



Incentive & Promotion Guidelines

GENERAL INCENTIVE GUIDELINES Requirements

- You must be a LegalShield Advantage subscriber throughout the entire incentive period.
- You must be in good standing with the company to qualify.
- From time to time, the Company may offer multiple opportunities to qualify for a trip or award. Associates that qualify in multiple categories or drawings are eligible for one trip/award per Agreement.

Incentive Program Announcements

- The initial documents announcing an incentive will generally reference these guidelines as well as additional qualification requirements.
- You must refer to the specific program document governing an incentive for complete details.
- Additional promotion of an incentive may not contain all the details that were originally announced with the program. Be aware of all incentive materials to ensure proper guidelines are followed during the incentive period.

Qualification Period

- Qualifying activity must be achieved within the designated qualification period.

Income Reporting

- Bonuses are reported as income on your Form 1099. Any items of value received through incentives or awards are also reported as income based on their fair market value at the time they are delivered.
- Cost associated with attending an incentive trip for you and a guest are generally treated as taxable income. This can include airfare, resort, meals, activities and gifts. *Please note that this is a policy change from 2019.*
- If you have accepted an invitation to attend a corporate sponsored leadership and training event but later choose not to attend, the value of the activities will be added to your 1099 regardless of attendance if travel and accommodations have already been booked.

Good Standing

- Incentives are intended to reward associates who are in good standing with the company throughout the entire process. This includes the time from when the qualification process begins until the award is distributed.
- Any bonus earned by an associate with organizational retention below 65% will be reviewed and bonuses can be withheld. Build right, enroll memberships, and you will be rewarded!
- As of July 1st, 2020 all incentives excluding Performance Club will now use organizational retention to determine qualification.

Fair Play

- You will be disqualified from any incentive if you are found to have abused any aspect of the program, as determined solely by LegalShield.
- We may deny you the ability to participate in current or future incentive programs if there has been, or may have been, any manipulation, violation or abuse of the incentive program.

Modifications or Termination

- LegalShield reserves the right to suspend, modify or terminate an incentive at any time. Incentive trips are subject to availability and ability to hold the event. If an incentive trip must be cancelled for any reason, LegalShield is not required to provide a substitution prize or trip. Qualification criteria or awards may be changed in any manner or discontinued outright.

Recognition

- By participating in a LegalShield incentive, bonus program, or corporate sponsored leadership and training event to receive benefits, cash and other awards, you agree to have your full name, associate title, level, standing and photo, published and recognized in LegalShield marketing materials.

Reinstatements

- Associates that have been out over 5 years and paid the current associate fee will count for the multiplier if an active membership is linked.
- Associates that have been out over 5 years and have paid the current associate fee will be eligible for the Fast Start bonus.
- A new or reinstated associate over 5 years and paid the current associate fee must have an active membership linked to apply as a multiplier.
- Associates that have been out over 5 years and have paid the current associate fee are considered a new recruit for incentive purposes.

Reviews

- If you believe that you have been mistakenly excluded from an incentive program trip reward, you will have seven days to appeal once the qualifiers have been published. You will have 20 days to appeal all other incentive program awards. Appeals should be directed to: associateintake@legalshieldcorp.com.

Platinum World Council (PWC)

- Platinum Executive Director level qualifiers cannot count assigned or placed Executive Director legs to qualify for Platinum level, trip qualifications, Platinum World bonuses, incentives or any other PWC perk.

PERFORMANCE CLUB

- Performance Club Premium is used to determine if you qualify for Performance Club bonuses, trips and other rewards.
- PC and PCPro Qualification can be achieved through membership sales, or a combination of membership sales and recruits.
- Each \$1 of membership premium sold equals \$1 of Performance Club Premium.
- Monthly Performance Club Qualification requires a total of \$100 premium each month, and PCPro requires a minimum of \$200 premium.
- Performance Club Premium exceeding \$200 is carried over to the following month, up to a maximum of \$100.
- You are awarded one Performance Club Reboot once per 12 month period. The PC Reboot will grant PC qualification for the current month but will not be eligible to receive the Performance Club bonus during the month the reboot has been used.
- Recruits with a membership add a multiplier to the membership premium total.
- First recruit will add a 50% multiplier once a minimum of \$67 new premium has been achieved. For PCPro, a second recruit will add an additional 25% (total of 75%) to the multiplier once \$120 new premium has been achieved. Recruit multiplier is capped at 75%.
- You must maintain a 12-month rolling personal or organization retention that equals or exceeds the company's overall average retention rate.
- PC Incentives require monthly Performance Club qualification, along with any other requirements detailed on each incentive flier.

ASSOCIATE RESPONSIBILITY

Associate Fees

- You must have paid your associate fee and have an active membership to be eligible for an incentive program or award.
- Any membership or associate agreement that is not paid for by the named member or associate will be subject to review and may not count toward an incentive program.

Daily Membership Deadlines

- Paper (uploaded) applications must be received by 11:59 a.m. CT.
- Online reinstatement applications must be received by 11:59 p.m. CT.
- New web applications through marketing sites, Associates Only Back Office (AOBO), and LegalShield@Work must be received by 11:59 p.m. CT.

Month End Deadlines

Month end submissions are processed on the last working business day of the month.

- Paper, walk-in and all reinstatements will be accepted until 4:59 p.m. CT.
- New web applications through marketing sites, AOBO or LegalShield@Work will be accepted until 11:59 p.m. CT.

Group Business

- LegalShield may require the first payment on all new group memberships for business to count toward an incentive program or award. Refer to the specific incentive document for full details.

LegalShield Advantage

- You must be enrolled in LegalShield Advantage throughout the entire incentive period to be eligible for any reward.

Dual Agreements

- If you and your spouse/domestic partner have separate associate agreements or are listed as a writing agent on a separate agreement, you may accumulate separate bonuses. However, for the purposes of qualifying for a corporate sponsored incentive travel event, only one trip per couple will be awarded.

Pre-Paid Credit Cards

- Prepaid cards are no longer accepted as a form of payment as of January 1, 2020.

TRIPS AND TRAVEL

Eligible Travelers

- Qualifying incentive trip winners will generally receive a trip for two. If you would like to bring additional attendees, they must be booked by you and paid for at your own expense.
- All associates must maintain a minimum organizational retention rate of 65% throughout the incentive trip period. If retention drops below 65%, business will be reviewed, and trip eligibility may be withheld.

Covered Travel Expenses

- All accommodations are booked directly through a travel agency chosen by LegalShield.
- Travel will only be provided to the trip destination from within the United States and Canada.
- Independently booked accommodations for airfare and hotel will be reimbursed at approved rates.
- Air transportation and lodging are covered for qualifiers as outlined in the incentive program announcement.
- All other expenses, activities and excursions not expressly outlined by the incentive program are your own responsibility and will not be reimbursed by LegalShield.
- You are responsible for obtaining a valid passport. Failure to have a valid passport or other identification for travel at the time of the registration deadline may result in forfeiture of the trip.
- Disorderly conduct during the trip may result in the forfeiture of the trip, future trips and could lead to termination of your Associate Agreement.
- Any expenses incurred due to disorderly conduct will be your responsibility and won't be reimbursed by LegalShield.
- If transportation to and from an incentive trip are booked by the invited associate, the associate will be reimbursed for the pre-approved amount. Any additional costs associated with the trip will be incurred by the associate.

Inability to Attend

- A substitution prize will not be given if you cannot attend a qualifying incentive trip, nor will you be allowed to assign the trip to someone else.
- If you are unable to attend the event for any reason, you will not be entitled to any additional award or enhanced benefit to which those in attendance may be entitled.

ADDITIONAL LIMITATIONS

- In addition to limiting those who have abused or been fraudulent with an incentive program, you may also be limited from future rewards and incentives if you experience a significant drop in personal or organizational retention or if you conduct yourself in an unacceptable way – including your behavior on incentive trips.