

To become an affiliate the following process must be followed:

1. You must be 18 years old;
2. Execute the affiliate agreement on the join page from your referring affiliate;
3. Generate the required product sales to activate the commission structure on EACH PRODUCT. This can be done by either:

a) Purchase the product for your own personal use and maintain a subscription to that product if it has a monthly fee.

(If you have completed the other 2 steps to activate the commission structure, your affiliate application will be activated to begin receiving commissions under the compensation plan for that product with your first sale.)

b) Generate one qualifying sale of that product. (Again, compensation for each product is activated separately.)

The compensation plan is initiated when a particular product is activated either through personal use or product sale; you receive **no benefit** for referring or recruiting affiliates.

It should be noted that if the product in question is a monthly subscription, you have to maintain that subscription either through purchasing it for your own personal use, or maintaining one active member subscription. You will then be activated to participate in the full commission structure with your next sale of that product, and receive commissions immediately.

Many affiliates choose to purchase the product for their own personal use, to help them promote their own business outside of Empower Network, and to aid them in understanding the value and sales message. However, purchasing a product is not required to activate a compensation plan on any Empower Network system or product.

4. (IMPORTANT) Empower Network operates on a principle where your customers actually make payments directly through an approved payment method. In order to participate in the Empower Network Compensation Plan, you have to activate one or more methods of receiving payment in the profile area of your back office.

Please note: If any of the above requirements are not met, you will not qualify to receive commissions for that particular product/or any of them, depending on which step is missed, (Example: it is not possible to be paid without an activated payment method), you will not qualify under the commission plan for that product, and all commissions and powerline sales will pass over you to the next qualifying affiliate. If you have purchased a product, and do not meet any of the rest of the criteria, you will be classified as a “customer only” and all commissions and affiliate powerlines will be assigned to the next active referring affiliate.

Affiliate Ranks

Before we list out all the affiliate ranks let's first cover a couple definitions around income, since income levels are used to qualify at certain ranks.

- Leadership Income - All Leadership Bonus income earned from being Gold, Platinum and Diamond.
- Core Income - All income that is not Leadership Income.

There are 8 ranks within Empower Network's Affiliate Program. Your rank determines what % commissions and bonuses you receive within the compensation plan.

- Boss - Become Boss instantly and for the following calendar month when you either:
 - a) sell new commissionable subscription products (eg, Kalatu Basic, Kalatu Premium, or Inner Circle) to 5 different members within a calendar month, or
 - b) have 20 personally enrolled Elite Club members in good standing (ie, Active in Kalatu Blog, Kalatu Premium, and Inner Circle).
- Boss - Sell new commissionable subscription products to 5 different members with a calendar month to become Boss instantly and for the following month.
- Boss Maker - Move from Boss to Boss Maker instantly and for the following month by helping one person in your direct team become Boss within a calendar month.
- Bronze - Earn \$2,000 in Core Income in a calendar month to become Bronze for the following month.
- Silver - Earn \$5,000 in Core Income in a calendar month to become Silver for the following month.
- Boss Maker Silver - Be qualified instantly when you become qualified as both Boss Maker and Silver in the same calendar month, e.g., to become Boss Maker Silver sometime in December you will first need to earn \$5,000+ in November so that you can be qualified as Silver in the following month (ie, in December) - then you will become Boss Maker Silver instantly as soon as you reach the level of Boss Maker in December.
- Gold - Earn \$10,000 in Core Income in a calendar month to become Gold for the following month.
- Platinum - Earn \$20,000 in income in a calendar month to become Platinum for the following month; with at least half being Core Income.
- Diamond - Earn \$30,000 in income in a calendar month to become Diamond for the following month; with at least half being Core Income.

Empower Network Uni-line Compensation Plan

The Benefits of Uni-line

Highlights:

- Earn up to 70% on Direct Sales
- Uni-Line System
- Generational Overrides
- Rank Advancement Bonuses
- Residual Income & High Ticket One Time Commissions
- Direct weekly payout via GPG

Have you ever wanted to make money doing something that didn't involve talking to strangers, selling people stuff they didn't need or simply becoming a sales person yourself? How about having a business where you get paid what you're worth instead of a measly 20 or 30%? Well, imagine a scenario where you didn't have to make sales calls, sell overpriced products, or rely on a downline to make you a tiny 20% for your efforts.

This may be hard to even imagine, because up until now, this never existed.

I'm about to share with you the very first Hybrid compensation plan that merges the power of direct sales and high-commissions with the stability of network marketing residual income. Until now, these two compensation models have never crossed over or been combined. On their own, each one of them holds unique advantages and disadvantages.

In direct sales, you can make great commissions on the things you sell, but zero long term residual income, basically making you a slave to your business in order to keep your income up.

And, in network marketing, you earn lower-commissions and rely on the growth and duplication of your team in order to accumulate a substantial residual income, something 95% of people rarely see because of the time it takes to reach a significant livable income.

Understanding the benefits of both models, Empower Network reached out to some of the top business engineers and financial experts to develop a unique one-of-a-kind compensation plan. We have created the very first Hybrid plan that pays large up-front commissions as well as an unlimited amount of residual income that doesn't take years to grow.

Let me explain a few of the incredible ways you make money...

For starters, our compensation plan pays up to 70% to our affiliate network, hence the reason we have paid out over 160 million dollars just in the last 3 years. This is a major improvement over the more traditional plans where you make smaller commissions that are only paid through bonuses every month. At Empower Network, every subscription product purchased through your funnel, makes you an instant commission, no waiting until the end of the month to get paid.

You can make almost 3x as much money for doing the same thing here compared to anywhere else. The reason is most companies pay a low commission % in order to line their pockets and accommodate expensive overhead costs. Because most of the products here at Empower Network are digital, our costs are substantially reduced, resulting in higher commissions to you the affiliate.

Now, to really mix things up, what if you could make money from customers who came through someone else's sales funnel too?

Once again, we redefine how people get paid in this company by giving you the opportunity to make commissions from EVERYONE in your organization, and I don't just mean the ones who came through your funnel. We provide bonus incentives based on your rank, to earn on every single person in your genealogy. So, as you build your business with Empower Network and IPAs, the people above you and below you will keep adding new members to your organization... sale after new sale, all going under YOUR position and counting towards YOUR overall sales volume.

We call this our **Uni-line™** placement system, something that took us over a year to develop and get right.

In a nutshell, here's how it works...

Inside Empower Network, we create a single line of hierarchy for new members coming into your business, and depending on when you joined, members get immediately placed in your group. This type of “**straight-down**” placement feeds an unlimited amount of volume into your business. All you need to do is move through the ranks in order to qualify for your piece of the pie. That’s it!

You can actually make money from the efforts of people that have been in the company 3 months, even 6 months before you. When they get new sales in their funnel, those members get pushed all the way down to your organization. Pretty cool, right? You can also earn override bonuses from specific members depending on your rank and product levels as well.

As you begin building your business, even before you make your first sale, you can see new members joining and adding to your overall sales volume each week, even daily. Again, it doesn’t matter if you joined a day or even a month after someone else, their efforts can be seen in your business.

Note: It’s important to understand that it is possible for someone who comes into your funnel to move ahead of you and earn commissions on your sales.

On top of the great up-front commissions and nearly unlimited residual income you can earn here with our **Uni-Line™** system, we also have an extremely lucrative back-end compensation plan.

When any of your customers or the customers of others in your organization upgrade to any of our additional Club Level packages, you can make up to an additional 70% on those sales as well, once again, depending on your rank in the company. This allows you to earn up to an additional \$3,000 per sale. When a person upgrades their Club Level Package, you get paid. It’s that simple.

In summary:

- The Empower Network compensation plan pays up to 70% to its affiliates for making product sales. All you have to do is get people to your website or presentation and then let the sales process begin from there.
- Part of that 70% comes in the form of direct sales commissions as well as generational leadership bonuses, based on rank. This includes personal sales as well as others falling into your **Uni-Line™** organization.
- You make fast up-front commissions for all your new sales as well as a growing residual income. As you move through the ranks in the company, your residual % grows as you grow, making you more and more money as time goes on. Before you know it, you can actually be overriding all of your organization and making a % from everyone in your group, and even the people you didn’t personally bring into your business. That’s the power of the **Uni-line™** System.

Note: Everyone in your upline team places all Leadership volume straight underneath you – straight down in a line until two things happen:

1. You are a Boss Maker Silver or above for a 3 month consecutive cycle;
2. You have 5 downline Bosses in the leg you’re building for 90 consecutive days

Important: You can't qualify from placed products. In other words, you will continue losing downline volume, your upline is placing below you... FOREVER! Until you go Black by either purchasing the products yourself, or generating qualified sales.

This compensation plan is unique and exclusive to Empower Network!

The Qualification System

All rank qualifications for the Generational Leadership happen in one calendar month, and you earn the associated bonuses as subscriptions payments are made in your team the following month. It's important to understand that these are monthly qualifications, and you need to maintain them each month to keep receiving the bonuses.

It's important to understand that clearly - if you qualify one month and then don't the next, you never lose your team or the ability to re-qualify for bonuses on any of your customers in the months that follow. Simply re-qualify and you'll then have the opportunity to earn the generational leadership bonuses the following month! (Note: commissions lost due to non-qualification cannot be "saved" or recaptured.)

We built the compensation like this to encourage you to create a stable, profitable organization that lasts, and to help you build a team that does the same. That's one of the reasons why we've called it the "Generational Leadership Bonus." We want it to pay you on generations of leaders you help create - for generations to come.

Rank qualifications happen from income creation from a variety of sources. We're going to divide this into two sections:

HOW TO MAKE MONEY

Each product sold creates 70% in commissions. Those commissions are paid to active qualified affiliates based on their Rank (see the eight Affiliate Ranks in the section above).

There are four categories of commission bonuses:

- Direct Sales Bonus - Paid to direct active sponsor - does not depend on rank.
- Producer Bonus - Paid to next qualified Boss, Boss Makers and Boss Maker Silvers going up the regular sponsorship genealogy tree.
- Builder Bonus - Paid to the next qualified Bronze and Silver going up the regular sponsorship genealogy tree.
- Leadership Bonus - Paid to the two next highest Gold, Platinum and Diamonds going up the **Uni-line**[™]. The exception being if a Gold or Platinum commission try to reach over a Diamond, then those commissions roll up to the next highest Diamonds (instead of Gold or Platinum).

The commissions that we pay depend on the type of product:

- Subscription products (eg, Kalatu Basic, Kalatu Premium, or Inner Circle)

- One-time purchase products (all other products)

Commission Breakdown: Subscription Products (70% paid out)

Nov 19th, 2015 update*: The direct qualified sponsor will earn 70-100% commission on all initial payments for subscription products. All recurring payments on subscription products will generate commissions as follows:

- Producer Bonuses (+20%)
 - +5% paid out to Boss
 - +10% paid out to Boss Maker
 - +5% Boss Maker Silver (does not stack, ie, can't be same person getting the 10% as Boss Maker)
- Builder Bonuses (+15%)
 - +10% paid out to Bronze
 - +5% paid out to Silver
- Leadership Bonus payout (+35%)
 - +10% paid out to Gold (5% x two generations)
 - +10% paid out to Platinum (5% x two generations)
 - +15% paid out to Diamonds (7.5% x two generations)

*Between Nov 1st and 19th, 2015 subscription products (related to the IPAS funnels) created 70-100% commissions paid directly to the qualified sponsor - however other subscriptions products/bundles paid out through the regular subscription pay plan.

Commission Breakdown: One-Time Purchase Products (70% paid out)

- Direct Sales Bonus (30%)
 - +30% paid to direct referrer
- Producer Bonuses (+20%)
 - +10% paid out to Boss
 - +5% paid out to Boss maker
 - +5% Boss Maker Silver (does not stack)
- Builder Bonuses (+10%)
 - +5% paid out to Bronze
 - +5% paid out to Silver
- Leadership Bonus payout (+10%)
 - +10% paid out to Diamonds (5% x two generations)

Payment Schedule and Processing Fees

Commissions shall be paid based on the current information found in your affiliate account. "Pending" commissions are paid weekly on the Friday two weeks after the sale. Our merchant processor holds 10% of each sale in reserve. This is the "Holdback" portion of your commissions. They are paid once our merchant processor releases the hold after 6-8 months.

Fees incurred are paid by Empower Network and are not deducted from your commissions. These fees include:

- Processing fee of 6.35% of the sale price
- Per Transaction fee of 79 cents

However, any fees associated with refunds or chargebacks will be paid by the affiliate receiving the commission on the product sale that is subject to a refund or chargeback.

To help you better understand the flow of the commissions and the fees, suppose you earn a \$1000 commission on a sale. Then the following fees are applied:

- \$100.00 (10%) would be added to the “Holdback” and scheduled for release between 6-8 months later (dependent upon when they are released by the Merchant Processor),
- The remainder \$900 (90%) would be added to “Pending” Commissions, scheduled to be paid weekly on the Friday *two weeks after* the sale.

Refunds and Chargebacks

Empower Network pays commissions on the sale of products and services. If a member requests a refund or charges back (i.e., notifies their credit card company that the charge was not authorized) any time after commissions have been paid, the company is put in a position of using sales that it did not truly make for purposes of calculating commissions. When this occurs, Empower Network will claw back commissions from the affiliate’s next month’s commission payment and apply any fees associated with the refund or chargeback.

We want you, your customers and your prospects to feel comfortable about transacting business with Empower Network. Due to the nature of the Empower Network business and the accessibility of our products immediately upon purchase, there is a strict 14-day refund policy, which begins on the date of purchase. However, please be aware that credit card companies do permit customers to file chargebacks up to 4-6 months after purchase. That being said, Empower Network does what it can to avoid these situations.

Income Disclosure Statement

In order to remain transparent, it is important that all potential affiliates understand that everyone’s results will vary, as we are all unique and different. It takes hard work to make a substantial income in this business, and some people will make no money at all. The earnings of an Empower Network Affiliate will be 100% dependent upon their skills, work effort, commitment, leadership capabilities and market conditions. Common sense would suggest that in most opportunities, one would find exceptional individuals performing well above average, while others perform under the average and make no money at all. Empower Network does not guarantee any level of income or success. The average affiliate makes less than \$100 and that does not include business expenses. To see our full income disclosure, please visit our website at www.empowernetwork.com/income.