



The Official Empower Network Affiliate Compensation Model

Revised by David Wood, CEO on 12/20/2011

The Empower Network was built with two goals:

1. To help you make more money in your existing business, by giving you tools, training, coaching, and systems that work with your personality to help you get results, reduce costs, and live a more empowered life.
2. To help provide you with a way to create leveraged affiliate income from marketing our systems, tools, and trainings to help people in the Direct Sales, Network Marketing, and online marketing niche succeed more in their business. To do this, we have created a system that distribute earnings on a potential of 100% commissions on the total purchase price of the product being sold, for all of our core product line. (see definitions at the end of this document)

4 Important Points

ONE – You can't make money from recruiting affiliates only - ***commissions are only generated from the sale of our marketing systems, education, and training tools*** that serve the greater Network Marketing, Direct Sales, and Affiliate Marketing niche.

If someone registers through your affiliate link as an affiliate, but does not purchase a product, there is no commission generated. Commissions are only generated by selling products, and customers can choose optionally whether or not they want to activate their affiliate account.

Becoming an affiliate is optional.

AFFILIATE OPTION: Empower Network affiliates are also not required to join the Basic Membership in order to become an affiliate. If you are an affiliate of Empower Network, then affiliates may sign up through your coded affiliate link at: <http://www.empowernetwork.com/affiliates?id=YOUR-USERNAME> (replace YOURUSERNAME with your username)

As a customer and/or an affiliate, you can choose to use our products to build traffic, leads, and marketing campaigns for any business you choose.

TWO – Each product has its own affiliate compensation plan, which is not tied to any of the other products. The compensation plan for each product has to be activated individually. Future 'core' products may alternate the structure of the plan below for the additional product. (Example shown later in this document.)

THREE – The structure of this compensation plan, the success of other affiliates, and our system does not guarantee that you will earn any money. While many of our affiliates earn SIGNIFICANT income, many also do not, and by participating as an affiliate, you agree that is ok, and that your own success is based on your marketing skill, hard work, leadership ability, and other factors we may or may not present in this document.

FOUR – In order to qualify to receive commissions and participate in the following commission plan, there are 3 steps need to be completed:

See our Full ***official income disclaimer*** at:
<http://empowernetwork.com/income.php>

Step One – Execute an affiliate agreement by registering on the *affiliate agreement* page from your referring affiliate.

Step Two – Generate the required **product sales** to activate the commission structure on EACH PRODUCT.

This can be done by either:

A. Purchasing the product **for your own personal use**, and maintaining a subscription to that product if it has a monthly fee.

If you have completed the other 2 steps to activate the commission structure, your affiliate application will be activated to begin to receive commissions under the compensation plan for that product with your first sale.

Before you make your first sale, you will be classified as a ‘customer only’.

OR...

B. Generating one **customer ‘non-affiliate’ sale** of that product. (Compensation for each product is activated separately.)

Until your compensation of a particular product is activated either through personal use or customer sales, you receive no benefit for referring affiliates, or the sales of those affiliates for that particular product.

It should be noted that if the product in question is a monthly subscription, you have maintain a customer subscription either through purchasing it for your own personal use, or maintaining one active customer subscription. You will then be activated to participate in the full commission structure with your next sale of that product, and receive commissions immediately.

Many affiliates choose to purchase the product for their own personal use, to help them promote their own business outside of Empower Network, and to aid them in understanding the value and sales message, however, purchasing a product is not required to activate a compensation plan on any Empower Network system, tool, or training product.

Step Three (IMPORTANT) – Empower Network operates on a principle called ‘direct pay’ where your customers who fall on qualifying 100% commissions actually make payments to you directly. In order to participate in the Empower Network affiliate compensation plan, you have to activate one or more methods of receiving payment in the profile area in your Members back office. The direct link to update your payment methods on your business profile is: <http://empowernetwork.com/Members/profile.php>

* If any of the three requirements are not met, you will not qualify to receive commissions for that particular product/or any of them, depending on which step is missed, (Example: it is not possible to be paid without an activated payment method), you will not qualify under the commission plan for that product, and all commissions and powerline sales will pass over you to the next qualifying affiliate. If you have purchased a product, and do not meet any of the rest of the criteria, you will be classified as a ‘customer only’ and all commissions and affiliate powerlines will be assigned to the next active referring affiliate.

* See definitions for more information on payment methods/fees that are available in various countries.

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Currently, all of our products operate on a 'dynamic powerline' system, where the 2nd, 4th, 6th and every 5th sale of every affiliate pass to the qualifying sponsor, and you keep 100% of the purchase and ongoing price on all other personal sales on products you qualify for.

Customers (non affiliates) also have the ability to refer other customers. Although they don't receive commissions, they have the ability to get a free product, or a free subscription, by maintaining 2 active customer referrals of that product.

All customer referrals are counted as personal sales to the next qualified sponsor, and referrals will fall on the regular powerline structure for that sponsor.

Here is an example based on the sales of the basic membership:

In this hypothetical example, it is assumed that you are fully activated as an affiliate for the "blogging system" \$25 monthly membership by following the three steps outlined earlier.

If you referred Lisa, and she decided to purchase the blogging system, and fell on your first position, you would receive a direct, monthly recurring payment of \$25.

You would then pass up the product purchase from sales 2, 4, 6, and every 5th to your powerline sponsor for the blogging system.

If you then sold a blogging system to Frank - Frank would stay connected to you for future products, and the sale of the blog would pass to your sponsor. You would then collect a 100% commission on sale 3, 5, and 7-10, etc.

Next, Lisa activates her affiliate account by agreeing to the affiliate terms and activating a payment method. (Remember, since she is already a customer herself, she does not need to have a qualifying sale).

When Lisa starts marketing successfully and generating product sales, you would receive a direct payment for monthly subscriptions in the above example for her 2nd, 4th, 6th, and 11th sale.

If Lisa continued marketing the system, you would also receive a 100% direct commission payment for her sales 16, 21, 26, 31, etc to infinity for her personal referrals.

Lisa would keep 100% of sales 1,3,5, 7-10, 12-16, etc - just like you do on your own personal sales.

Here's an illustration of how that would work with both affiliates and customers in your organization:

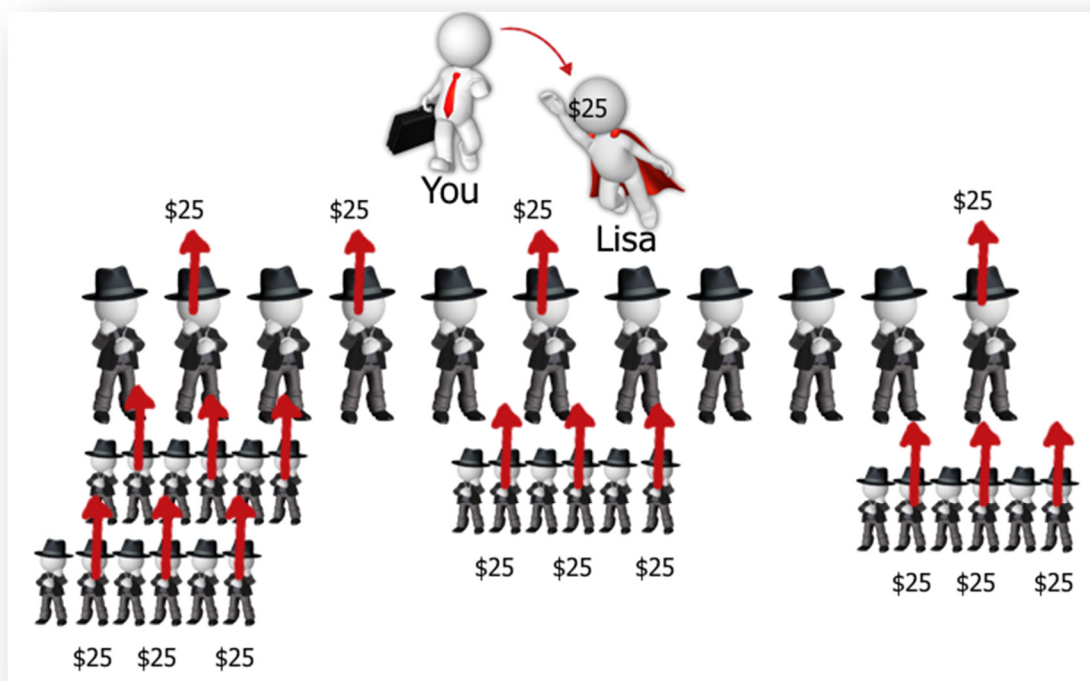
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We believe this is a tremendous advantage, because you have the motivation to help Lisa become a successful affiliate, because you earn a full 50% of her first six sales, and a full 20% of all the 100% commissions paid by her future customers, without actually 'losing' the future potential value of any customers - it is a real win/win scenario.

Remember, the powerlines (see definitions) are PER PRODUCT SALE, and are not based on the order of affiliate recruiting, customer signups, nor are they based on the sale of any other product. If you are qualified on 2 products, but not on the 3rd, the sale of the 3rd product would skip to the next qualified affiliate, until you meet the parameters to qualify on that product.

Also, all sales that you receive direct payment on are now linked to your sales powerline for that product, and you would also receive a direct, 100% monthly recurring commission, not just from their personal purchase, but their referrals would count as qualifying sales if they are customers. If they are affiliates, you would also receive powerline commissions on their 2nd, 4th, 6th, and every 5th sale - unlimited levels down within the affiliate tree. The reason you can be paid on powerlines down unlimited levels is because there is actually only one person being paid on each product sale.

See the example below:



In the above hypothetical example, we're assuming that Lisa's 2nd, 4th, 6th and 11th sale also became affiliates and began referring other customers to the blogging system. You would be receiving \$425 monthly in direct customer payments - a total of 17 member subscriptions from referring just one extremely aggressive marketer!

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Before someone 'activates' the affiliate agreement on this, or any other product by following the three steps outlined earlier, they are not eligible to participate in this system, and if they referred Lisa in the example above, the entire powerline structure for THIS PRODUCT would pass to the next person in the sponsorship tree who is qualified to receive commissions on that purchase.

It's important to note, that in the powerline system, you ARE NOT passing up affiliates OR customers - you are simply passing up that particular product commission, and the powerline tree for that compensation structure. If you passed up the powerline sale for Lisa, in this example, she could still be personally connected to you on one, several, or none of the other products based on the structure and qualifications.

Remember, the compensation structure is NOT based on the order of recruiting affiliates - it is based in the actual order of products purchased. An affiliate could decide to purchase no product at all, and if they made no customer sales to qualify - there any affiliates recruited would pass to you until they did, and you would be paid based on the order that actual product sales were made.

If they chose this method, and then started referring customers, you would get all affiliate powerlines and their first customer sale would then qualify them on that product's commission structure, and would start being paid with the normal compensation plan as long as they maintained one active customer on that product purchase.

Also, if you are qualified to receive powerline sales on one product, but not another – the powerline sales of that product would skip over you to the next affiliate who is qualified on THAT product. All qualifications happen on a per product basis - and one product does not necessarily activate another.

REMEMBER - you are not 'passing up' affiliates OR customers - you are passing up **powerline commissions on a per product basis** - and it is the same when you receive passups. AKA - your affiliate team does not 'pass' customers to you - only sales and powerline commissions on that individual product.

We have found that the powerlines tend to 'stagger' and you might receive all product commissions on a customer, or you could receive one, and pass up the others - it is based in the order of purchase on a per product basis.

Current Products Available In Our Affiliate Compensation Plan:

The Empower Network is a training and educational services company, which provides marketing tools, systems, and ongoing training as a service to the Network Marketing, Direct Sales, Affiliate Marketing, Coaching, and Online Marketing niche. We also allow affiliates to earn 100%, direct commissions on qualifying product sales in a 'powerline' commission structure described above, on a per product basis.

Think of us as a community Personal Development, Traffic Generation, Business Networking, and Training community that supports those niches, and our products will make sense to you, even if you are not in the niche - we provide value by helping people make more money in their business through education, personal growth, perseverance, and real world 'grass roots' marketing tactics.

Here are our current products, and their associated compensation plan:

Product ONE: The Empower Network Viral Blogging System:



This is the core, introductory product offered through our marketing platform.

It offers:

- Simplified, complete blogging and internet traffic system
- Design structure that is optimized for marketing conversions,
- High converting lead capture pages
- Full web hosting and free system upgrades
- Full access to your leads and customer database
- Full Fast Start Training series to educate you on how to start getting results by participating in our marketing platform
- Access to our weekly training calls to help educate you on getting results.

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This product is designed as both a traffic and lead capture platform for a 'front end' marketing product to help you market a primary business of choice on the back end of our platform and help cover your marketing expenses and create additional income.

We do not collect statistical information on what businesses our members choose to market, as that is proprietary information to them.

A customer may also elect to be a customer only, and participate in the lead capture, blogging, and traffic system but not to receive commissions.

The current total price per customer of \$25 per month, and 100% of the purchase price is paid out to the qualified affiliate within the compensation structure. The compensation structure is a 'reverse powerline' system, where sales 2, 4, 6, and every 5th pass to whoever you are connected to on your qualifying sponsor for this product. Also, you receive sales 2, 4, 6 and every 5th from every affiliate who is personally connected to you on this product purchase residually, as long as they maintain an active subscription.

Product TWO: The Inner Circle Membership:



This is the core ongoing training product, and consists of audio training and interviews from marketing experts within the online marketing, direct sales, and network marketing niche.

It is updated between 2 and 4 times per week with new audio material that is available for download, and also to listen to online via the members area.

We encourage Inner Circle Members to listen to these trainings in their car, while exercising, and in 'down time' and to apply the marketing concepts in their business. All existing audio trainings from the Inner Circle are available for active members to download at any time.

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The current price of the Inner Circle is \$100 per month, and 100% of the \$100 payment is paid to the qualified powerline affiliate on a monthly, residual basis as long as the customer stays active on the program.

The commission structure for this product operates under the same powerline structure as the basic membership, and sales 2, 4, 6 and every 5th pass up from qualified affiliates to the powerline affiliate they are connected to on this product.

Product THREE: The Costa Rica Mastermind Intensive Video Series:



This is a private, 12 hour professional quality video recording of a retreat held in a 10,000 square foot home, overlooking the ocean near David Wood's mountain home in Costa Rica.

Participants paid \$2,997 to attend the 3 day work shop, and David Wood covered in detail the entire business structure of starting, maintaining, and growing an online information marketing empire, along with 4 guest trainers - David Sharpe, Chris Rocheleau, Lawrence Tam, and The MLM Brothers, covering the entire foundation of internet marketing and 'hypnotic' sales psychology to grow any direct sales business to unlimited heights.

This product is available for a one time purchase of \$500 and includes a 42 page online instructional manual, 12 hours of professional video, quizzes, and step by step guidelines.

There is a 100% direct payment commissions on this product of the entire \$500, and it operates under a reverse powerline system where a 100% direct commission on sales 2, 4, 6 and every 5th pass to the qualifying powerline affiliate.

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Definitions:

Core Products:

A 'core product' is a product that is a 'stand alone' upsell in the Empower Network Funnel, that affiliates participate in a 100% commission payout plan. This is only possible with products that only have minor overhead, such as ongoing audio training, video training, and blog hosting.

Sales for admission to training events a 'non-core' product, because there is no way to pay for the overhead of a training event and still pay 100% commissions.

Also, there may be future 'non-core' products that do not pay out in the same 100% commission structure, for example, if there are offline DVD's, a post card system, or anything that creates excessive overhead for the company - it would not be possible to maintain that commission structure, however, no plans for any such products are currently under way.

Affiliates:

An affiliate is defined as someone who has:

1. Executed an Affiliate Agreement by agreeing to the affiliate terms and conditions.
2. Activated a payment method to receive payments from product sales.
3. Is actively qualified to receive commissions on at least one product, by either making a purchase for personal use, or referring one non affiliate customer.

Customers:

A customer is defined as anyone who has purchased any of our products, but has not yet activated the affiliate compensation plan, or who has chosen not to participate.

Powerlines:

A powerline is a unique structure that appears in a team, where receiving a commission from a product sale automatically attaches the downline powerline to you from that customer, for that product.

In other words, if you sell the \$500 Costa Rica package, and that customer chooses to become an affiliate, that affiliate's 'powerline passups' would go to you, and there are no additional qualifications to receive them.

So if you only made one sale, ever - and the powerline passup structure was 2, 4, 6 and every 5th, as it is with the Costa Rica product, then if your sale personally sold 30 of that product, you would receive sales 2, 4, 6, 11, 16, 21, and 26 for that product from that customer.

Also, those sales are now connected to you, and if any of them choose to become affiliates and also resell that product, the same structure from them passes to you.

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Since technically, each sale is paid only to one person, and each product sale only pays one level of commissions, powerlines have the ability to reach unlimited levels of affiliates through an organization, within that specific structure.

For example, in this case, if sale 2 referred 2 - you would get the 2nd sale, if they referred 2, you would get their second, and so on with no limitations or additional qualifications.

Sale:

A sale is simply defined as an actual purchase of one of our products. Both consumers (non affiliates) and affiliates are free to purchase any product they choose.

Payment Methods:

***** IMPORTANT:** Some of the payment methods require a monthly, and/or per transaction fees, and are considered a normal **business expense**, as it is the only method that we can have your qualifying customers pay you 100% of the purchase proceeds and maintain a viable product and company infrastructure to support the future growth of your business.

Depending on the country you are in, and other factors that may be unknown, **the fee may vary** depending on the merchant/payment solution currently available.

(AKA - if Empower Network took the payments directly, and attempted to pay you 100% commissions, we would be losing money on every payment from eating per transaction fees, ACH fees, etc - we would be losing essentially 3-5% every time we paid you a commission - plus, you wouldn't be able to receive the money directly and immediately)

We **strongly** feel that passing the ability to you to have control over your business, to receive payments directly, and to take responsibility for your customers gives you an edge in the marketplace that can contribute to a dramatic increase in success when you apply proper marketing principles and hard work to the following plan, and as such, we desire full disclosure of any and all fees, even if charged by third party, independent merchant processors.

As of the creation of this document, there are currently 2 payment options programmed into our system.

The first is included with the Affiliate Tools and is called the eWallet. This payment processor is available to the active affiliates of Empower Network who activate their affiliate agreement and pay the \$19.95 affiliate fee. (Even though the eWallet is included within the Affiliate Tools it is still an independent merchant from Empower Network and is subject to the processing fees that are determined by the merchant. Processing fees are NOT determined by Empower Network.)

Authorize.net CIM payment gateway is an optional payment processor for affiliates that are more advanced and have created their own merchant account separate from Empower Network. Authorize.net CIM is completely optional and only recommended to those affiliates that are comfortable and knowledgeable with setting up their own external merchant account.

Whether or not you use Authorize.net CIM it is still required to have an active affiliate account which requires payment of the Affiliate Fee.

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A Few Important Points:

There is a difference in the sales structure from customer versus Affiliate/team sales, because customers are not eligible to receive commissions unless they choose (optionally) to execute an affiliate agreement and follow the three steps to activating the commission plan.

Similarly, an active affiliate may choose to change their preference to 'customer only' at any time. The commission difference is caused by the 'customer referral program.'

Customer Referral Program:

The difference is caused by a bonus program where any customer can refer 2 other customers, and receive that particular product for free. In this case, both sales, and all associated referral sales unlimited levels down would pass up, and fill the powerline structure to the next qualified referring affiliate, and the customer would simply get free access as long as their referrals maintained an active subscription.

The customer referral program refers to **customer sales only**, and an affiliate who elects to purchase a membership does not count towards the 'free product' option.

Also, the customer referral program does **not** refund one time product purchases, it only grants new access, and will grant a customer free access to a subscription product as long as they have 2 active **customer referrals**.

Known Issue In The Direct Pay/Powerline System

(it's ok, really...)

Because we are operating in a 'direct pay' system and the powerlines are calculated in real time, it is possible for the initial purchase to be credited improperly - there is no way to fix it, and existing sales cannot be re-credited, because commissions are already paid directly to the referring affiliate the moment the sale is made. (So please, don't ask, **the answer is no...**)

This is a rare issue, and you have to just be ok with it, and by participating, you agree not to try to re-assign people, I want you to understand that this plays out equally over time, because it happens with the same mathematical predictability.

Let me give you an example - let's say you were fully active on the Inner Circle Membership for \$100 per month, and you had not yet made a sale.

On your first sale, you would qualify for a residual commission of \$100 per month – and let's say you had 2 people hit your order page simultaneously. Our system will do a database query to check who the sponsor should be, and populate the payment form with the API data of the affiliate's merchant account.

In this case, it may detect that no sale has been made, and will pull the same API data for both customers. If both of the customers paid without refreshing the screen, it is possible that you would keep the recurring subscription to both sales, when you should have passed up one.

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The system will then correct the powerlines for future sales, but the subscription to that product will go to you - so in this example, you would have received an 'extra' \$100 per month that would have ideally been paid to your powerline sponsor on that product.

If your customer then cancelled his payment and resubscribed at any future time, the payment would be corrected, and also all future powerlines would also be assigned properly from that person who was misplaced on the initial payment.

This isn't really a negative, but if the opposite happens (very occasional that either of them do) you could pass up 2 sales simultaneously. Also, you could have someone pass 2 sales to you, when they 'ideally' would have passed one.

This is part of the compensation plan, because the only way to fix it would be to remove the ability to receive 100% commissions :) You do want 100% commissions, right?

From 01.15.2012 To 02.14.2012					
Income Levels (Month)	% of Average Weekly Distributors	Weekly Income (GBU)			Annualized Average Amount
		High	Low	Average Amount	
\$30,000 +	<1%	\$13,125.00	\$5,575.00	\$8,206.00	\$426,725.00
\$20,000-\$29,999	<1%	\$7,700.00	\$3,825.00	\$5,163.00	\$268,450.00
\$10,000-\$19,000	<1%	\$6,825.00	\$1,475.00	\$3,353.00	\$174,363.00
\$5,000-\$9,999	<1%	\$3,025.00	\$125.00	\$1,585.00	\$82,397.00
\$1,000-\$5,000	4%	\$2,375.00	\$25.00	\$556.00	\$28,921.00
\$500-\$999	5%	\$900.00	\$25.00	\$202.00	\$10,492.00
\$100-\$500	34%	\$450.00	\$25.00	\$95.00	\$4,928.00
less than \$100	55%	\$75.00	\$0.00	\$27.00	\$1,418.00

The income statistics above are for all active affiliates world wide for the date specified above, are based in US dollars, and updated frequently. An 'active affiliate' is defined as someone who: 1) Has executed an affiliate agreement; 2) has paid, and is current in paying the monthly affiliate fee; 3) has earned at least one commission in the last 30 days; 4) has either an approved merchant account, or integrated a payment method in the members area; and 5) has not been terminated, or chosen to discontinue for any reason.

View the full Official Income Disclaimer at:

<http://empowernetwork.com/income.php>

Folks, obviously, the income examples discussed in this video are extraordinary. The income claims presented are not intended to serve as a guarantee of income. Instead, they're designed to give you an idea of what's possible. Success in this business requires leadership, hard work and dedication. Since we want to help you make an informed decision, we've gone above and beyond with our income disclosure document. If you want to see the average earnings, please visit the page at: www.EmpowerNetwork.com/income.php. Make sense?

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Final Thoughts (From David Wood, CEO and Co-Founder)

I designed the Empower Network affiliate compensation structure based on how I've always wanted to get paid, being in the Network Marketing industry for the last 9 years, and now in the affiliate marketing industry for the last 2 1/2 years.

I've always been frustrated with the enormous teams that I've had to build to earn a significant residual income, and wanted a way for the average person, with no previous experience to get involved, and have a CHANCE at creating a real, life changing income, while providing real value to the market place, and training, tools and resources that have changed my personal business and outlook on life.

Dave Sharpe and I partnered together to combine our different kinds of marketing skills into a platform that combined the power of direct response with social media and "hypnotic selling" tactics that worked...

...the way the internet does.

We decided - why fight Google and Facebook, why not create something that the INTERNET loves?

It worked.

Within six weeks of launching the company, we paid out more than \$1.8 million in direct commissions, with no substantial pre-launch period, selling more than 12,200 blogging memberships in 99 countries around the world.

Right now, we're getting millions of page views per day on our site, and supporting people in over 100 different network marketing companies, helping them make more money, learn critical marketing skills, and we have created more people making life changing income than I've personally seen.

Am I making a wild claim there? No, I just have never seen 57 people make more than \$5,000 in the first 60 days of a company - let alone a virtual company that started with 2 founders, one employee, a programmer, and a server that couldn't handle the load.

In a month, we expanded to 10 full time support staff, a server infrastructure that we can scale to unlimited traffic, and...

...it's just the beginning.

This document may have seemed a bit complex, it is designed for the 'logic thinker', not the typical marketer.

For me, I've actually never cared.

How do you make money, in this, or any other direct sales or affiliate company?

Sell lots of products, recruit other affiliates. Teach them to do the same. Keep it simple, and I hope

to see you on the beaches of the world.



To YOUR success,

David Wood

CEO and Co-Founder

Empower Network, LLC

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