

Preferred Customer Program

Customers are a key component of a successful Bios Life Franchise. The Bios Life Preferred Customer program provides Franchise Owners with a consistent message and process to attract and retain customers.

Studies have shown that customers who belong to a membership program are three times more likely to remain loyal when compared with customers who do not belong to a membership program.

This document will review the following aspects of the Preferred Customer program:

1. Customer Benefits
2. Franchise Owner Benefits
3. Membership Fee
4. Auto-refill Program
5. Financial Model
6. Sign-up Process

1. Customer Benefits

The Preferred Customer program offers numerous benefits to your customers. The following benefits target building loyalty among your customer base:

- Bios Life preferred pricing (15% lower than retail)
- Free shipping on all orders
- Access to leading health, nutrition, and product information
 - Health and nutritional science updates (online, eNews)
 - Product information (eNews, order-drops, brochures)
- Eligibility for special product discounts and promotions

2. Franchise Owner Benefits

Customers are a critical aspect of any franchise—a Bios Life Franchise is no different. New Bios Life Franchise Owners are encouraged to build a customer base of a minimum of 20 people. This base may be built over a few months or in a Franchise Owner's first business month. In addition, many Franchise Owners continue to recruit new customers each month, even after building their initial customer base of 20 people.

Preferred Customer program benefits for Franchise Owners include the following:

- Customer retention increases.
- You earn residual income from repeat orders.
- You receive personal rebates up to 20%.
- Company processes all orders.
- Company provides ongoing communication to customers.

The Preferred Customer program was developed specifically to aid Franchise Owners in building their Franchises to a sustainable level. A successful Franchise Owner will maximize each benefit of the Preferred Customer program as he or she builds a strong customer base.

3. Membership Fee

To become a Preferred Customer, each person must pay a modest annual membership fee of \$14.95. All benefits associated with the Preferred Customer program are available for this one low price.

The membership fee is waived if Preferred Customers participate in the Auto-Refill program.

4. Auto-Refill Program

It is recommended that all Preferred Customers participate in the Auto-Refill program. As a participant in the Auto-Refill program, a customer will receive his or her monthly shipment at the same time each month. Each Preferred Customer may personalize the Auto-Refill order and select the delivery date.

The Preferred Customer's credit card will be charged automatically when each order is processed. The Auto-Refill program removes the bother of placing monthly orders and eliminates the risk of running out of product.

As mentioned above, the Preferred Customer annual membership fee is waived for Preferred Customers who participate in the Auto-Refill program.

To change an Auto-Refill order or to cancel participation, Preferred Customers simply need to call Customer Care toll-free at 1-888-BIOSLIFE (888-246-7543).

5. Preferred Customer Financial Model

The savings related to Preferred Customer membership easily pay for the membership fee.

For example, retail cost of one month supply of Bios Life Slim is \$114.95. The shipping cost averages \$7.95, for a total monthly cost of \$122.90.

As a Preferred Customer, the Bios Life Slim cost is \$99.95 and shipping is free. The first month's cost is \$99.95 plus the membership fee of \$14.95—a total of \$114.90. Savings in the first month more than offset the membership fee.

Savings in subsequent months equal \$23.00 per month (\$99.95 compared with \$122.90). In the first year alone, total savings would amount to more than \$275.00.

6. Sign-up Process

There are four methods to choose from when setting your customers up as Preferred Customers:

- Process orders in Franchise Office.
- Utilize one of our websites at bioslife.com, bioslifeflim.com and unicity.net
- Call Customer Care Center (1-888-BIOSLIFE (888-246-7543))
- Fax completed application form to the Customer Care Center at 1-800-226-8232.

When your customers sign up as Preferred Customers through one of our websites, they will be asked to provide the ID number of the referring Franchise Owner. If the Preferred Customer does not know the ID number, he or she may enter the name of the referring Franchise Owner in the ID field.

If the Preferred Customer was not referred by a Franchise Owner, he or she will be assigned to a Franchise Owner through the corporate Lead Allocation Process.

Summary—Preferred Customer Program

The Preferred Customer program is a critical part of building a successful Franchise. A strong and growing customer base will provide a Franchise Owner with a sustainable residual income and an ever-growing pool of contacts to develop new Preferred Customers and/or new Franchise Owners.