

compensation plan

how you get your money.

Retail Sales

Once enrolled as a Dream Tree Associate you may sell our products at the retail price established and earn the difference between the wholesale and retail price. You can sell the products directly to your customer after you have purchased them at the wholesale price or even have your customers visit your online store and make the purchase directly from your website. Dream Tree will track your customers and include your retail commission in your next pay period.

Direct Commissions

The **Direct Commission** is generated when an **“Active”** Associate personally enrolls a new Dream Tree Associate from their Dream Tree Replicated Website or by faxing/mailing in the application. When your customer chooses the Associate Option during their purchase of any Dream Tree Two-Star Crystal Product Pack the Direct Commission is generated. The New Associate will receive their product along with their test kit and a replicated website to help them manage and promote their Dream Tree business. The Direct Commission on any Two-Star Crystal Product Pack start at \$50.00.

Dual Line Commissions

The backbone of the Dream Tree Marketing plan is the **Dual Line Commissions**. Every product sold through your Dream Tree Business generates Product Volume (PV). This product volume flows through the two sides of your distribution tree. As an **“Active”** Associate your volume will accumulate and once you are **“Qualified”** this volume is converted into Dollars. As long as you are **“Qualified”** to earn Dual Line Commissions, you are paid \$40.00 each time your volume reaches a total of 600 Team Volume with at

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least 200 in your smaller line and 400 in your larger line. This is called a “cycle”. The cycle will also occur if your volume reaches 300/300 (*Dream Tree’s computer software notes that you have at least 600 points with at least 200 points in your lesser line*).

The excess volume in your larger line will hold until the next cycle. The volume in your smaller line will never be more than 200 TV (team volume), as long as you are qualified to earn commissions. For instance, if you currently had 180 TV in your smaller line and 3000 in your larger line and a sale generating 70 PV came in your smaller line, Dream Tree’s computer technology (software) would recognize you now have 250 TV in your smaller line and more than 400 TV in your larger line. The cycle would be generated (*taking 400 from your larger line and 200 from your lesser line*); leaving you with 50 TV in the smaller line and 2600 TV in the larger line after the cycle was generated.

IMPORTANT NOTE: As more products are purchased more volume is created. This is for every NEW ORDER that is generated by any of your team member’s website AND this includes any order placed through a member’s back office, including replacement filters, our antibacterial socks, our Dream Sticks, additional Anion Power Showers, Ceramic Converters or any PCCS or ROCCS filter. All purchases have an assigned product volume that adds to YOUR TEAM VOLUME within the Dual Line Compensation.

As a Qualified Two-Star Crystal you can earn up to \$2,000 PER DAY!

The **Dual Line Cycle Bonus Commissions** are calculated in your back office as volume accumulates to generate a payout with commissions paid weekly by check.

The Matching Bonus

The Dream Tree Marketing Plan allows you to earn up to a 50% Matching Bonus on the Dual Line Commissions earned by your personally sponsored Qualified Associates. There is no limit to the number of people you can personally sponsor, so Dream Tree’s Matching Bonus has incredible financial potential!

As a “Silver Crystal” you will qualify for a 25% Matching Bonus on your personally sponsored Associate’s Dual Line Commissions. In order to earn the position of Silver

Crystal you must personally sponsor 4 Two-Star Crystal Associates that also sponsor 2 Two-Star Crystals themselves, thus becoming “Qualified”.

As a “Gold Crystal” you will qualify for a 50% Matching Bonus on your personally sponsored Associate’s Dual Line Commissions. A Gold Crystal has personally sponsored a minimum of 8 Two-Star Crystals that become “Qualified” by sponsoring at least 2 “Active” Two-Star Crystals themselves. We call that “eight with two”.

The **Matching Bonus** is calculated and paid weekly.

The Leadership Bonus

The Leadership Bonus will reward you for helping your down line Associates become Silver and Gold Crystals. When you promote and maintain 4 Silver Crystals you will become a “Platinum Crystal” and you will qualify for a \$1500 Monthly Leadership bonus. To be a “Platinum Crystal” a minimum of 1 of your Silver Crystal Associates must be in either line. This includes ALL “Qualified” Silver Crystal Associates; you do not need to be the personal enroller but your 4 active Silver Crystals must be in “separate lines of personal sponsorship”. You must have at least 20,000 PV monthly on your weaker leg.

When you promote and maintain 8 Silver Crystals you will become a “Ruby Crystal” and you will qualify for a \$3000 Monthly Leadership bonus. To be a “Ruby Crystal” a minimum of 2 of your Silver Crystal Associates must be in either line. This includes all “Qualified” Silver Crystal Associates; you do not need to be the personal enroller but your 8 active Silver Crystals must be in “separate lines of personal sponsorship”. You must have at least 40,000 PV monthly on your weaker leg.

When you promote and maintain 4 Qualified Gold Crystals and 4 Qualified Silver Crystals you will be promoted to a Diamond Crystal and qualify for the \$5000.00 Monthly Leadership Bonus. A minimum of 1 of your Gold Associates must be on either leg. This includes ALL “Qualified” Gold Crystal Associates; you do not need to be the personal enroller but your 8 active Qualifying Crystals must be in separate lines of personal sponsorship. You must have at least 75,000 PV monthly on your weaker leg.

The Leadership Bonus is paid on the 15th of the Month following your qualification date. For Example: If you reach the qualification on April 4th you will be paid on May 15th. If you reach the qualification on April 24th you will also be paid on May 15th.

The **Leadership Bonus** is calculated and paid monthly.

The Elite Bonus Pool

Dream Tree Family Inc. has earmarked 2% of the company's "Gross Quarterly Sales Volume" to be divided among the qualified participants in the Elite Bonus Pool. Any Associate that has generated a minimum of 2000 PV from their Dream Tree Business Center and sponsors at least 5 Two-Star Crystals will be eligible to participate in the Elite Bonus Pool. You have two options to meet the product requirements for the Elite Membership. The first would be to choose one of the Elite Upgrade Options in your back office and the second would be to purchase or sell a total of 2000 PV from your personal website to Dream Tree "customers". These requirements closed on 12/31/2010.

On 8/1/2011, Dream Tree Family re-opened the opportunity to qualify for the Elite Bonus Pool.

In order to qualify for the current Elite Bonus Pool, either criteria one or two must be met, but criteria three is required not matter which criteria (1 or 2) is chosen:

1. New members who enroll at \$597 or higher are automatically qualified.
2. Existing members may upgrade to Elite status by purchasing a package valued at \$537 or higher.
3. Must be a qualified Silver Crystal Member or higher for at least 8 weeks of any given quarter.

Elite Participants

Those eligible will earn a percentage of the Elite Bonus Pool. As a participant, your percentage of the pool is determined by the number of "Active Two-Star Crystals" personally enrolled. For each personally enrolled "Active Two-Star Crystal" you will receive 1 point. The company will add up your points and compare them to the other participants in the Elite Bonus Pool to determine the percentage of the pool you will receive.

Founder Elite

If you joined Dream Tree during the foundation period and you met the product requirements above before Jan 31st, 2010 you will be considered a “Founder Elite” Member. Each of your personally sponsored 2 Star Associates that are “active” at the time the bonus is calculated reward you one point toward the Elite Bonus calculation.

Founder Royal Elite

Anyone that has met the Founder Elite requirements above will be considered a “Founder Royal” Elite Member if that “Founder Elite” has personally enrolled at least five, 2 Star Crystal Associate’s. If the “Founder Royal Elite Member” has at least five of those personally enrolled Two-Stars maintaining “Active Status” at the time the Elite Bonus is calculated they will have their points toward the payout multiplied by 3.

In order to determine the number of active personally enrolled Two-Star Associates you have, choose the Personal Sponsorship Line link found in the Business Information Section of your online back office. The following requirements must be met for an Associate to count toward your Elite Bonus payout.

Their “Active Rank” must be listed as a “Two-Star Crystal”.

Their “Status” must be “Active”

The “Last Ship Date” must be within 90 days of the calculation date

A newly enrolled Two-Star Associate will also count toward your bonus calculation.

The calculation date will take place on the 15th of the month following the bonus period.

The bonus periods are the following:

Period One: January 1st through March 31st

Calculated April 15th

Period Two: April 1st through June 31st

Calculated July 15th

Period Three: July 1st through September 31st

Calculated October 15th

Period Four: October 1st through December 31st

Calculated January 15th

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Every Two-Star Associate that is “active” on the calculation day will count toward your Elite Bonus point accumulation.

Once each of the Elite, Founder Elite and Founder Royal Elite members points are calculated, the company will take 2% of the company’s gross sales for the Bonus period and divide them by the total number of shares earned by all of the participating Members of the Elite Bonus Pool. That will establish the value of each point and every participating member will have the points they have qualified for multiplied by the established number to determine their payout.

ONCE YOU HAVE REACHED THE ELITE STATUS, YOU MUST NOTIFY THE COMPANY OF YOUR ELIGIBILITY. UPON VERIFICATION YOU WILL BE PLACED INTO THE POOL.

Any participant in the Elite Bonus Pool may increase his/her percentage of the pool by personally enrolling more Two-Star Crystals.

NOTE: Each quarter all Active Two-Star Crystals that you personally enrolled will count for you. KEEP ENROLLING and keep adding points into your percentage of the Elite Bonus Pool!

The Elite Bonus is calculated quarterly and paid the Month after calculation.

Definitions

Associate

An Associate is someone that has enrolled into Dream Tree for \$59.00 and has not made a product purchase. They have the ability to earn Retail Commissions on the retail products they personally sell. They will receive a position in the binary tree, their replicating website and Dream Tree's fully integrated back office. Associates may upgrade at any time. They do not accumulate PV and are not "Qualified" to earn Dual Line Commissions. There is no volume generated when the Associate Option is chosen.

Two-Star Crystal

A Two-Star Crystal has purchased any of the Two-Star Product Pack and has chosen to be an Associate at the time of purchase. They receive Dream Tree's replicated website and fully integrated back office as well as their water test kit.

They are eligible to earn Retail Commissions and Direct Commissions. Qualified Two-Star Crystals are eligible to earn Dual Line Commissions. They may also qualify to earn Matching Bonuses, Leadership Bonuses and have the ability (through Dream Tree's upgrade option) to participate in the Elite Bonus Pool. As a Two-Star Crystal the maximum weekly earnings in Dual Line Commissions is limited to \$2000.00 PER DAY. To maintain "Active" status, Two-Star Crystals must personally generate 50 PV every 90 days.

Silver Crystal

Any Qualified Two-Star Crystal that personally Sponsors and maintains 4 personally enrolled "Qualified" Two-Star Crystals will be promoted to a Silver Crystal and begin to earn a 25% Matching Bonus on the Dual Line Commissions earned by ALL of their personally sponsored Qualified Two-Star Crystals.

Gold Crystal

Any Qualified Two-Star Crystal that personally Sponsors and maintains 8 personally enrolled “Qualified” Two-Star Crystals will be promoted to a Gold Crystal and begin to earn a 50% Matching Bonus on the Dual Line Commissions earned by ALL of their personally sponsored Qualified Two-Star Crystals.

Platinum Crystal

Any Qualified Two-Star Crystal that maintains 4 Qualified Silver Crystals in “separate lines of sponsorship” will earn the position of Platinum Crystal. As a Platinum Crystal you will receive an additional monthly bonus of \$1500 the second consecutive month you have reached the qualifications. It is possible to reach the Platinum Crystal level while not maintaining your Gold Crystal Status

Ruby Crystal

Any Qualified Two-Star Crystal that maintains 8 Qualified Silver Crystals in “separate lines of sponsorship” will earn the position of Ruby Crystal. As a Ruby Crystal you will receive an additional monthly bonus of \$3000 the second consecutive month you have reached the qualifications.

Diamond Crystal

Any Qualified Two-Star Crystal that maintains 4 Qualified Silver Crystals and 4 Qualified Gold Crystals in “separate lines of sponsorship” will earn the position of Diamond Crystal. As a Diamond Crystal you will receive an additional monthly bonus of \$5000 the second consecutive month you have reached the qualifications.

Glossary of Terms

Retail Customer – does not participate in Binary Tree – may purchase product at retail price from an associate’s website. They receive a customer number that is assigned to the enrolling Associate to ensure the proper Associate gets credit for any additional sales.

Associate – enrolled at \$59 – earns retail commission on the sale of Ceramic Converter or Anion Power Shower Packs.

Two-Star – Associate purchased or sold minimum 70PV Dream Tree Two-Star Crystal Product Pack

Active Two-Star – A Two-Star Crystal that has purchased or sold a minimum 50 PV in the previous 90 days. (Note: all Two-Star Crystals are considered “Active” within their first 90 days.)

Qualified Two-Star – A Two-Star Crystal that has purchased or sold a minimum 50 PV in the previous 90 days and has at least two Active Two-Stars personally enrolled, one in their left line and one in their right line within the Dual Line Compensation Plan.

Elite Member – A Two-Star Crystal that has purchased the Elite Upgrade Package or has sold a minimum of 2,000PV from their personal website. They have generated at least 50 PV in the previous 90 days and have at least five Active Two-Stars personally enrolled, with at least one in their left line and at least one in their right line.

PV (Personal Volume) – points assigned to each product sale attributed directly to the Associate.

TV (Team Volume) – total PV of all your Dream Tree Family of Associates. TV will accumulate in your left line and in your right line.

Retail Commissions – The money earned by an Associate for “Personally” selling any Dream Tree product from their business to a non member. If an online purchase is made the retail commission is the difference between the retail price and the wholesale price. See the Retail Commission chart for the amounts.

Direct Commissions – The money earned by an Associate for “Personally” enrolling another Associate that chooses to purchase product at the time they enroll. The Direct Commission also applies to an upgrade order.

Cycle Bonus – “Cycles” are generated the moment you reach 600 TV with at least 200 TV in your smaller line and at least 400 TV in your larger line. The 600 TV in your two sides is converted from volume to \$40.00 dollars. This bonus will appear in your volume history in your back office at the moment the cycle is generated. (NOTE: a cycle bonus is generated every time a cycle occurs.) The cycle bonuses are totaled up paid once per week. A Two-Star can cycle up to 50 times PER DAY; a One-Star can cycle up to 12 times a week. If an Associate cycles more than 50 times in one day, the remaining cycles would be paid the following day.

Cap – Maximum compensation payout – If the commissions exceed 50% of the company’s total sales volume the company reserves the right to lower the commission payout by the % over 50. Dream Tree’s cap is 50% of the company’s total sales volume.

No Flushing – Any excess TV remaining after the cycle is generated will be carried forward and applied to the next cycle.

Matching Bonus – The matching bonus is paid to any “Qualified” Silver or Gold Crystal that has met the requirements described above. The Qualified Silver Crystal will earn a 25% matching bonus on the Dual Line Cycle Bonuses earned by any personally enrolled Associate, the Gold Crystal will earn a 50% match on the Dual Line Cycle Bonuses earned by any personally enrolled Associate.

NOTE: *Matching Bonuses will always go to the enroller of your original position. If you acquire any additional positions including spouse or business name they must go to the original enroller. Dream Tree’s goal is to reward the enroller and maintain the integrity of the Matching Bonus Program.*

Pay Week – Income is calculated daily, weekly, monthly and quarterly. Retail, Direct Commissions, Dual Line and Matching Bonuses are paid weekly. Commission checks are generated weekly. A weekly pay cycle is Tuesday through Monday. Commission Checks are calculated on Monday mornings between 9am and noon Central Time. The previous Commission Period ends the moment commission checks are calculated and the next period begins. Commission checks will be mailed on the following Thursday of each week, 10 days after the check is posted. All details are posted in your back office.

The Leadership bonus calculated monthly and paid the month following qualification.

The Elite Bonus is calculated quarterly and paid the following month of calculation.

Separate lines of personal sponsorship – Each separate line of sponsorship begins with one of your “Personally Sponsored Associates”. A single line of sponsorship may contain multiple Silver and Gold Crystals. If a line does contain multiple Silver and Gold Crystals “only one” may be counted toward the Leadership Bonus.

Active Rank – This display is in your Genealogy Tree in your back office and lets you know what the active status of each Associate is. The Active Rank represents what package the Associate has purchased or sold. If an Associate is listed as an “Inactive Associate” it means they have not made a product sale or purchase in their last 90 days. (NOTE: all associates are considered active within their first 90 days.)

Qualified Rank – This display is in your Genealogy Tree in your back office and lets you know what the Qualified Rank of each Associate is. The Qualified Rank represents what level an Associate will be paid as.

Qualified Rank Associate – This Associate does not have a personally sponsored Active One-Star or Two-Star Crystal on the left and the right, but is Active.

Qualified Rank Two-Star – This Associate is a Two-Star Crystal with a personally sponsored Active Two-Star Crystal on the left and the right. They are eligible to cycle and earn Dual Line Commissions.

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Qualified Rank Silver – This Associate is a Two-Star Crystal that has met the Silver Crystal qualifications.

Qualified Rank Gold – This Associate is a Two-Star Crystal that has met the Gold Crystal qualifications.

Qualified Rank Platinum – This Associate is a Two-Star Crystal that has met the Platinum Crystal qualifications.

Qualified Rank Ruby – This Associate is a Two-Star Crystal that has met the Ruby Crystal qualifications.

Qualified Rank Diamond – This Associate is a Two-Star Crystal that has met the Diamond Crystal.

Annual Renewal Fee – An Annual Renewal Fee of \$59.00 is required to maintain your active website and back office and is due on your anniversary date.

Income Disclaimer: *The Dream Tree Family Compensation Plan does not guarantee any income. Each person's results may vary based on their work and effort. We do not make income claims. Please refer to your Enroller for his or her personal projections based on the math of the compensation plan. Your income is strictly based on the time and effort you put into building your business. The Dream Tree Family reserves the right to modify the Dream Tree Compensation Plan.*