

Terms and Definitions for the Compensation Plan

Effective November 1, 2021



These terms and definitions for the Young Living Compensation Plan combine with the Compensation Plan Highlights flyer to form the Compensation Plan. This document includes definitions of words used in the Compensation Plan and a description of the terms of that plan.

Team: Also known as a downline, this encompasses all brand partners and customers located beneath a particular brand partner. This includes the brand partner and all levels within his or her organization.

Level: The position of a brand partner within a sales organization. Those brand partners who are immediately sponsored by another brand partner would be considered the sponsoring brand partner's first level. Those brand partners who are sponsored by a brand partner's first level would be considered that brand partner's second level and so on.

Enroller: The person responsible for personally introducing a new brand partner or customer to Young Living.

Sponsor: The direct support team brand partner and main support. The sponsor may also be the enroller.

Support team: Any brand partner above another brand partner in a sales organization.

Customer: A person who chooses not to build a Young Living business and sell Young Living products but desires only to purchase the product for personal use. Customers need to be sponsored and enrolled by a current Young Living brand partner. A customer's purchases apply toward their sponsor's OGV and total sale volume.

Professional Account customer: This term is defined in the U.S. Policies and Procedures. If a Professional Account customer is sponsored by a brand partner, they will be placed in that brand partner's frontline. The sponsoring brand partner will be able to earn unilevel commission based on the reduced PV from purchases made by the Professional Account customer. This PV will be counted toward the sponsor's PGV, OGV, rank qualification, and commissions. Volume from a Professional Account customer within a support team member's leg can count as qualifying volume for leg volume qualification purposes of the sponsor.

Sister Professional Account customer: If a brand partner has an interest in an account of a Professional Account customer in addition to their own brand partner account, the Professional Account customer account will be deemed a sister account to the brand partner's account, being located in the same leg with the brand partner's account on the brand partner's frontline. The PV (which is reduced for Professional Account customers) from purchases made through the sister Professional Account customer will be added to the brand partner's PGV and OGV. The reduced PV from purchases made by the Professional Account customer will be counted toward the PGV, OGV, rank qualification, and commissions of the brand partner's support team as if that PV came from the brand partner.

Inactive account: Brand partners who fail to accrue 50 PV in a calendar month are considered inactive for the month and will not qualify to receive certain payouts from their sales organization. 100 PV is required for all commissions except the Fast Start Bonus and Starter Bundle Bonus.

Dropped account: All brand partners are required to make a purchase every 12 months in order to avoid having their account dropped, and any agreements will be void (Loyalty Rewards Autoship Agreement, Brand Partner Agreement, etc.). Brand partners who allow their accounts to be dropped for inactivity will lose all rights to, claims on, and privileges from their previous sales organization.

Upon losing brand partner status due to consecutive inactivity, the brand partner or customer's sales organization will "roll up" to the next qualified brand partner directly above the dropped brand partner. Reconnecting brand partners have no claim to any sales organization that was lost when they were dropped for inactivity.

Upon reconnecting an account, all customers and brand partners must meet current Young Living enrollment requirements.

PV minimum: To qualify for retail earnings and enroller-based bonuses and to be considered “active,” a brand partner must maintain a monthly order of at least 50 PV. In order to qualify for unilevel commissions and all other bonuses, a brand partner must maintain a monthly order of at least 100 PV.

Commission period: Young Living considers each commission period to run from 12 midnight, MT, the first day of a calendar month to 11:59 p.m., MT, the last day of a calendar month. The beginning of each month marks a new commission period. Only orders that are received within the commission period (or calendar month) will be considered for rank qualifications and compensation for the period’s commission check. All bonuses, commissions, and rank qualifications are based on a calendar-month-to-calendar-month basis. Each commission period resets PV, OGV, and PGV, as well as leg status from the previous commission period. The required qualifications need to be achieved on a monthly basis for rank status. If a brand partner or customer enrolled and/or ordered in the previous month and their sponsor and/or enroller is changed during the first five business days of the month, it can affect the previous month’s rank, qualification, and payout.

Personal volume (PV): Many products sold by Young Living have a personal volume (PV) amount assigned to them. The volume of products that are purchased is reflected in PV. PV is one of the requirements for ranking within the Compensation Plan, and it accumulates throughout each commission period.

Organization group volume (OGV): Organization group volume is the entire sales volume of a sales organization. This can be determined by calculating the sum of the PV of all the brand partners and customers within a particular organization. OGV accumulates throughout each commission period.

Personal group volume for Silver and higher ranks (PGV): For Silver or higher ranks in the Compensation Plan, personal group volume is determined by the sales volume of the organization directly supported by the brand partner. PGV accumulates throughout each commission period. This is the sum of PV from the brand partner down to, but not including, the next Silver or higher rank for each leg of the sales organization. PGV in these cases does not include any Silver or higher rank and the entirety of volume in their organization. PGV also does not include any volume from qualifying legs used for rank qualification in a commission period.

Qualifying leg: To be a qualifying leg, the top of the leg must be a qualifying brand partner during the applicable commission period. If a brand partner at the top of a leg is not a qualifying brand partner during the applicable commission period, the qualifying legs under him or her will function as the top of a leg. To determine leg qualification, the OGV of each potential leg is taken into account from greatest OGV to least OGV.

Retail earnings: Retail earnings are the amount that is earned by the brand partner from the purchases of personally sponsored customers. Young Living treats each customer as the sponsoring brand partner’s customer. Young Living pays the qualifying sponsor the difference between the retail and wholesale price of products, if the brand partner qualifies as “active” with at least a 50 PV monthly order. See PV Minimum.

Unilevel: Unilevel is a form of commission that is earned through the Compensation Plan. Qualifying brand partners earn 8 percent on the sales volume, or PV, of each brand partner on the first level within their organization, 5 percent on the second level, and 4 percent on the third through fifth levels.

Compression: In each commission period, the PV of team members of a qualified brand partner may combine into a single level (a unilevel) for unilevel commissions purposes. A unilevel combines the PV of team members who are (i) brand partners who are not commission qualified or (ii) customers who do not have 100 PV. A unilevel goes down each line of sponsorship to the next team members who (i) are brand partners who are commission qualified, (ii) are customers who have at least 100 PV, or (iii) have no team.

Personal generation commissions: The sales organization between the brand partner down to, but not including, the first Silver in each leg is considered the personal generation. When qualified to receive commissions on a personal generation by ranking as Silver or higher, the brand partner is paid 2.5 percent on this volume. Brand partners are paid 3 percent on an additional six generations, with 1 percent paid on the seventh generation. This pay is in addition to any other qualified compensation. See Generation Commissions.

Generation commissions: As brand partners train and develop new Silvers or higher rank in their sales organizations, the percentage they earn on each additional generation increases to 3 percent. These commissions are paid on up to seven generations, with the seventh being paid at 1 percent.

Brand partner: A person who is actively building his or her own Young Living business. To receive compensation, a brand partner must be considered active. With 100 PV, the brand partner qualifies to receive compensation on the volume of two unilevels in his or her organization (paid at 8 percent and 5 percent, respectively) in addition to any retail earnings, Fast Start, and Starter Bundle bonuses.

Brand partners who fail to accrue at least 50 PV in a calendar month are considered inactive for the month and will not qualify to receive certain payouts from their sales organization. 100 PV is required for rank qualification and all commissions except the Fast Start and Starter Bundle bonuses, which require only a minimum of 50 PV. The PV of a customer will not count toward commission qualification of the sponsoring brand partner. If an account remains inactive for a period of 12 consecutive months, the account will be dropped. See Dropped Account.

Star: To qualify as a Star in the Compensation Plan, a brand partner must achieve 100 PV and 500 OGV within a commission period. As a Star, the brand partner qualifies to receive compensation on the volume of three unilevels in his or her organization (paid at 8 percent, 5 percent, and 4 percent, respectively) in addition to any retail earnings. Stars may also qualify to receive the Fast Start and Starter Bundle bonuses.

Senior Star: To qualify as a Senior Star in the Compensation Plan, a brand partner must achieve 100 PV and 2,000 OGV within a commission period. As a Senior Star, the brand partner qualifies to receive compensation on the volume of four unilevels in his or her organization (paid at 8 percent, 5 percent, 4 percent, and 4 percent, respectively) in addition to any retail earnings. Senior Stars may also qualify to receive the Fast Start and Starter Bundle bonuses.

Executive: To qualify as an Executive, a brand partner must achieve 100 PV, 4,000 OGV, and two separate legs with 1,000 OGV each within a commission period. As an Executive, the brand partner qualifies to receive compensation on the volume of five unilevels within his or her organization (paid at 8 percent, 5 percent, 4 percent, 4 percent, and 4 percent, respectively) in addition to any retail earnings. Executives may also qualify for the Fast Start and Starter Bundle bonuses.

Silver: To qualify as Silver, a brand partner must achieve 100 PV, 10,000 OGV, 1,000 PGV, and two separate legs with 4,000 OGV each within a commission period. As a Silver, the brand partner qualifies to receive compensation on the volume of five unilevels within his or her organization (paid at 8 percent, 5 percent, 4 percent, 4 percent, and 4 percent, respectively), personal generation commissions (paid at 2.5 percent), generation commissions on two levels (paid at 3 percent), in addition to any retail earnings. Silvers may also qualify for the Fast Start, Starter Bundle, and Generation Leadership bonuses.

Gold: To qualify as Gold, a brand partner must achieve 100 PV, 35,000 OGV, 1,000 PGV, and three separate legs with 6,000 OGV each within a commission period. As a Gold, the brand partner qualifies to receive compensation on the volume of five unilevels within his or her organization (paid at 8 percent, 5 percent, 4 percent, 4 percent, and 4 percent, respectively), personal generation commissions (paid at 2.5 percent), generation commissions on three levels (paid at 3 percent), in addition to any retail earnings. Golds may also qualify for the Fast Start, Starter Bundle, and Generation Leadership bonuses.

Platinum: To qualify as Platinum, a brand partner must achieve 100 PV, 100,000 OGV, 1,000 PGV, and four separate legs with 8,000 OGV each within a commission period. As Platinum, the brand partner qualifies to receive compensation on the volume of five unilevels within his or her organization (paid at 8 percent, 5 percent, 4 percent, 4 percent, and 4 percent, respectively), personal generation commissions (paid at 2.5 percent), generation commissions on four levels (paid at 3 percent), in addition to any retail earnings. Platinums may also qualify for the Fast Start, Starter Bundle, and Generation Leadership bonuses.

Diamond: To qualify as Diamond, a brand partner must achieve 100 PV, 250,000 OGV, 1,000 PGV, and five separate legs with 15,000 OGV each within a commission period. As Diamond, the brand partner qualifies to receive compensation on the volume of five unilevels within his or her organization (paid at 8 percent, 5 percent, 4 percent, 4 percent, and 4 percent, respectively), personal generation commissions (paid at 2.5 percent), generation commissions on five levels (paid at 3 percent), in addition to any retail earnings. Diamonds may also qualify for the Fast Start, Starter Bundle, Generation Leadership, and Diamond Express Profit Sharing Pool bonuses.

Crown Diamond: To qualify as Crown Diamond, a brand partner must achieve 100 PV, 750,000 OGV, 1,000 PGV, and six separate legs with 20,000 OGV each within a commission period. As Crown Diamond, the brand partner qualifies to receive compensation on the volume of five unilevels within his or her organization (paid at 8 percent, 5 percent, 4 percent, 4 percent, and 4 percent, respectively), personal generation commissions (paid at 2.5 percent), generation commissions on six levels (paid at 3 percent), in addition to any retail earnings. Crown Diamonds may also qualify for the Fast Start, Starter Bundle, Generation Leadership, and Diamond Express Profit Sharing Pool bonuses.

Royal Crown Diamond: To qualify as Royal Crown Diamond, a brand partner must achieve 100 PV, 1,500,000 OGV, 1,000 PGV, and six separate legs with 35,000 OGV each within a commission period. As Royal Crown Diamond, the brand partner qualifies to receive compensation on the volume of five unilevels within his or her organization (paid at 8 percent, 5 percent, 4 percent, 4 percent, and 4 percent, respectively), personal generation commissions (paid at 2.5 percent), generation commissions on seven levels (paid at 3 percent, with 1 percent paid on the seventh level), in addition to any retail earnings. Royal Crown Diamonds may also qualify for the Fast Start, Starter Bundle, Generation Leadership, and Diamond Express Profit Sharing Pool bonuses.

Fast Start and Starter Bundle bonuses: All compensation within Young Living is paid to the sponsor, with the exception of the Fast Start and Starter Bundle bonuses, which are paid to the enroller. These bonuses may be earned within a time frame beginning in the calendar month the brand partnership is originally initiated. Even if newly enrolled brand partners do not place an order with PV during their first month, it is still considered their first calendar month of enrollment. These bonuses can be earned only one time in each 24-month period for an individual enrollee.

When a new retail customer orders, the enroller bonuses are not paid to the enroller.

If a brand partner reconnects, these bonuses can pay out to the new enroller if the brand partner has been dropped for a period of at least two years. For example: Jane's account drops in January 2018, for the enroller bonuses to be eligible to be paid out to the enroller, Jane would need to wait until January 2020 to reconnect her account. If she reconnects before then, the enroller bonuses will not be eligible to be paid out.

Fast Start Bonus: Young Living brand partners are eligible to earn a Fast Start Bonus on all new brand partners they personally enroll in the company. This bonus pays 25 percent on the volume of each personally enrolled brand partner's total orders placed during the first three calendar months, in addition to base commissions.

Each month the bonus payout of 25 percent is earned by the enroller, a calculation of 10 percent of the same volume can be paid to the second support team enroller if eligible. A maximum of \$200 may be earned from this bonus per brand partner, per month, or \$80 for the second support team enroller.

When the Fast Start Bonus is paid, the PV used to calculate the bonus is reduced by 70 percent for all other commissionable payouts.

Starter Bundle Bonus: Young Living brand partners can become eligible to earn a \$25 cash bonus in addition to regular commissions each time they personally enroll a new brand partner in Young Living and the newly enrolled brand partner purchases a starter bundle (the basic kit does not qualify). The starter bundle must be purchased in the same calendar month the new brand partner enrolls. For example: If the brand partner enrolls any day in January, the brand partner has until January 31 to order a starter bundle. This is a one-time bonus paid to a new brand partner's enroller.

Generation Leadership Bonus: This bonus rewards brand partners with shares of 6.25 percent of the company's monthly commissionable sales as leadership ranks are achieved and maintained. Based on paid-as rank, Silvers and higher earn shares for their personal rank as well as on Silvers and higher within their sales organization and on which they earn generation commissions.

A Silver leader earns one personal share plus one share for any Silver or higher rank within the generation payout (two generations).

A Gold leader earns two personal shares, two shares for any Gold or higher rank, and one share for each Silver rank within the generation payout (three generations).

A Platinum leader earns three personal shares, three shares for any Platinum or higher rank, two shares for any Gold rank, and one share for each Silver rank within the generation payout (four generations).

A Diamond leader earns four personal shares, four shares for any Diamond or higher rank, three shares for any Platinum rank, two shares for any Gold rank, and one share for each Silver rank within the generation payout (five generations).

A Crown Diamond leader earns five personal shares, five shares for any Crown Diamond or higher rank, four shares for any Diamond rank, three shares for any Platinum rank, two shares for any Gold rank, and one share for each Silver rank within the generation payout (six generations).

A Royal Crown Diamond leader earns six personal shares, six shares for any Royal Crown Diamond rank, five shares for any Crown Diamond rank, four shares for any Diamond rank, three shares for any Platinum rank, two shares for any Gold rank, and one share for each Silver rank within the generation payout (seven generations).

Diamond Leadership Bonus: To help our top brand partners earn additional rewards and share their expertise through networking with our brand partners at events, we offer the Diamond Leadership Bonus. The Diamond Leadership Bonus allows paid as Diamond-ranking leaders to earn shares of 0.5 percent of Young Living's monthly commissionable sales and is based on paid-as rank and qualifications met, as described below.

Monthly shares allocation:

- Diamonds: One share
- Crown Diamonds: Two shares
- Royal Crown Diamonds: Three shares

Qualifications for the Diamond Leadership Bonus:

- Must be paid as Diamond, Crown Diamond, or Royal Crown Diamond during the commission month to earn shares for that month.
- Existing Diamonds complete one of the following requirements annually to qualify for shares for the following year (note: The 12-month period for existing Diamonds starts at the completion of the initial 12 months; this program is not calendar year-based):
 - Attend at least one complete session of the annual International Grand Convention
 - Attend a full week at one of our annual winter or spring harvests and the full Diamond Retreat

New Diamonds are eligible to qualify each of the first 12 months they meet qualifications to be paid as a Diamond, Crown Diamond, or Royal Crown Diamond for the applicable commission month. The assumption is that new Diamonds are working toward the next year's qualifications during this initial 12-month period as a Diamond.