

Official Income Disclosure Statement

The Income Disclosure Statement is a representation of Take Shape For Life's business opportunity. THE COMPANY POLICY IS NOT TO STATE OR ENDORSE "POTENTIAL" or "HYPOTHETICAL" INCOME CLAIMS BUT RATHER TO PRESENT HISTORICAL DATA AND RANGES OF ACTUAL HEALTH COACH EARNINGS. The chart below reflects the "actual" average earnings of the ranks of Take Shape For Life's active Health Coaches and provides high, low, average, and median monthly income information.

July – December 2011 Active Health Coaches who Received Payment by Month

Active Health Coach Rank	Percentage of Active Health Coaches in each rank	Average Volume of Sales* to Clients	Percentage of Total TSFL Sales* Generated	Monthly Income (U.S. Dollars)			
				High	Low	Average ¹	Median ²
Health Coach	58.41%	443.43	16.67%	\$522.81	\$25.00	\$94.59	\$84.00
Senior Coach	24.87%	1,557.97	25.02%	\$1,613.72	\$25.83	\$412.01	\$374.96
Manager	4.55%	2,948.20	8.69%	\$2,257.29	\$97.15	\$946.68	\$956.61
Associate Director	2.74%	3,983.89	7.08%	\$3,021.33	\$176.50	\$1,459.53	\$1,432.01
Director	1.18%	4,883.41	3.71%	\$4,484.53	\$495.01	\$1,993.81	\$1,938.30
Executive Director	4.87%	7,288.83	23.10%	\$10,221.07	\$863.71	\$3,346.36	\$3,158.73
Regional Director	2.37%	7,238.84	11.25%	\$18,162.03	\$1,174.86	\$4,855.91	\$4,612.97
National Director	0.52%	7,295.15	2.44%	\$32,827.03	\$2,176.66	\$9,689.02	\$8,712.02
Global Director	0.37%	6,777.81	1.61%	\$66,094.90	\$6,071.83	\$21,979.55	\$17,077.17
Presidential Director	0.11%	5,847.05	0.42%	\$210,742.89	\$14,457.17	\$77,749.06	\$41,907.03

* Refers to Commissionable Sales

The above earning statistics are for all Active Take Shape For Life Health Coaches who were paid commissions and/or bonuses from July 1, 2011 to December 31, 2011. Approximately 70% of Health Coaches were found to be "active." An "Active Health Coach" is defined as any person who:

- purchased one of Take Shape For Life's enrollment pack options; and
- completed the online activation process to activate his/her account, including agreeing to the terms and conditions in the Health Coach Agreement, submitting a W-9 Form, and successfully completing the Basic Activation Questionnaire; and
- had earnings at or above \$25, the minimum amount required to receive a check or EFT (Note: any earnings below \$25 are accrued and paid out once the \$25 threshold is met).

Please note that this excludes Clients, Inactive Clients, Leads, and Pending Health Coaches. Individuals who have purchased one of the enrollment pack options, but have not completed the activation process, are not considered Health Coaches until that process has been fulfilled. Accordingly, the status of an individual can and sometimes will change throughout the year. For example, Beverly begins the year as a Client and decides to purchase a Health Coach enrollment pack in February. However, she does not complete the activation process and become a Health Coach until March. In September, she opts not to renew her Health Coach account and returns to Client status. Therefore, for the purposes of this Income Disclosure Statement, Beverly is only considered a Health Coach in March, April, May, June, July, and August.

1 Average – The average monthly income is defined as the sum total amount of all payments earned and released for that rank, divided by the number of active Health Coaches receiving payment at that rank.

2 Median – The median monthly income is defined as the midpoint amount of all of the payments earned and released for Health Coaches receiving payment at that rank.