

Kynect Income Disclosure Statement

Who Is Kynect?

Kynect is a direct sales company providing savings on everyday services. We emerged in 2005 with a goal to help as many people as possible change their lives for the better—not just through extra income, but purpose. Our hope is that anyone who chooses to join feels connected to something greater: The opportunity to do good for others and have a lot of fun along the way.

How Does the Business Work?

Kynect Independent Associates (IAs) can earn income by enrolling customers in essential services, like electricity, natural gas, wireless plans, and home security. To unlock even more earning potential, they invite others to start a business and show them how to enroll customers.

How Do I Earn Money?

Whether you're looking to build a social network or a little extra cash, the building blocks of our business are the same.

Enroll Customers



Teach Others To Do The Same



You can earn...

1. Weekly bonuses
2. Monthly recurring income
3. Incentives (Trips, Car Stipend, Additional Income, etc.)

Just so we're clear: You will not be paid by recruiting others to join Kynect. All income is based on your personal customer enrollments and your team's customer enrollments.

Kynect's Big Earnings Picture

\$30,446,883

In 2020, Kynect paid \$30,446,883 in commissions and incentives to Associates. 20,002 Associates earned income in 2020.

\$1,540

The average Associate earned \$1,540. 241 Associates qualified for incentives (trips, car stipends, extra bonuses) in 2020.**

17 DAYS

It took an average of 17 days for Associates to earn their first bonus or earn their enrollment fee back.

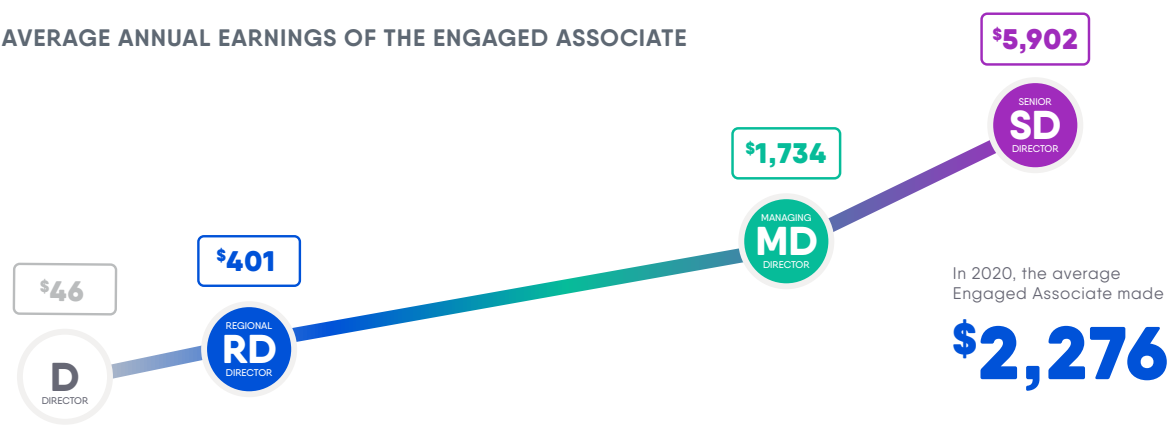
What Should I Expect?

That really depends on what you hope to achieve, but we can give you an idea of what's typical if you're an Engaged Associate. That means you...

- Paid the one-time enrollment fee.
- Personally enroll an Associate or customer.
- Make at least \$100.

In addition to the qualifications listed, an Engaged Associate actively grows their customer base, supports their team and works through the challenges they face. As the chart below shows, on average, Engaged Associates enjoy greater rewards and financial success.

AVERAGE ANNUAL EARNINGS OF THE ENGAGED ASSOCIATE



This data isn't necessarily representative of the income, if any, you'll earn. But the context is important. It shows how staying active and engaged with Kynect usually results in more success.

2020 ASSOCIATE DATA EARNING SUMMARY***

ASSOCIATE POSITION	% OF PAID ASSOCIATES	ANNUAL INCOME			DAYS TO ACHIEVE POSITION
		LOW*	AVERAGE	HIGH	AVERAGE
National Director	0.09%	\$0.00	\$293,438.24	\$1,962,122.21	5814
Executive Director	0.94%	\$0.00	\$37,467.44	\$265,440.90	1570
Senior Director	8.92%	\$0.00	\$4,826.60	\$63,655.63	729
Managing Director	18.95%	\$0.00	\$1,546.29	\$49,227.56	568
Regional Director****	54.43%	\$0.00	\$305.47	\$51,768.07	17
Director	16.68%	\$0.00	\$15.08	\$200.00	0

*These numbers include all active Associates, including Associates who have \$0 income because they are not qualified. To qualify and earn Monthly Earned Income (MEI) or bonuses, Associates must accrue annual personal customers, annual coded customers and personal lifetime customer points.

**In calculating this figure, we only included our "Active" and "Active-No-Commission" associates. In order to fall into one of these buckets, Associates must fulfill any ONE of these requirements: have joined within the last year; maintain 100 personal qualification points; personally sponsor an active customer within the past 120 days; personally sponsor 1 associate within the past 120 days; maintain a monthly paid subscription to KPro.

***These calculations represent those Associates who fulfilled 1 of these requirements: have joined within the last year; maintain 100 personal qualification points; personally sponsor an active customer or 1 Associate within the past 120 days; or maintain a monthly paid subscription to Kynect Pro. 98.2% of "Active" and "Active -No-Commission" Associates are represented in this data based on the requirement. These calculations do not include Associates who failed to meet any of our requirements for earning compensation.

**** The compensation plan changed on July 13, 2020 to reflect new qualifications for the Regional Director rank.