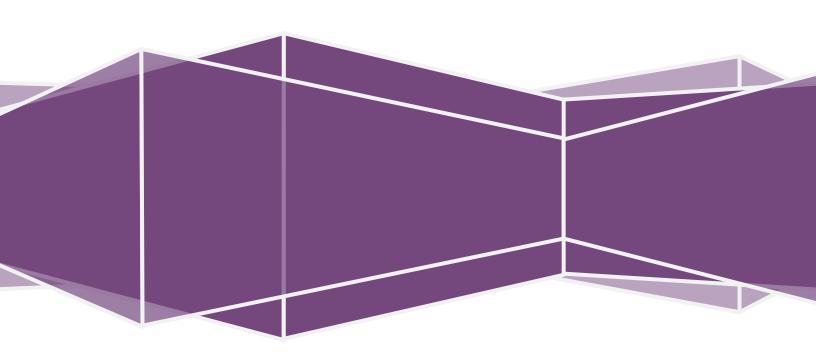


Together Everyone Achieves More!

The Art of Sales Placement

Binary Compensation



Binary Compensation Model

The RichWay compensation model is a "binary" system. This document will explain how your business will be structured under this system.

What is a binary system?

A binary system is a business configuration for network marketing that features two legs for growth.

RichWay's system is organizationally constructed with the use of "business centers." Being a binary system, each business center has *two* legs from which future business centers originate. Those business centers will then also have two legs, and so on and so on.

RichWay's unique binary system offers an *unlimited* down-line for *unlimited* sales growth, meaning there is *no* cut-off point for future business centers.

What is a business center?

A Business Center is an individually-owned binary structure that accrues points for residual income. Each business center has a left and right leg.

You are established into RichWay's existing binary configuration through the placement of a business center(s).

Since we offer a network marketing plan that provides an opportunity for residual income, we must establish you in our existing business structure. Your sponsor will place you within their business organization, just as you will place representatives that you sponsor within your business organization.

Note: Once made, placements are permanent.

How is a business center obtained?

A purchaser receives one business center per \$500.00 worth of product purchased.

Example: Mini-BioMat = \$550.00 = 1 business center

Professional BioMat + Pillow = \$1450.00 + \$250.00 = \$1700.00 = 3 business centers

Additionally, RichWay will loan one business center to an independent representative who purchases only a distributor kit. The Sponsor will place the Representative's loaned center within their business organization.

Once the independent representative purchases \$500.00 worth of product, they will then own the center. All business and points accrued within and under the loaned business center will remain intact.

As explained in "Sales Compensation for Independent Representatives," one of the requirements to be a Gold Executive is to own 3 business centers (either one \$1500.00 purchase, or 3 individual purchases worth \$500.00 each).

How is a business center placed in RichWay's Binary Structure?

As a Sponsor, it is completely up to you where, within the left or right side of your business organization, you wish to place your sales.

Once you are established in the business structure, all your future sales and purchases must be placed under the left or right side of *your* "Number 001" business center.

When you place a purchase order with RichWay, you can simultaneously advise them where you would like to place this sale in your business organization. Alternatively, you can write "call Sponsor" in the placement box on the order form. This is helpful if you need a few extra days to decide the best choice for sales placement. The customer's order will be processed immediately, and you can have extra time for placement strategy. Then, within a few days, call or fax RichWay your placement decision.

Remember that there can be only one sponsor and one purchaser per transaction. Remember also that all placements are permanent.

What is a binary bonus point?

A binary bonus point is a bonus that accrues upward in individual business centers.

A sale placed in a sponsor's business structure will generate 1 binary bonus point per \$500.00 worth of product sold

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Example: Mini-BioMat = $550.00 = 1 bonus point
Professional BioMat + Pillow = $1450 + $250 = $1700 = 3 bonus points
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Binary bonus points go *upward*, into every business center to which the business center is connected.

What happens when a product is sold?

When a product is sold, the sale generates:

- a direct sales commission to the sponsor;
- binary bonus point(s) to the sponsor;
- binary bonus point(s) to the sponsor's corresponding up-line;
- business center(s) to the purchaser;
- product delivery to the purchaser.

What is binary bonus commission?

Binary bonus commissions are based on the networking business plan RichWay offers, and motivate growth of the business organization by generating residual income.

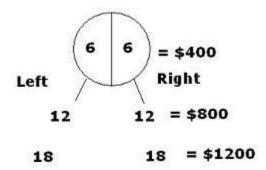
Binary bonus commissions are paid when a certain amount of binary bonus points accrue on the left and right side of an individual business center. Whoever owns that business center will receive bonus commissions based on their level of achievement (i.e., Gold, Diamond, Emerald, Royal Family).

Example:

Gold Executives receive binary bonus commissions of \$400.00 when points reach a minimum of 6 on the left and 6 on the right.

Emerald Executives receive same as Gold Executives, or will receive higher binary bonus commissions of \$800.00 when points reach a minimum of 12 on the left and 12 on the right.

Diamond Executives receive same as Gold and Emerald Executives, or, will receive higher binary bonus commissions of \$1,200.00 when points reach a minimum of 18 on the left and 18 on the right.



Attainable weekly bonus commissions, per business center:

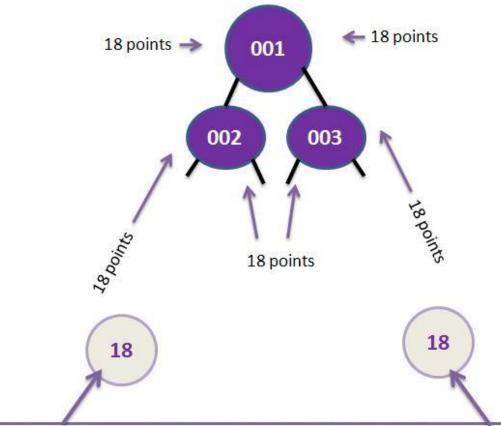
- Gold Executive = 6/6 = \$400.00 bonus;
- Emerald Executive = 12/12 = \$800.00;
- Diamond Executive = 18/18 = \$1200.00.

Note: Weekly sales end on Saturdays, 2:00p.m. Hawaiian time. All orders *must* be received before RichWay closes on Saturday for the sale to count that week.

<u>Multiple Business Centers = Multiple Streams of Income</u>

A representative may receive binary bonus pay on multiple business centers within the same week. There is *no* limit!

Example: A Diamond Executive owns 3 business centers, all of which reach at least 18/18 points. This executive would be paid on *all three* centers. $3 \times 1,200.00 = 3,600.00$ (below)



Your goal is to receive 18 points on your left and right side of all your business centers.

You receive 1 point per \$500 worth of product sold from your ENTIRE downline!

All bonus points your down-line generates will simultaneously go into ALL upper business centers that it is connected to.

For additional information on bonuses and rewards, please refer to "Sales Compensation for Independent Representatives."

What is the Binary Viewer?

This is an on-line system, owned and developed by Cyber Studios, that allows us to access our business genealogy chart. The Binary Viewer is an optional service but serious representatives find that it is an essential strategy tool for determining sales placement for maximum return. The cost is only \$10.00 per month, or \$99.00 annually.

With the Binary Viewer, you'll be able to view your *entire* genealogy from your #001business center on down. This will assist you in deciding where to place "placement certificates," and new sales, as well as give you the means by which to view how your business is growing.

Valuable features of the Binary Viewer

- View entire genealogy down from your #001 business center;
- Search feature allowing you to search and locate a specific name;
- Ability to simply mouse-over any business center to see that center's points;
- Ability to view how each business center is connected to the next, via a line from either the left or right side.

For binary support, please contact Jen, at Cyber Studios:

Website: https://www.binaryviewer.com

Phone: 386-418-0075 (EST).

Email: binarysupport@richwayproducts.com

(Please put the word 'support' in the subject line.)

Jen can be reached by phone between 9:00 A.M. and 5:00 P.M., Monday through Friday. She will strive to return any emails sent within 1 business day.

Frequently-Used Terms:

Binary system: A network marketing system whereby each business center has two legs from which future business centers originate.

Business center: An individually-owned binary structure that accrues points for residual income. Each business center has a left and right leg.

Binary viewer: An online system available to RichWay independent representatives that allows viewable access to a representative's business genealogy chart.

Network Marketing/ Multi-level marketing (MLM): A marketing strategy that compensates promoters of direct selling companies not only for product sales they personally generate, but also for the sales of others they introduce to the company. The products and company are usually marketed directly to consumers and potential business partners by means of relationship referrals and word of mouth marketing.

Business structure/organization/chart/genealogy: Aggregately, the way in which RichWay is structured, based on its Binary system. Individually, the organization of any individual's business within the overall system.

Down-line: Refers to the team members you have recruited or who have joined the program after you did and whose sales or referrals also generate income for you. These team members own business centers that are anywhere below your 001 business center.

Up-line: All of the team members that own business centers above your 001 business center, and that are connected to it.

Team member: All representatives within your business organization, upward and downward.

Teamwork: The ability to assist each other.

Sponsor/distributor/sales associate/representative: The seller of a product.

Placement: The act of determining where (left side or right) a sponsor will put a business center. Placements are permanent.

Direct sales commission: The dollars paid to the Sponsor for the sale of a product.

Binary Bonus commission: Distributors earn a commission based on the sales efforts of their organization, which includes their independent sale efforts as well as the leveraged sales efforts of their down-line. Extra dollars are paid on the performance of a representative's down-line, representing residual income for the representative.