

25% Banked Volume Explanation

Change-

In this day and age it wouldn't be good judgment to believe things don't change and things don't need to change. Change happens daily in our school systems, governments, and especially small and big businesses. It would be naïve to think or be surprised of any change in Xoçai that has happened or will happen in the future. Albeit that ALL Xoçai changes to the products, distribution, and compensation benefit the entire company as a whole, including distributors. Furthermore, any change tends to effect the inactive distributors much more than the active distributors.

Some of the most recent changes in the Xoçai Product Line include merging the Cookie and the Protein bar. This new product will be available soon. Xoçai also recently replaced the head of customer service to better serve its distributors. Xoçai also scaled back a \$750,000 reward cruise and put those 'saved dollar' directly into the compensation plan.

A recent change to the way 'banked volume' is accounted for in the compensation plan has left some confused. This article is to address the confusion and the reasoning for the change.

Like any commissioned based profession, it can be a financial burden on a company and it's employees and distributors to pay an individual more than he or she is worth to the company. Recently there have been Xoçai distributors drawing large checks from the company from work completed years ago. This isn't so much the problem. The problem is that these distributors have stopped contributing to the company and have stopped building. The compensation model and the distribution of these large checks was, and is, justified only by the continued involvement of the distributor, either part-time or full-time, but NOT the sudden inactivity of the distributor. This inactivity puts stress on the compensation plane and awards LESS to the active distributors. If active distributors do not earn what they expect to earn by joining the Xoçai Opportunity they will ultimately lose interest and quit.

Infotrax, the computer software program that controls our back-office system, has nearly 200 clients or network marketing companies they service. At a price of \$50,000 paid by Xoçai, they analyzed our compensation plan to ensure the longevity of its payouts. They also analyzed EGB to figure out solutions on how to raise that number. Infotrax isolated the problem with the compensation plan-----BANKED VOLUME. They said Xoçai was the ONLY Company they serviced that still allows banked volume. They counseled Xoçai to eliminate it as banked volume is a liability to the compensation plan. Xoçai refused to eliminate the banked volume since they feel it's a great component to our plan. However, it was agreed by the FAB Board that a distributor can only draw from so much banked volume at any given time. The amount of banked volume that can be drawn is limited to 25% of the weak-leg reoccurring volume. For example, if a distributor has \$10,000 in volume on the weak leg during a given week, that distributor can draw up to \$2500 of banked volume. If a distributor has \$60,000 in weak leg volume during a specific week, that distributor can draw up to \$15,000 in banked volume. Any commission missed due to insufficient weak leg volume DOES NOT DISAPPEAR, but rather gets carried forward on the strong side. For this reason, a distributor may see banked volume on both sides of their business.

Distributors that are affected by this change WILL STILL get paid their banked volume. However, that payment will be made over a longer period of time. For example, if a distributor has 500,000 of banked volume (\$50,000 in banked commissions), that \$50,000 might be paid-out over the next 36 months rather than the next 14 months based off of the weak leg volume weekly volume. Nevertheless, that distributor, AT ANYTIME, can re-engage, increase their volume, and speed up the delivery of those commissions. The distributor has full control how fast he or she wants to be paid those banked volume commissions.

Last, it should be noted that there will be very few ACTIVE distributors temporarily affected by this change. It is reassuring to know that the current

decrease in commission that distributor is realizing will simply sit 'banked' until that distributor increases his or her volume. Any distributor falling into this category should immediately contact his or her upline Double Diamond to discuss an immediate plan of action to bypass this temporary adjustment.

Here is a video of how this change may or may not effect your commission:

<http://youtu.be/GMopKOyQCmo>

I hope this was clear, concise, and informative.

**Jared Overton
Presidential**