

Compensation Plan

Personal Sales Advance

\$29.95

Effective June 17, 2019

\$175.09

Executive Director (monthly qualification)

Achieve this level by being at Director level with \$1,400 premium written (personal or organizational), cannot count more than \$650 premium written from any 1 leg AND qualify for the Activity Requirement. Qualify in one month to receive commission increase on all organizational sales the following month.

\$143.82

Sr. Director (monthly qualification)

Achieve this level by being at Director level and having a minimum of \$700 premium written (including personal sales) with no more than \$400 premium written from one leg. Must be Performance Club qualified.

\$118.81

Director

Achieve this level by having 3 legs with an active Manager in each leg AND have \$2,700 organizational premium written OR personally sell \$2,700 in premium.

\$100.05

Sr. Manager

Achieve this level by having 3 legs with an active Senior Associate in each leg AND have \$1,350 organizational premium written OR personally sell \$1,350 in premium.

\$87.54

Manager

Achieve this level by having 3 legs with an active Associate in each leg AND have \$400 organizational premium written OR personally sell \$400 in premium.

\$75.04

Sr. Associate

Achieve this level by selling \$90 in premium plus recruit 1 new Associate or personally selling \$180 in premium.

Fast Start: In your first 20 days, achieve this level by selling \$60 in premium plus recruit 1 new Associate or personally selling \$180 in premium.

Additional bonus earned when completed in first 20 days.

\$37.52

Associate—Welcome to Your Business

This is your starting level when you join LegalShield.

For more information on additional earning opportunities go to LSEngage.com > Resources > Incentives.

Cumulative Override Advance

This is money advanced to the first active upline Associate at a higher level.

FOR EXAMPLE

If you are a Director, and your Sr. Manager personally recruits an Associate who makes his/her first sale, your advance would be the override above your **Sr. Manager**.

Your Sr. Manager would receive the advance override above his/her **Associate**.

If you are an Executive Director:

| | |
|---------------|----------|
| Sr. Director | \$31.27 |
| Director | \$56.28 |
| Sr. Manager | \$75.04 |
| Manager | \$87.54 |
| Sr. Associate | \$100.05 |
| Associate | \$112.56 |

If you are a Sr. Director:

| | |
|---------------|---------|
| Director | \$25.01 |
| Sr. Manager | \$43.77 |
| Manager | \$56.28 |
| Sr. Associate | \$68.78 |
| Associate | \$81.29 |

If you are a Director:

| | |
|---------------|---------|
| Sr. Manager | \$18.76 |
| Manager | \$31.27 |
| Sr. Associate | \$43.77 |
| Associate | \$56.28 |

If you are a Sr. Manager:

| | |
|---------------|---------|
| Manager | \$12.51 |
| Sr. Associate | \$25.01 |
| Associate | \$37.52 |

If you are a Manager:

| | |
|---------------|---------|
| Sr. Associate | \$12.51 |
| Associate | \$25.01 |

If you are a Sr. Associate:

| | |
|-----------|---------|
| Associate | \$12.51 |
|-----------|---------|

Things you need to know: Commissions are paid based on membership premium sold, either personal, or when an eligible Associate on your team makes a sale. Commission amounts shown represent a one-year advance. If a membership cancels during the advance period, you will be charged back against future commission advances. Commissions are paid daily via direct deposit with a minimum of \$20, if you have submitted a processable membership during the month (or previous month if Executive Director). **NOTE:** When an Associate in your organization makes a sale, you will receive the Override Advance for each level between yourself and the next active Associate in your downline. **In regards to the Mama Bonus, the immediate upline placer or sponsor is eligible to receive an additional override on all membership premium written by their personal recruits. To receive the override the upline sponsor must have at least \$100 in membership premium written in the prior calendar year (no qualification requirement during the year the associate is recruited).**

Compensation is subject to change without notice and is subject to all company policies and procedures. All Associates with a production date prior to the last revision of the advancement criteria will need personal activity (which may include personal membership premium written or personal recruit) to promote through new advancement criteria. Organizational memberships include all personal and downline memberships. You will be charged a \$35 non-taken fee (in addition to the chargeback amount) for memberships on which money is not collected. The Company reserves the right to pay commissions on any sale based on actual payment received from the member (or as earned) or in certain cases to pay commissions on a modified structure which allows level commission earnings.

*Associates that reside in Manitoba will have 60 days from their effective date to get their license appointed with the Corporate Office and 20 days from their licensing date to Fast Start Qualify.

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Breakaways—Director and Executive Director



The immediate upline placer or sponsor is eligible to receive an additional override of 1.88 the first year and .12 on renewals on all business written by their personal recruits. To receive the override the upline sponsor must have at least \$100 in membership premium written in the prior calendar year (no qualification requirement during the year the associate is recruited).

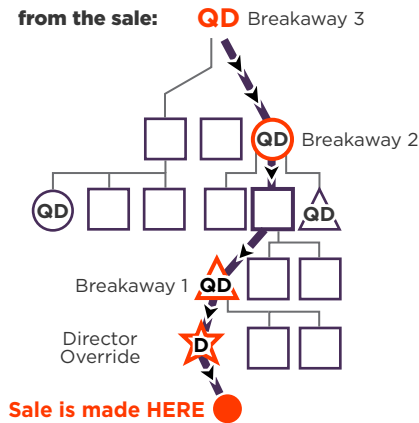
Qualified Director (QD):

Must qualify for Director Breakaway with \$500 personal or organizational premium written the previous month, with no more than \$300 from any one leg. Directors must meet qualification for this Breakaway after being an Associate for 12 months.

Director

| | |
|-------------------|----------------|
| QD Breakaway 5 | \$0.63 |
| QD Breakaway 4 | \$0.63 |
| QD Breakaway 3 | \$1.25 |
| QD Breakaway 2 | \$1.88 |
| QD Breakaway 1 | \$3.13 |
| Director Override | \$18.76 |

EXAMPLE:
Qualified QD distance from the sale:

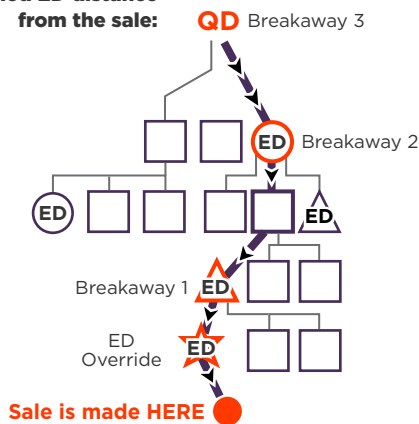


- = No Generation
- = 1st Generation
- △ = 2nd Generation
- ☆ = 3rd Generation

Executive Director

| | |
|----------------|----------------|
| ED Breakaway 5 | \$1.25 |
| ED Breakaway 4 | \$1.25 |
| ED Breakaway 3 | \$3.13 |
| ED Breakaway 2 | \$4.38 |
| ED Breakaway 1 | \$8.13 |
| ED Override | \$31.27 |

EXAMPLE:
Qualified ED distance from the sale:



- = No Generation
- = 1st Generation
- △ = 2nd Generation
- ☆ = 3rd Generation

PLUS! Platinum Breakaway Overrides!

Receive this Breakaway on all membership premium written through three (3) generations of Platinum Executive Directors (1.88, 1.25, .63). Applicable to Associates at Platinum or above at the time the premium is written.

NOTE: See LSEngage.com for complete details about compensation.

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Executive Director (ED)

Effective June 17, 2019

| | Personal Sales Advance | Cumulative Override Advances (Paid to First Active Upline at a Higher Level) |
|--|-----------------------------------|---|
| Platinum 7 ED Qualify ED with 10 ED legs, or \$1,400 personal premium written and 9 ED legs, or \$8,400 personal premium written | \$202.60 | \$0.63 |
| Platinum 6 ED Qualify ED with 9 ED legs, or \$1,400 personal premium written and 8 ED legs, or \$7,700 personal premium written | \$201.98 | \$0.63 |
| Platinum 5 ED Qualify ED with 8 ED legs, or \$1,400 personal premium written and 7 ED legs, or \$7,000 personal premium written | \$201.35 | \$0.63 |
| Platinum 4 ED Qualify ED with 7 ED legs, or \$1,400 personal premium written and 6 ED legs, or \$6,300 personal premium written | \$200.73 | \$0.63 |
| Platinum 3 ED Qualify ED with 6 ED legs, or \$1,400 personal premium written and 5 ED legs, or \$5,600 personal premium written | \$200.10 | \$0.63 |
| Platinum 2 ED Qualify ED with 5 ED legs, or \$1,400 personal premium written and 4 ED legs, or \$4,900 personal premium written | \$199.47 | \$0.63 |
| Platinum ED Qualify ED with 4 ED legs, or \$1,400 personal premium written and 3 ED legs, or \$4,200 personal premium written | \$198.85 | \$6.25 |
| Gold ED Qualify ED with 3 ED legs, or \$1,400 personal premium written and 2 ED legs, or \$3,500 personal premium written | \$192.60 | \$5.00 |
| Silver ED Qualify ED with 2 ED legs, or \$1,400 personal premium written and 1 ED leg or \$2,800 personal premium written | \$187.59 | \$5.00 |
| Bronze ED Qualify Executive Director with 1 ED leg, or \$2,100 personal premium written | \$182.59 | \$7.50 |
| Executive Director Achieve this level by being at Director level with \$1,400 premium written (personal or organizational), cannot count more than \$650 premium written from any 1 leg AND qualify for the Activity Requirement (see Executive Director and Above Activity Form on LSEngage.com). Qualify in one month to receive increased commission on all organizational sales the following month. | \$175.09 | \$31.27 |

EXAMPLE:

If you are at Platinum 2 ED level, and your Executive Director sells a membership, you will receive a cumulative override of all amounts between you and the Executive Director (if there are no other qualifying EDs between you and the sale).

NOTE: When an Associate in your organization sells membership premium, you will receive the Override Advance for each level between you and the next active Associate in your downline.

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Renewals

Effective June 17, 2019

Due to rounding, the below multipliers may not produce exact figures. A variance of \$0.01 to \$0.03 should be expected.

| Persistency Levels | Up to 55% | 56-65% | 66-75% | 76-85% | Over 85% |
|-------------------------------------|-----------|---------|----------|----------|----------|
| Platinum Generation 3 | \$ 0.04 | \$ 0.08 | \$ 0.12 | \$ 0.16 | \$ 0.20 |
| Platinum Generation 2 | \$ 0.08 | \$ 0.16 | \$ 0.24 | \$ 0.32 | \$ 0.40 |
| Platinum Generation 1 | \$ 0.12 | \$ 0.24 | \$ 0.36 | \$ 0.48 | \$ 0.60 |
| ED Breakaway 5 | \$ 0.08 | \$ 0.16 | \$ 0.24 | \$ 0.32 | \$ 0.40 |
| ED Breakaway 4 | \$ 0.08 | \$ 0.16 | \$ 0.24 | \$ 0.32 | \$ 0.40 |
| ED Breakaway 3 | \$ 0.20 | \$ 0.40 | \$ 0.60 | \$ 0.80 | \$ 1.00 |
| ED Breakaway 2 | \$ 0.28 | \$ 0.56 | \$ 0.84 | \$ 1.12 | \$ 1.40 |
| ED Breakaway 1 | \$ 0.52 | \$ 1.04 | \$ 1.56 | \$ 2.08 | \$ 2.60 |
| Director Breakaway 5 | \$ 0.04 | \$ 0.08 | \$ 0.12 | \$ 0.16 | \$ 0.20 |
| Director Breakaway 4 | \$ 0.04 | \$ 0.08 | \$ 0.12 | \$ 0.16 | \$ 0.20 |
| Director Breakaway 3 | \$ 0.08 | \$ 0.16 | \$ 0.24 | \$ 0.32 | \$ 0.40 |
| Director Breakaway 2 | \$ 0.12 | \$ 0.24 | \$ 0.36 | \$ 0.48 | \$ 0.60 |
| Director Breakaway 1 | \$ 0.20 | \$ 0.40 | \$ 0.60 | \$ 0.80 | \$ 1.00 |
| Mama Bonus | \$ 0.12 | \$ 0.24 | \$ 0.36 | \$ 0.48 | \$ 0.60 |
| Platinum 7 | \$ 0.04 | \$ 0.08 | \$ 0.12 | \$ 0.16 | \$ 0.20 |
| Platinum 6 | \$ 0.04 | \$ 0.08 | \$ 0.12 | \$ 0.16 | \$ 0.20 |
| Platinum 5 | \$ 0.04 | \$ 0.08 | \$ 0.12 | \$ 0.16 | \$ 0.20 |
| Platinum 4 | \$ 0.04 | \$ 0.08 | \$ 0.12 | \$ 0.16 | \$ 0.20 |
| Platinum 3 | \$ 0.04 | \$ 0.08 | \$ 0.12 | \$ 0.16 | \$ 0.20 |
| Platinum 2 | \$ 0.04 | \$ 0.08 | \$ 0.12 | \$ 0.16 | \$ 0.20 |
| Platinum ED | \$ 0.40 | \$ 0.80 | \$ 1.20 | \$ 1.60 | \$ 2.00 |
| Gold ED | \$ 0.32 | \$ 0.64 | \$ 0.96 | \$ 1.28 | \$ 1.60 |
| Silver ED | \$ 0.32 | \$ 0.64 | \$ 0.96 | \$ 1.28 | \$ 1.60 |
| Bronze ED | \$ 0.48 | \$ 0.96 | \$ 1.44 | \$ 1.92 | \$ 2.40 |
| Executive Director | \$ 2.00 | \$ 4.00 | \$ 6.00 | \$ 8.00 | \$ 10.00 |
| Senior Director | \$ 1.60 | \$ 3.20 | \$ 4.80 | \$ 6.40 | \$ 8.00 |
| Director | \$ 1.20 | \$ 2.40 | \$ 3.60 | \$ 4.80 | \$ 6.00 |
| Senior Manager | \$ 0.80 | \$ 1.60 | \$ 2.40 | \$ 3.20 | \$ 4.00 |
| Manager | \$ 0.80 | \$ 1.60 | \$ 2.40 | \$ 3.20 | \$ 4.00 |
| Senior Associate | \$ 0.80 | \$ 1.60 | \$ 2.40 | \$ 3.20 | \$ 4.00 |
| Associate | \$ 4.00 | \$ 8.00 | \$ 12.00 | \$ 16.00 | \$ 20.00 |
| Associate (1/3/17 or later)* | \$ 2.40 | N/A | N/A | N/A | N/A |

*Renewals for sales made 1/3/17 or later, while the writing associate is at the Associate level, do not vary based on retention.

Things you need to know: Renewals are amounts you earn on memberships that "renew" or continue paying after the first 12 months (1-year) of the life of the membership. Since you receive a commission advance amount representing your commissions for the first 12 months of payments made, all additional payments made by the member after months 12 represent renewal payments on which you earn commissions.

When will I be paid? You will begin earning renewals on residuals at the beginning of month 13 (1-year). Renewal earnings for months 13-15 are applied in month 16 (cumulative), after a 3-month evaluation time. All earnings will first be applied to any outstanding debit balance you may have. Once the debit balance is recovered, future earnings will be paid to you.

What is a "persistency level" and what does it mean for my renewal income? Persistency level is the average number of memberships still on the books at the end of month 12 and continue to make payments. For example, if you sell 10 memberships in one month, and no later than the 15th month LegalShield has received the 12th month payment on seven (7) of those initial 10 memberships that are still active, then your persistency level for that month's business is 70%. You can calculate your earnings for the life of those remaining memberships from the third column.