

**Active Customer:** An Active Customer must place an order generating at least 1.25 Cr within the last 90 days.

**Activation deadlines:** A Partner must qualify by the end of the calendar month to be active the following calendar month. The deadline is 24:00 CET on the last day of the month.

**Active Partner:** From the 5th calendar month, you must have four Customer Points in addition to 20 Credits of product orders from personal Customers and your own product orders each month. Active Partners can accumulate Credits in what is called banking, and in addition to the retail profits and Cash Bonuses, you can earn in the entire Compensation Plan. Still, most of your bonuses will come from the Enrollment Incentive Program and Customer bonuses such as Q-Team, X-Team, A-Team and above. Make sure you keep your Zinzino Auto Order free.

**Auto Order:** 1 Product + a Test Kit in every 4th order + GoCore App access = 10 Credits.

**Balanced Credits:** Balanced Credits 2:1: The number of Credits that count is based on the balance between your left and right teams. Balanced Credits start at a 50 / 50 ratio. However, a maximum of 2 parts of your qualifying Credits can come from the larger team in ratio to 1 part from the smaller team.

**Banking Credits:** Credits that cannot be used as Pay Points are banked as long as a Partner remains active. You may use banked Credits in the weekly and monthly commission cycles. Compensation calculations use Credits in a 2:1 balance, i.e. a maximum of 2/3 of your qualifying Credits can come from the larger team. When you reach the maximum payout for any compensation (e.g. Team Commission has a 1,500-Credit maximum), only the largest team saves banking. Zinzino banks a maximum of one million Credits both weekly and monthly Credit accelerators:

**Binary Line / Binary Tree:** All your personally sponsored Partners and their unlimited generations, as well as all Partners placed below you in the Binary Tree by an upline and their unlimited generations.

**Cash Bonus:** You receive a Premier Cash Bonus when you sell a Premier Customer Kit to a new or existing Customer. You receive a Retail Cash Bonus when a Retail Customer buys any single items (with a Credit value). All Partners are rewarded with a starting 10% up to a 30% Cash Bonus.

**Commissions:** All commissions paid out by Zinzino are shown in gross income so that the same amount can be shown for everyone. Depending on regulations for your country and whether you are VAT-registered or not, various taxes may modify this amount, as per your local tax regulations. As a Partner in Zinzino, you are obliged to ensure that you register yourself in a proper manner in accordance with both your local government regulations and the requirements Zinzino sets. Commissions invoices are published in a PDF format in each Partner's personal Back Office.

**Compensation month:** A Compensation month lasts from 00.00 CET - Central European Time on the first day of any calendar month until 24.00 CET - Central European Time on the last day of the same calendar month. The Compensation month includes all paid orders during this period. Zinzino will post new titles from the previous month in the Partner Back Office no later than the 10th day of the current month. Compensation paid out during the first week of each month includes the current week plus monthly compensation from the previous month.

**Compensation week:** A Compensation week begins Thursday 00.00 CET - Central European Time and ends the following Wednesday at 24.00 CET - Central European Time. The Compensation week includes all paid orders during that week.

**Credits:** Each Zinzino product shown in the price list is assigned a compensation value called Credits. Credits are our internal currency and the basis for all calculations in the Zinzino Compensation Plan.

**Crossline:** A person / business that is not in your Binary Tree or Enrollment Tree genealogy.

**Customer:** A Customer is active for 90 days from the last purchase with a minimum of 1.25 Credits.

**Customer Acquisition Bonus (CAB):** Earn CAB on all Customer Premier Kits and new Partner Kits. Small, Medium, Large, XL, XXL, 3XL, 4XL and 5XL CAB applies to active Partners. CAB may be received in only one Income Center in each weekly commission cycle.

**Customer Career Title:** A title received in recognition of having built a personal Customer base of a certain size.

**Customer Points:** Each active Customer generates at least one Customer Point. If an active Customer purchases more than one product (1.25 Cr), each additional product will generate another Customer Point. A repeat purchase of the same product will only generate one Customer Point. Customer Points can be accumulated with the purchase of Premier Subscriptions, Premier items, Retail items and Prepaid Kits.

**Daily commission cycle:** Refers to commissions that are calculated daily: Cash Bonus, ECB, and RCB. Daily deadline is at 24.00 CET - Central European Time every day.

**Downline:** A person / business below you in the Binary Tree or Enrollment Tree genealogy.

**Enrollment Tree:** All your personally enrolled Partners (first generation) and all the Partners referred by your personally enrolled Partners (second generation, third generation, etc.) for unlimited generations.

**Enrollment Credit Bonus (ECB):** Any new Enrollment Kit Credits (Premier Customers and Partners) are multiplied by 2, both for your weekly (WCV) and monthly (MCV) commission cycle. Enrollment Credit Bonus. Doubles the Credits from new enrollment orders.

**ECBx:** Any new Enrollment Kit Credits (Premier Customers and Partners) are multiplied by a factor for your monthly commission (MCV). For example, in our standard ECBx campaign, the Credits are multiplied by 3.

**Grace Period:** The month you start, plus the next four calendar months, is your Grace Period to learn, earn and get in balance. You qualify as an Active Partner when you have 10 Credits monthly from your Auto Order or your Customers. If you join with a Partner Kit, you have already activated ECB (Enrollment Credit Bonus) for your accelerated Credits (2x on all new Kits). The entire Compensation Plan is open for you in this period without any additional requirements. Ensure you get a few Customers to get your Zinzino Auto Order for free and complete the Fast Start Plan.

**Income Center:** Placement in the sales organization is labeled an Income Center (IC). Back Office Entrance will give you 1 IC. When you purchase a Partner Kit (10 Cr), you will be given 2 additional IC's. See figure below:\*\*From the Diamond title, you are allowed to place additional IC's within your team. From the President title, you are allowed to place an additional IC above your 001 IC. The cost of these additional IC's is the purchase of a Basic Partner Kit.

**Kit:** a kit is any product on subscription.

**MCV:** Monthly Credits Volume. Credits that are calculated in the monthly commission cycle for title volume.

**Monthly Commission Cycle:** Refers to commissions and rewards that are calculated monthly: One-Time Title Bonuses, zPhone, zCar, Z4F and zRewards. Monthly Credits Volume (MCV): Credits are calculated in the Monthly Commission Cycle for title volume.

**Monthly Customer Bonus (MCB):** This bonus makes it possible for you to earn the most significant recurring Customer commissions. While the Team Commission pays you for each order, the MCB pays you in increments. The bonus starts from A-Team.

**Monthly title recognition:** Partners qualify for titles each month for pay rank (i.e. qualified title) in the following month. The qualified title determines bonuses and commissions. Partners may advance to the next title at any point in the current month.

**One-Time Bonuses (OTB):** Earned one time but paid out in increments.

**Partner Contract:** In order to remain a registered Partner with Zinzino, you must place an order of at least 1.25 Credits or create at least one new 1st generation Customer Point worth at least 1.25 Credits in a 12-month period. If you fail to do this, your position in the network will be frozen and after 24 months, your Partner ID will cease to be valid. In addition to this, all rules laid out in the Partner Contract Terms, as well as the Marketing Rules & Ethics, regulate your relationship with Zinzino. In order to maintain a Recognition pin, you have to have met the requirements for this pin at least once during the last 12 months. Please, check Zinzino communications to Independent Partners in your Back Office and communicate with your sponsor regularly for ongoing important information. Zinzino reserves the right to withhold the payment of commissions and bonuses if it is revealed that certain commissions or bonuses were obtained through qualification by unethical or false means. Zinzino's compliance department investigates all suspected frauds.

**Partner Points:** Each Partner who has placed an order with 1.25 or more Credits in the last 90 days is counted as a Partner Point. Partner Points are added to your total Customer Points.

**Pay Points (PP):** Credits are used to calculate Pay Points within the Compensation Plan. The goal is that one Pay Point should equal €1. The company reserves the right to adjust the Pay Point value if there is an overpayment of commissions in the company or within a specific group of Partners. Pay Points are converted to local currency at either a monthly or fixed exchange rate.

**Pay Point Conversion Rate Personal Credit Volume (PCV):** Credit Volume from personal orders and orders from personal Customers.

**PCP:** Personal Customer Point. Each active personally registered Customer generates at least one Customer Point. If an active personal Customer purchases more than one product (1.25 Cr.), each additional product will generate another Customer Point. A repeat purchase of the same product in the following month will only generate one Customer Point.

**PCV:** Personal Credit Volume. Credit Volume from Personal orders and orders from personal Customers.

**Personal Customers:** Personal Customers are all your personally registered Customers (first generation) and those referred by your personally registered Customers (second generation, third generation, etc.) for unlimited generations.

**Premier Customer:** A Customer with a Premier Kit order is called a “Premier Customer”. Premier Customers are eligible for our discounted premier price, the Customer Rewards Program and Zinzino4Free.

**RCB:** Recurring Credit Bonus. Any order not eligible for ECB (Customers and Partners) is multiplied by 2, both for your weekly (WCV) and monthly commission cycle (MCV).

**Retail Customer:** A Customer registered without a Premier Kit order is called a “Retail Customer” and will purchase Zinzino products at the retail price.

**Sponsor / Enroller:** A Partner who introduces a new Partner or Customer to Zinzino.

**Team Customer Number:** Your Team Customer number is the total of all your Personal Customer Points (PCP), Team Customer Points (TCP) and Partner Points.

**Upline:** A person / business above you in the Binary Tree or Enrollment Tree genealogy.

**Waiting Room:** This is where Partners who have been registered with you as their Sponsor but are not yet placed in the binary tree are visible. Then, you can choose the placement for each of them. If the placement is not chosen 4 hours before any period deadline (weekly or monthly), the system will automatically place the Partner in a position according to the preference you have chosen as the default binary placement in your account settings. Partners in the Waiting Room will be placed according to their registration date. This means that the Partner with the oldest start date will get placed first. All Partners in the Waiting Room will be placed in time to be included for weekly and monthly deadlines. The Waiting Room will be closed during the last 4 hours before a weekly or monthly deadline and Partners that are registered during this time frame will automatically be placed according to Sponsor default binary placement option. To change this option, go to Back Office/ account settings.

**WCV:** Weekly Credits Volume. Credits that are calculated in the weekly commission cycle.

**Web Account:** Withdrawing money from your web account to a bank account has a fee (depending on your bank). A minimum withdrawal amount could exist. Partners in frozen status are debited a monthly administration fee of 10 Pay Points converted to local currency. All commissions are exchanged from Euro into local currency (except for Iceland, Bulgaria, Croatia, Czech Republic, Hungary and Romania) when paid out to your web account, using a weekly updated exchange rate from the European Central Bank / Riksbanken (Sweden's Central Bank).

**Weekly Credit Volume (WCV):** Credits that are calculated in the weekly commission cycle.

**Weekly commission cycle:** Refers to commissions that are calculated weekly: Team Commission, CAB, Volume Commission and Mentor Matching Bonus.

**Zinocash:** credit earned by customers that can be redeemed for single product items. Orders paid with Zinocash do not generate credits.

**Zinzino4Free (Z4F):** If a Customer or Partner has 4 customers totalling 40 credits (20 during their grace period), they can receive their next monthly Balance product for free. They only pay for shipping.

**zRewards:** Partners at X-team and above are eligible for monthly zRewards. zRewards will be added to your account based on the local currency. zRewards can be used to buy products from the Zinzino range but applies to orders containing single items only. Orders paid with zRewards will not generate Credits. One zReward is equal to one Pay Point.