

SILVER BOUND BONUS PROGRAM FAQs

Q. What is the Silver Bound bonus program?

A. The Silver Bound bonus program is an ongoing performance bonus program designed to reward high-performing members and complement Young Living's Compensation Plan. The program consists of four tracks that offer additional rewards when business builders achieve the ranks of Star, Senior Star, Executive or Silver (as outlined in the Young Living Compensation Plan) in addition to fulfilling the requirements outlined in the Silver Bound bonus program rules. Qualifying members are provided with cash incentives for reaching one or all of the designated ranks based on time, organisational structure (legs) and Organisation Group Volume (OGV) requirements.

Q. When does the relaunch of the Silver Bound bonus program take effect?

A. The relaunch takes effect starting April 1, 2021.

Q. Why was the Silver Bound bonus program changed?

A. The enhancements to Silver Bound will encourage rank advancements with stronger team structures and OGV stability that will lead to better long-term results. In short, speed, structure and stability encapsulate the essence of Silver Bound. In addition, Silver Bound is no longer part of the Compensation Plan but is instead an ongoing performance promotion. This will allow Young Living the flexibility to better serve members by more easily refining and adapting to changing business needs.

Q. How does the new Silver Bound bonus program differ from the old Silver Bound bonus program?

A. The reward for the Silver Bound Star Bonus has been changed to a cash bonus of \$32.50 AUD and \$35.00 NZD. Additionally, each of the four bonus tracks now include a maintenance window that begins when the bonus requirements are achieved for the first time. To receive the full bonus payout for each track, the bonus requirements must be achieved each month of the corresponding maintenance window. The Silver Bound Star Bonus has a maintenance window of two consecutive months; the Silver Bound Senior Star, Executive and Silver Bonuses each have a maintenance window of three consecutive months.

Q. How does the new maintenance element work?

A. Each of the four Silver Bound bonus tracks now include a two or three consecutive month maintenance requirement for full bonus payout. When a member achieves the bonus requirements for the first time, that month is considered month one of the maintenance timeframe. The Silver Bound Star Bonus track requires a second consecutive month of maintenance for a member to earn the cash bonus. The Silver Bound Senior Star, Silver Bound Executive and Silver Bound Silver Bonus tracks require a second and third month of maintenance for a member to earn the full bonus amount. See the table below for reference.

	Silver Bound Star	Silver Bound Senior Star	Silver Bound Executive	Silver Bound Silver
Month 1 [^] (FIRST TIME ACHIEVEMENT)	N/A	\$65 AUD / \$70 NZD	\$130 AUD / \$140 NZD	\$260 AUD / \$280 NZD
Month 2 [^] (RANK MAINTENANCE)	\$32.50 AUD / \$35 NZD [†]	\$100 AUD / \$105 NZD	\$195 AUD / \$210 NZD	\$390 AUD / \$420 NZD
Month 3 [^] (RANK MAINTENANCE)		\$160 AUD / \$175 NZD	\$325 AUD / \$350 NZD	\$1,300 AUD / \$1,400 NZD
Potential Bonus [^]	\$32.50 AUD / \$35 NZD [†]	\$325 AUD / \$350 NZD	\$650 AUD / \$700 NZD	\$1,950 AUD / \$2,100 NZD

[^]All values have been determined by PEG rate (AUD 1.3/ NZD 1.4). Terms and conditions apply.

[†]Time frames measure the number of calendar months from the first-time qualification of your previous rank.

^{**}This is outside of the qualifying leg requirements for that rank. Additional legs must meet the 'leg requirements' defined in the YL Compensation Plan Terms and Conditions.

^{††}This cash bonus is earned after two months of maintaining the Silver Bound Star requirements.

Q. If I fail to maintain the bonus requirements in month two and miss out on the month two bonus but meet the requirements again in month three, how much money will I earn for month three?

A. Because the Silver Bound Senior Star, Executive and Silver Bonus increments are paid out in order (i.e., sequentially), if a member fails to qualify for a bonus in maintenance month two, then qualifies again in maintenance month three, the month three bonus will be paid at the month two rate. See the Silver Bound Tracker image example below. This member did not earn the Executive month two bonus; therefore, the Executive month three bonus amount was changed to \$195 AUD / \$210 NZD.

RANK LEVEL	BONUS	RANK LEGS	BONUS LEGS	OGV	DEADLINE	BONUS EARNED*
First Time Star	–	–	–	–	–	Yes
Star Month 2	–	–	–	–	–	Yes
First Time Senior Star	–	–	–	–	–	Yes
Senior Star Month 2	–	–	–	–	–	Yes
Senior Star Month 3	–	–	–	–	–	Yes
First Time Executive	–	–	–	–	–	Yes
Executive Month 2 [^]	\$195 AUD \$210 NZD	1/2	0/1	1,750/4,000	Oct 31, 2021	No
Executive Month 3 [^]	\$195 AUD \$210 NZD	0/2	0/1	0/4,000	Nov 30, 2021	In Progress
First Time Silver [^]	\$260 AUD \$280 NZD	0/2	0/1	0/10,000	Dec 31, 2021	In Progress
Silver Month 2 [^]	\$390 AUD \$420 NZD	0/2	0/1	0/10,000	Jan 31, 2022	Pending
Silver Month 3 [^]	\$1,300 AUD \$1,400 NZD	0/2	0/1	0/10,000	Feb 28, 2022	Pending

*All values have been determined by PEG rate (AUD 1.3/ NZD 1.4). Terms and conditions apply.

Q. How can existing members take advantage of Silver Bound?

- A. As of April 1, 2021, existing Young Living members may be eligible to participate in the Silver Bound relaunch based on the requirements below:
- Members who enrol with Young Living in March 2021 will enter into a bonus qualification period on April 1, 2021, based on their maximum (i.e., highest) achieved rank in March:
 - i. **New Member/member**—April 2021 will be the first month of the Silver Bound Star Bonus qualification period.
 - ii. **Star**—April 2021 will be the first month of the Silver Bound Senior Star Bonus qualification period.
 - iii. **Senior Star**—April 2021 will be the first month of the Silver Bound Executive Bonus qualification period.
 - iv. **Executive**—April 2021 will be the first month of the Silver Bound Silver Bonus qualification period.
 - v. **Silver or above**—This member is not eligible to participate in Silver Bound.

MARCH	APRIL	MAY	JUNE	JULY
NEW MEMBER	Star Silver Bound Bonus Period	Star Silver Bound Bonus Period	N/A	N/A
FIRST-TIME STAR	Senior Star Silver Bound Bonus Period	Senior Star Silver Bound Bonus Period	Senior Star Silver Bound Bonus Period	N/A
FIRST-TIME SENIOR STAR	Executive Silver Bound Bonus Period	Executive Silver Bound Bonus Period	Executive Silver Bound Bonus Period	N/A
FIRST-TIME EXECUTIVE	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period

- Members who achieve a new maximum rank of Star, Senior Star or Executive in March 2021 will enter into a Silver Bound qualification period on April 1, 2021. The new maximum rank achieved in March will be considered the prequalifying rank for members in this category:
 - Star**—April 2021 will be the first month of the Silver Bound Senior Star Bonus qualification period.
 - Senior Star**—April 2021 will be the first month of the Silver Bound Executive Bonus qualification period.
 - Executive**—April 2021 will be the first month of the Silver Bound Silver Bonus qualification period.
 - Silver or above**—This member is not eligible to participate in Silver Bound.

MARCH	APRIL	MAY	JUNE	JULY
FIRST-TIME STAR	Senior Star Silver Bound Bonus Period	Senior Star Silver Bound Bonus Period	Senior Star Silver Bound Bonus Period	N/A
FIRST-TIME SENIOR STAR	Executive Silver Bound Bonus Period	Executive Silver Bound Bonus Period	Executive Silver Bound Bonus Period	N/A
FIRST-TIME EXECUTIVE	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period

- Members who achieved the rank of Executive for the first time in January 2021 or February 2021, whose maximum rank as of April 1, 2021, is Executive, will be eligible to earn the Silver Bound Silver Bonus. The Silver Bound Silver Bonus qualification period for members in this group is as follows:

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
FIRST-TIME EXECUTIVE	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period	
	FIRST-TIME EXECUTIVE	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period	Silver Silver Bound Bonus Period

- Members who enrolled with Young Living prior to March 2021 who did not achieve a new maximum rank of Star, Senior Star or Executive in March 2021 or did not achieve a new rank of Executive in January 2021 or February 2021 with a maximum rank of Executive as of April 1, 2021, will be eligible to participate in the Silver Bound bonus program based on the rules below:
 - All existing members with a maximum rank of Member as of March 1, 2021, are ineligible for the Star Bonus. Members in this group will be eligible for the Senior Star Bonus once the prequalifying rank of Star is achieved for the first time.
 - All existing members with a maximum rank of Star as of March 1, 2021, are ineligible for the Senior Star Bonus. Members in this group will be eligible for the Executive Bonus once the prequalifying rank of Senior Star is achieved for the first time.
 - All existing members with a maximum rank of Senior Star as of March 1, 2021, are ineligible for the Executive Bonus. Members in this group will be eligible for the Silver Bonus once the prequalifying rank of Executive is achieved for the first time.
 - All existing members with a maximum rank of Executive as of December 2020 are ineligible for the Silver Bonus. No further bonuses are offered in this program.
 - All existing members with a maximum rank of Silver or above as of March 1, 2021, are not eligible to participate in Silver Bound.

Q. Why is there not a reset being offered for all members?

A. The “reset” offered to members as part of the original Silver Bound launch in April 2020 was a one-time promotion offered to help encourage more members to participate in what was a new program at the time.

Q. What is the monthly personal purchase requirement to earn a Silver Bound Bonus?

A. For a member to be qualified to earn a Silver Bound Bonus, the member must meet all requirements applicable to their rank as outlined in the Compensation Plan.

Q. If I participate in a sale/transfer of organisation, can I still qualify for a Silver Bound Bonus?

A. When participating in a sale/transfer, the buyer will either maintain their max rank or they will take on the max rank of the seller, whichever rank is higher. The buyer will be eligible for the next Silver Bound Bonus above their new max rank, if any.

For example, Jane’s max rank is Senior Star and she wants to sell her organisation to Sarah, whose max rank is Star. When the sale/transfer is complete, Sarah’s max rank will now be Senior Star. Sarah will not be able to receive the Star Bonus or Senior Star Bonus. Sarah will be able to work toward the Executive Bonus and Silver Bonus.

Q. Is it possible to be working toward two or more Silver Bound bonuses at the same time?

A. Yes. Each Silver Bound qualification period will begin the month after you achieve the pre-qualifying rank.
For example, Jason achieves the Silver Bound requirements for Senior Star and is paid the first month bonus. Jason now has three months to fulfill the Silver Bound Requirements for Executive. The next month Jason fulfills the Silver Bound requirements for Executive. This means he will now earn Month 2 of the Silver Bound Senior Star Bonus and Month 1 of the Silver Bound Executive Bonus.

	MONTH 1	MONTH 2	MONTH 3
RANK	SENIOR STAR	EXECUTIVE	EXECUTIVE
BONUS^	Month 1 Senior Star Bonus: \$65 AUD / \$70 NZD	Month 2 Senior Star Bonus: \$100 AUD / \$105 NZD + Month 1 Executive Bonus: \$130 AUD / \$140 NZD	Month 3 Senior Star Bonus: \$160 AUD / \$175 NZD + Month 2 Executive Bonus: \$195 AUD / \$210 NZD

^{*}All values have been determined by PEG rate (AUD 1.3/ NZD 1.4). Terms and conditions apply.

Q. If I were to rank up before the end of my current qualification period but did not meet the Silver Bound leg requirements that month, am I still eligible for the Silver Bound Bonus?

A. Yes, advancing in rank early does not disqualify you from Silver Bound. If you meet all three qualifying elements by the end of the qualification period, you will still receive the month one bonus and enter into your maintenance window.

For example, Mike achieved the rank of Executive in May and is now working toward the Silver Bound Silver Bonus with a qualification period of June to September. Mike achieved Silver rank in July but did not have the Silver Bound leg requirements in place. He is still eligible for the Silver Bound Silver Bonus and can qualify if all three bonus requirements are met by the end of the qualification period, which in this case is September 30.

	MAY	JUN	JUL	AUG	SEP	OCT	NOV
RANK	FIRST-TIME EXECUTIVE	Executive	Silver	Executive	Silver		
SILVER BOUND REQUIREMENTS MET?		No	No	No	Yes		
BONUS					\$260 AUD \$280 NZD	\$390 AUD \$420 NZD	\$1,300 AUD \$1,400 NZD

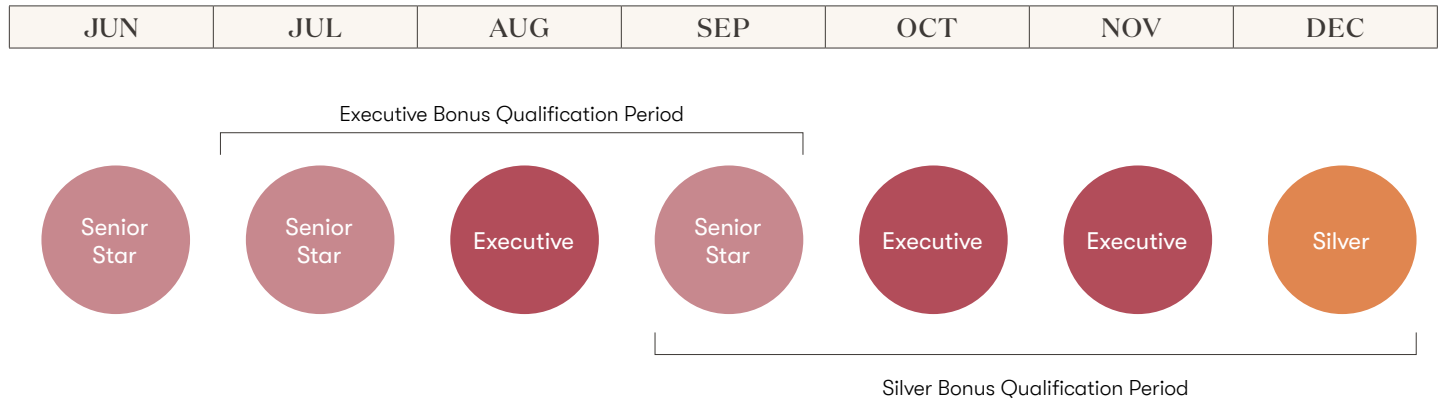
= Qualification Period

= Maintenance Period

Q. If I miss qualifying for one of the Silver Bound bonuses, when does the qualification period for my next bonus begin?

A. Each Silver Bound qualification period starts the month after you achieve the prequalifying rank for the first time.

For example, Brenda achieves the rank of Senior Star in June. She now has three months to fulfill the requirements for the Silver Bound Executive Bonus (July, August and September). Brenda is paid as an Executive in August but does not meet all of the Silver Bound Bonus requirements. Brenda drops back down to Senior Star in September and, therefore, does not earn the Executive Bonus. Because Brenda was paid as an Executive in August, her qualification period to earn the Silver Bonus starts in September. Brenda has four months to fulfill the requirements for the Silver Bonus (September, October, November and December).



Q. Are Silver Bound leg requirements measured differently from Compensation Plan leg requirements?

A. All leg requirements for Silver Bound will be determined in the same manner as Compensation Plan leg requirements. Below is the definition of leg requirements from the Compensation Plan Terms and Definitions. For full details of your downline organisation, please visit the My Organisation section of the Virtual Office.

Leg requirements: A leg is the sales organisation that extends from each personally sponsored distributor. The qualification status of a leg is determined by the OGV in that leg. A distributor must have at least 100 PV at the top of the leg in order for it to qualify. If a distributor fails to qualify with 100 PV within a calendar month, the qualifying legs under him or her will “roll up,” for rank qualification purposes, to the next qualifying upline with 100 PV. To determine which legs will be used for qualification, the OGV of each leg is taken into account from greatest OGV to least OGV.

Q. Why is Silver Bound no longer part of the Compensation Plan?

A. Silver Bound is coming back as an ongoing performance promotion that will allow Young Living the flexibility to better serve members by refining and adapting to changing business needs.

Q. What should I do if I feel I missed a bonus I think I qualified for?

A. As per the Young Living Policies and Procedures, you should review your commission and bonus recap statements and report any errors or discrepancies to Young Living within 45 days from the date on the check. Errors or discrepancies that are not brought to Young Living’s attention within 45 days will be deemed waived.

Q. How does the Silver Bound bonus program work with Young Living’s traditional recognition program?

A. Silver Bound is a voluntary program that offers additional incentives to elite performers building a business. Participation is not expected or required. Any member who achieves a rank outside of the Silver Bound bonus program timelines will still be congratulated and recognised through our traditional recognition program; the only difference is that they will not receive the additional Silver Bound bonuses.

Q. If I don’t participate in Silver Bound, is there any penalty?

A. No. Participation in Silver Bound is an added incentive and is not required to benefit from the full potential of the Young Living Compensation Plan.

Q. When does the qualification period start?

A. For the Silver Bound Star Bonus, participants will receive two calendar months, not including the month they enrol as a distributor, to meet qualifications. For all other bonuses, the qualification periods begin the month following the first-time achievement of the prequalifying rank for the given reward tier. For example, the three-month Executive qualification period begins the month after a member reaches Senior Star for the first time.

Q. Who can participate in the program?

A. We created this program for new Members, first-time Stars, first-time Senior Stars and first-time Executives. For information about how existing members can participate in Silver Bound, please refer to the FAQ above: How can existing members take advantage of Silver Bound?

Q. When do I receive my award for qualification?

A. Silver Bound bonuses will be paid in the standard commission payout.

Q. Do I have to maintain my prequalifying rank during the qualification period?

A. No. During the qualification period, it is not required that the prequalifying rank be maintained while working toward the bonus requirements.

Q. Will I be taxed on the rewards?

A. Yes, please see below for the relevant tax information.

AU TAX RULE ON COMMISSION

YLEO Australia is a DSA member, if your yearly commission earning is more than \$15,000 (including SB reward) ABN must be provided to us or 47% of the commission will be withheld and submitted to ATO. Please always consult your tax accountant for the treatment of your earnings.

NZ TAX RULE ON COMMISSION

There is no minimum for NZBN. All earnings are liable to pay tax. As an independent distributor, consultation with your tax accountant regarding your earnings from YLEO is recommended.

Q. What if I have already ranked as a Silver or higher?

A. If you have been a Silver or are a higher rank, you are not eligible to participate in the Silver Bound bonus program; however, promoting this program within your team can have a positive impact on your team's growth and on the success of your organisation.

Q. Will the rewards be the same for all markets?

A. Yes, the bonus amounts will simply be modified to local currency.

Q. Will rewards be backdated if I have already met the benchmarks for the new program?

A. No.

Q. Where can I find information about these changes in the Virtual Office?

A. The Silver Bound tab within the Virtual Office Dashboard will be available on April 1, 2021.

Q. For the Silver Bound Silver Bonus, will the additional leg of 1,000 OGV also count for the required 1,000 PGV to qualify for the rank of Silver?

A. Yes.

Q. If I reactivate my Young Living account, will I be eligible to participate in the Silver Bound bonus program?

A. If you have been dropped for more than 24 months, you will be eligible to participate in Silver Bound as if you were a newly enrolled member. If you have been dropped for less than 24 months, when you reactivate you will be eligible to qualify for Silver Bound based on your previous highest achieved rank. For example, a reactivated member with a highest achieved rank of Senior Star can work toward the Silver Bound Executive Bonus.

Q. Is Essential Rewards participation required for qualifying legs within Silver Bound?

A. No, participation in the Essential Rewards program is not part of the Silver Bound qualification requirements.