

Vinomis Affiliate Program (VAP)

Program Description & Commission and Bonus Plan

Effective September 15, 2009

Introduction:

The Vinomis Affiliate Program (VAP) enables its Affiliates to earn valuable commissions by selling Vindure products, and referring people to purchase Vindure.

Affiliate Center:

The Vinomis website has an Affiliate Center (www.vinomis.com/affiliate-center), which is a collection of web pages with valuable information for the Affiliates (i.e. reports, order information, commission information, marketing materials, forms, etc.) See **Online Affiliate Pages** below for more details.

How to Earn Affiliate Commissions:

Affiliates earn commissions in <u>any or all</u> of the following three (3) ways.

- Purchase Vindure products at a discount and re-sell at regular prices
- Sign up customers for the Automatic Recurring Reorder program (90 days supply every 90 days automatically billed to customer's credit cards). Affiliates earn a bonus for the initial sale, and a continual commission on recurring 90-day sales (for a period of 2 years).
- Refer customers who use the Affiliate's unique VAP-CODE which is tracked when customers purchase Vindure online or via telephone.

Affiliate Earnings:

Earnings can receive payment in any one of three (3) forms.

- Cash
- Free bottles of Vindure
- Donation of commissions to ongoing medical research

How Affiliates are Paid:

Affiliates are paid <u>monthly</u> so long as their accrued commissions plus bonuses exceed \$25.00. If they are less than \$25.00, the payment rolls into the next month. Should Affiliates decide to quit the VAP, they will receive final payment the subsequent month. Payments can be made in 1 of 2 ways.

Via PayPal

Via written check or direct deposit (for a processing fee of \$1.00)

IMPORTANT NOTE: Affiliate must complete and email the electronic W9 form. An original signature is not required. Please enter your full name in the signature box.

Receiving Free Vindure instead of Cash

Affiliates may choose to receive Vindure product instead of cash. Under this option, a Free bottle of Vindure 900 will be sent to the Affiliate whenever \$36.00 (a 10% discount off the regular price) in commissions and bonuses are accrued in their account as of the end of the month.

Donating Earnings to Ongoing Medical Research

Affiliates may choose direct their cash earnings to ongoing medical research in the areas of Resveratrol and Red Wine Grape polyphenols on a dollar-for-dollar basis. This contribution <u>may</u> be tax-deductible.

Purchase Vindure for Resale:

Affiliates can purchase bottles of Vindure as follows, and sell at regular retail prices (\$39.95 per bottle). Note that the discount percentage = the effective commission rate for purchased bottles.

•	6 pack	\$219 (8.5% discount)
•	1 case (24 bottles)	\$850 per case (11.5% discount)
•	3 cases (72 bottles)	\$800 per case (16.5% discount)
•	6 cases (144 bottles)	\$775 per case (19.2% discount)
•	12+ cases	\$750 per case (21.8% discount)

When Affiliates purchase bottles of Vindure for resale, the Affiliate is responsible for collecting payment from customers. NOTE: Affiliates should not sell Vindure 900 for greater than the \$39.95 list price.

VAP-CODEs:

Each Affiliate is assigned a unique VAP-CODE. Whenever a purchase is recorded (online or via telephone) using the VAP-CODE: 1) customers receive discounts as an incentive to use the VAP-CODE, and 2) orders are tracked back to the Affiliate, who can view all their orders on the Online Reporting System.

Unique Vinomis Affiliate-Page:

Each Affiliate will receive a <u>unique</u> web page (Affiliate-Page) on the Vinomis website (<u>www.vindure.com/affiliate-name</u>). In addition to in-depth Vinomis information, the Affiliate-Page can carry Affiliate's contact information, photo, links, etc. Affiliates may then direct customers to this Affiliate-Page. All purchases made from this page, <u>or any other page linked to this page</u>, will carry the unique VAP-CODE and the Affiliate will receive sales credit.

NOTE: Affiliates should strongly consider creating their own website/blog to attract Internet traffic. This website/blog can be links to the Affiliate-Page, or directly to Vinomis. In either case, again, the VAP-CODE will be carried and the Affiliate will receive sales credit.

Vindure Automatic Recurring Reorder (ARR) Program:

Vinomis, and its Affiliates, can sign-up customers for the Automatic Recurring Reorder (ARR) program, which ensures that customers always have a supply of Vindure. This program mails a 90-day supply of Vindure to customers every 90-days. Customer's credit cards are automatically charged each 90-days. Affiliates may sign up customers directly online, or they customers may sign up themselves and use the Affiliate's unique VAP-CODE online or via telephone. All orders using the VAP-CODE are tracked back to the Affiliate.

Affiliates earn a bonus for the initial ARR order, and a commission on all continuing orders for a period of up to 2 years. If the customer cancels their ARR program, Affiliates cease receiving ongoing commissions for that order.

Personal Vindure Purchases:

Each Affiliate will receive a Personal-Affiliate-Code for <u>their own use</u>. This entitles Affiliates to receive a 10% discount on all of their personal purchases. Affiliates are limited to purchase 3 bottles at this price per month.

Sub-Affiliates:

Affiliates can earn additional money by signing up other sub-Affiliates who are also interested in selling Vindure. Sub-Affiliates are people they <u>directly</u> refer to become members of the Vinomis Affiliate Program (VAP). Affiliates <u>also earn commissions</u> on sales of their network of sub-Affiliates. There is only 1-level of sub-Affiliates.

Sub-Affiliates may sign up using the VAP-CODE, or via the Affiliate-Page.

Affiliate Membership Levels and Commissions:

There are three (3) levels of membership in the VAP - *Silver, Gold, and Platinum*. Reaching and maintaining each level requires a minimum level of annual purchases and new customers. [Note: commissions percentages are paid on the <u>net</u> sales price (after any discounts).

All purchases by the Affiliate and their sub-Affiliates are counted toward achieving and maintaining these levels. Total purchases for the prior 12 months are calculated monthly, and the membership level adjusted accordingly.

Silver: Affiliates <u>earn 5%</u> on their direct sales, and an additional 2% on sales from their sub-Affiliates. All new affiliates are assigned to this level. Personal annual sales of \$1,000, or personal plus sub-Affiliate sales of \$2,000, <u>and</u> a minimum of 3 new customers, are required to maintain membership in the affiliate program.

Gold: Affiliates <u>earn 6%</u> on their direct sales, and an additional 3% on sales from their sub-Affiliates. Annual sales of \$4,000, or personal plus sub-Affiliate sales of \$8,000, <u>and</u> a minimum of 6 new customers, are required to maintain this level.

Platinum: Affiliates <u>earn 7%</u> on their direct sales, and an additional 4% on sales from their sub-Affiliates. Annual sales of \$8,000, personal plus sub-Affiliate sales of \$16,000, <u>and</u> a minimum of 12 new customers, are required to maintain this level.

Bonuses:

Automatic Recurring Reorder (ARR) Program: A bonus of \$20 is earned in addition to commissions for customers who join the ARR program and reorder at least once.

New Sub-Affiliates: When Affiliates sign up a "sub-Affiliate" through their purchase of an Affiliate Kit, you, the Affiliate, earn a bonus of \$10.

Affiliate Kit:

In order to join the Vinomis Affiliate Program, an Affiliate Kit must be purchased chosen. There are two (2) different options:

Affiliate Kit includes:

- A Personal-Affiliate-Code for 10% off your personal purchases (annual value of \$12 assuming you purchase 1 bottle per month)
- 10 Vindure 900 sample packs labeled with your Affiliate VAP-CODE (3 tablets each)
 - o NOTE: 30 tablets have a value of \$39.95
- VAP referral business cards printed with your Affiliate VAP-CODE
- 25 Vindure 900 brochures
- Affiliate-Page web page
- Other sales and marketing presentations, articles, and aids in printed and electronic form

Referral-only option:

- Affiliate VAP-CODE
- Affiliate-Page web page

There are NO personal discounts on Vindure with this Option

Affiliates may purchase additional sample packs, referral business cards and marketing materials through the Affiliate Center on the Vinomis website.

Online Affiliate Pages:

Vinomis has developed the Affiliate Center, a series of online pages dedicated to Affiliates and the VAP. When Affiliates log onto the Vinomis website, there is a host of information specifically geared to Affiliates. Of course, should Affiliates have any questions, they can email Vinomis at support@vinomis.com or call 1-877-4-Vinomis (484-6664).

- Detailed Affiliate reports of sales and commissions
 - o By customer
 - o By month
 - o By sub-Affiliate
- Sales and marketing materials
- Banners and Links from Affiliate websites to the Vinomis website (these links "carry" the unique VAP-CODE with them for tracking of orders back to the Affiliate)
- Affiliate Agreements and contracts
- W9 Tax Forms (required by the IRS to report earnings)