

# WorldVentures Marketing, LLC COMPENSATION PLAN

U.S.A.

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# **SECTION 1 - INTRODUCTION**

#### 1.1 - Marketing Strategy

Travel agents used to control access to the products and services provided by suppliers—airlines, car rental companies, hotels, cruise lines, resorts, and the like. But the Internet has revolutionized travel, and consumers—driven primarily by price—can now do their own shopping, having bypassed the travel agent middlemen. Consequently, the storefront travel agency has been reduced from 60,000 to fewer than 6,000 in the U.S. The future of the travel industry is clear: the Internet.

The superiority of word-of-mouth advertising in Internet marketing has been well documented since the beginning of the dot com days by Jupiter Research and elsewhere. WorldVentures believes that Network Marketing is the best form of word-of-mouth advertising and is the perfect distribution model to expand our business.

#### 1.2 - Genealogy

WorldVentures' growth is driven by our Independent Representatives. If our Representatives as a whole are successful, WorldVentures will be successful. The Company has designed our Compensation Plan to reward Independent Sales Representatives for (1) successfully selling WorldVentures travel products and (2) successfully building sales organizations by recruiting, training, and motivating others to do the same.

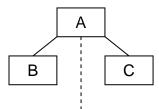
Representatives who take the initiative to build sales organizations benefit by earning a piece of the sales revenue their organization generates. To reward these leaders proportionally to the success they have building teams, we track the relationships between all the Representatives as they are added by word of mouth. We track these relationships in two ways: (1) Lineage Organization and (2) Binary Organization. The organizational structure is called the Genealogy.

# 1.2.1 - Lineage Organization

The Lineage Organization is very simple: Who sponsored whom? If a Representative personally sponsored seven Representatives, then he/she has seven different lines (sometimes called "legs") of Lineage. Each is independent from the other, and each will probably have a different number of Active Representatives and Customers over time. A Representative's Lineage Organization only includes Representatives and Customers added through direct line of sponsorship and is independent of the Binary Organization.

#### 1.2.2 - Binary Organization

The Binary Organization is built on twos. Each Representative has a left side and a right side and may be related to only one Representative on each side. It looks like this:



In the example above, Representative A has one relationship on his left, Representative B, and one relationship on his right, Representative C. Representative B and C each have exactly the same relationships under them, left and right. If Representative A sponsors another Representative, he/she must go under B or C and A chooses where he/she goes. This is called "Spillover." Representative D would spillover into B or C's organization.

Note: A Representative may have Representatives in his/her Binary Tree who are not in his/her Lineage because of "Spillover." These Representatives are a part of his/her Binary Organization, but they are not a part of his/her Lineage Organization.

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# SECTION 2 - THE DIFFERENCE BETWEEN REPRESENTATIVES AND CUSTOMERS

#### 2.1 - Description

To understand the WorldVentures Compensation Plan, it is important to understand the distinction between Representatives and Customers. WorldVentures is in the business of acquiring new Customers who purchase our retail products (either the DreamTrips Membership, DreamTrips Life Membership, or Luxury DreamTrips Membership). Representatives are compensated based strictly on the sale of WorldVentures' products (both their personal sales and the sales made by their team). No commissions are paid out for recruiting new Representatives. Additionally, only Representatives are placed in the Binary Tree (much like an organizational chart in any other business).

#### 2.2 - Representative Business System (RBS) Purchase Requirement

In order to familiarize new Representatives with WorldVentures products, services, sales techniques, sales aids, and other matters, the Company requires that Representatives purchase a Representative Business System (RBS) (Optional in North Dakota) for \$99.95 and then \$10.99/month moving forward. Except for the purchase of the Representative Business System, no person is required to purchase WorldVentures products, services, or sales aids, or to pay any charge or fee to become a Representative. The Representative Business System (RBS) is an online tool that includes three Personalized Marketing Websites and a Back Office System, as well as an online Training Program with essential Sales and Marketing tools to help Representatives build their WorldVentures business. RBS purchases are not commissionable.

Enrollment as a Representative, through the purchase of the RBS, creates a "Business Center" in the WorldVentures Binary Tree which tracks the sales generated by you and your team. Representatives can also be, and often are, Customers. However, Retail Customers who are NOT Representatives are listed separately and are NOT displayed in the Binary Tree.

#### 2.3 - Personal Retail Customer Only Sales

When a Representative makes a sale of one of WorldVentures' products to a Retail Customer who does NOT purchase the RBS, the Customer will be listed in the Representative's back office under "My Customers" and will not be displayed in the Binary Tree.

Customer Sales of this type are kept in a separate tally and the weekly and/or monthly sales credits they represent are automatically balanced (Auto-Balanced) as necessary in order to maximize the Representative's compensation. See additional details under Weekly Bonuses, Monthly Residual Commissions, and Promotional Levels.

Customer Sales Volume is credited in the Binary Tree starting with the Representative who personally generated the volume and moving upwards. If Representative X makes a Customer Only sale, the credit for the sale would count toward Representative X's numbers, but would not benefit any team members *below* Representative X in the Binary Tree.

In the event that the Customer later elects to become a Representative and purchase the RBS, they may be assigned to the first available Business Center in the Representative's Binary Tree.

#### 2.4 - Leisure Travel Consultant (LTC) Package

Customers enrolled on or before March 18, 2011 also may have purchased the Leisure Travel Consultant or "LTC" Package. Beginning March 19, 2011, the LTC Package is being marketed exclusively by Rovia and is no longer offered by WorldVentures. WorldVentures Customers who have purchased the

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LTC Package will continue to be supported for a period of one year, following the transition on March 19. Following that, full support will be transitioned to Rovia and all references to the LTC product will be removed from this document.

# **SECTION 3 - ACTIVE STATUS REQUIREMENT**

#### 3.1 - Description

WorldVentures Representatives must be "Active" to be eligible to accumulate sales credit or to earn most commissions and bonuses. A Representative becomes/remains Active by:

- a) Paying his/her Monthly RBS Fee, and EITHER;
- b) Maintaining at least one sale of a Retail Product: (1) the DreamTrips Membership; (2) the DreamTrips Life Membership; (3) the Luxury DreamTrips Membership; or (4) the Leisure Travel Consultant ("LTC") Package (if purchased prior to March 19, 2011), to an Active Customer who may be either a Retail Customer or a Customer who is also a Representative every month. On the monthly anniversary date of his/her enrollment, if the Representative has made or maintained a retail sale he/she will remain Active for the next month, OR;
- c) By making a Personal Purchase of a Retail Product: (1) the DreamTrips Membership; (2) the DreamTrips Life Membership; (3) the Luxury DreamTrips Membership; or (4) the Leisure Travel Consultant ("LTC") Package (if purchased prior to March 19, 2011), and remaining current on monthly billing.

Once the Representative becomes Active, he/she begins to accumulate sales credit toward earning commissions and bonuses.

#### 3.2 - Limitations

- a) If a Representative remains Inactive for more than four (4) weekly pay periods, the Sales Volume he/she has accumulated will irrevocably expire.
- b) If a Representative remains Inactive for more than twelve (12) consecutive weekly pay periods at any time, the Representative's Agreement shall be terminated and the Representative shall be reclassified as a Preferred Customer if he/she is also a Customer with one of WorldVentures' products.

#### 3.3 - Billing Grace Period

Once a Representative achieves the rank of Qualified Representative (Q/QX) or higher, he/she is eligible for a Billing Grace Period for his/her RBS and/or Products of up to one month. A Representative may have multiple Billing Grace Periods in a calendar year. To return to Active status the account must be brought current before the next recurring order billing date. If, for example, his/her recurring order did not process on July 21, he/she would go into grace period. If it was corrected, bringing him/her current, prior to August 21, he/she would become Active and would then continue to bill normally on August 21. If the August 21 recurring order date was to hit without correcting the grace period, the Representative would go Inactive and at that time new volume would no longer accrue, but previously accrued volume would continue to hold. If the Representative has not paid his/her fees for the two missed months prior to the third recurring order date (in this example, September 21) and that payment also fails, all volume counters will be reset.

# **SECTION 4 - DIRECT COMMISSIONS**

#### 4.1 - Description

WorldVentures Marketing pays our Independent Representatives a \$20 Direct Commission for every initial sale of a DreamTrips Membership or DreamTrips Life product. Whether the new Customer is (1) a Retail Customer or (2) a Customer and a Representative, the Direct Commission is paid to the new Customer's Enroller.

WorldVentures Marketing pays our Independent Representatives a \$150 Direct Commission for every initial sale of a Luxury DreamTrips Membership. The Direct Commission is paid to the Enroller, as per above.

#### 4.2 - Active Status Requirement

Direct Commissions are paid to the Enroller regardless of his/her Active status, but his/her Representative Agreement must still be in effect—not cancelled, suspended, or terminated.

#### 4.3 - Qualification

Direct Commissions are paid to the Enroller regardless of his/her Qualified status, but his/her Representative Agreement must still be in effect—not cancelled, suspended, or terminated.

#### 4.4 - Limitations

WorldVentures will recover Direct Commissions paid to Representatives any time an initial product purchase is refunded to the Customer.

# <u>SECTION 5 - WEEKLY TEAM BONUSES</u>

# 5.1 - Description

WorldVentures Representatives earn Weekly Team Bonuses based on the initial product sales generated by their entire Binary Organization. The Representative accumulates sales credits based on the initial product purchase each Customer makes. The breakdown is as follows:

<u>Product</u>	Customer Pays	Sales Credit
DreamTrips Membership	\$199.95	1
DreamTrips Life Membership	\$199.99	1
Luxury DreamTrips Membership	\$999.99	3

Sales credits accumulate throughout the pay period as new sales are completed and payment is confirmed.

One "cycle" is generated for every three sales credits on the left side that match up with three sales credits on the right side of the Representative's Binary Organization. Each Weekly Bonus cycle pays up to \$100\*.

3 sales credits Left + 3 sales credits Right = 1 cycle = up to \$100\*

The qualifying product sales shown above include all sales by all Representatives in your Binary Organization, whether the sale is made to a retail Customer or to a Customer who also decides to become a Representative.

When Weekly Bonuses are calculated, oldest sales credits are used first. It is "First In, First Out" (FIFO).

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Weekly Sales Credits are also called Weekly Sales Volume, Weekly Volume, or Primary Binary Volume.

# 5.1.1 - Double Cycle Bonuses - Limited Promotion 1

All new Representatives will earn double cycles for their first eight (8) full weekly pay periods from the time of enrollment. This will result in \$200 Cycle Bonuses and awards of 200 TravelDollars.

This is a limited promotion and is effective for all new Representatives enrolling on or after March 14, 2009.

# 5.1.2 - Double Cycle Bonuses - Limited Promotion 2

Additionally, regardless of enrollment date, in the event that a Representative earns three (3) or more cycles in a single weekly pay period, the first twenty (20) Cycle Bonuses paid out that week will be doubled to \$200 and TravelDollar awards will be doubled to 200. So, a Representative earning six (6) cycles would earn \$1,000 for the week and would be awarded 200 TravelDollars. Any cycles earned beyond the initial twenty (20) in a given week will be paid at the regular value of \$100, based on the Representative's rank limitations.

This is a limited promotion that began October 18, 2008.

#### 5.1.3 - Customer Only Credit Auto-Balance

For Weekly Bonuses, if a Representative has generated sales credits on his/her left and right that do not yet complete a cycle and has Retail Customer Only sales credits (sales of either DTM or DTLM products to non-representatives that are therefore not placed in the Binary Tree) that have not yet been paid on, the computer will Auto-Balance the Representative's credits and apply any available credits to the weaker team's volume.

For example, Representative X has made two Retail Customer Only Sales. This week his left team generates six (6) sales credits and his right team generates five (5) sales credits. Seeing that the right team needs an additional sales credit to complete a second cycle, the computer will Auto-Balance and assign one of the two Customer Only Sales to Representative X's right team. With six (6) sales left and six (6) sales right, he would thus earn two (2) cycles.

It is important to understand that when a Retail Customer Only sales credit is "assigned" to the Rep's left or right side, that no changes are actually made to the Binary Organization. The Customer still exists outside of the Binary Tree and does not have a Business Center.

#### 5.1.3.1 - Luxury DreamTrip Auto-Balance Exception

Luxury DreamTrips Membership sales generate three (3) sales credits. When a Luxury DreamTrips Membership is sold as a Retail Customer Only sale (and is therefore not attached to a Representative's Business Center in the tree) it becomes eligible for auto-balancing. However, all three sales credits are assigned to a single side when auto-balanced and are not broken up. So, in the event that a Representative had two (2) sales left and two (2) sales right, and made a sale of the Luxury DreamTrips product to a retail Customer, his/her sales counters would read five (5) and two (2) and a cycle bonus would not generate.

#### 5.2 - Active Status Requirement

Sales Representatives must be Active to accumulate sales credits (also called volume). If a Representative is in Inactive status, no new sales credits will accumulate until he/she becomes Active again, and will not be credited retroactively if he/she does become Active again.

Representatives must have an Active Status at 11:59:59 PM (Midnight) Central Time on the last day of the weekly pay period to be qualified to earn the Weekly Bonuses.

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#### 5.3 - Qualification

Representatives must also be Qualified to earn Weekly Bonuses. To be eligible for a Weekly Bonus, a Representative must be a Qualified Representative (Q/QX) or higher rank.

#### 5.4 - Weekly Pay Period

Direct Commissions and Weekly Bonuses are paid every Friday, with a one-week delay. The weekly pay period begins Saturday 12:00:00 AM Central Time and ends Friday 11:59:59 AM (Midnight) Central Time (See Fig. 1).

	Example Week					
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						Begins
					Ends	
					Payday	

Figure 1. Weekly pay period and payday example.

#### 5.5 - Limitations

#### 5.5.1 - Maximum Payout by Rank

There is a maximum amount that a Representative may earn at each promotion rank. Representatives will not be paid more than the maximum amount, regardless of the number of cycles completed for the pay period. If the 65% rule comes into play in a given week, Representatives will be able to use all completed cycles for that week, up to the point where the maximum weekly commissions are met. The below are approximations, as every sixth cycle pays 100 TravelDollars instead of the \$100 Cycle Bonus. Thus, depending on the timing, a percentage of the Cycles below will pay out TravelDollars. However, the combined value of Cycle Bonuses and TravelDollars will equal the amount listed. The limits are:

<u>Rank</u>	Maximum Amount
Qualified (Q/QX)	\$2,000
SR	\$2,000
DIR	\$2,000
MD	\$5,000
RMD	\$10,000
NMD	\$20,000
IMD	\$25.000

Example: Mary is a Director. She has 36 sales credits on her left and 53 sales credits on her right in weekly Binary Sales Volume on Friday night at 11:59:59 PM. When the bonus process runs, 12 cycles are calculated ( $36 \div 3 = 12$ ). Since she is a Director, she is limited to \$2,000 per week, but because she earned more than three (3) cycles in the week they are doubled (due to the Double Cycle Bonus Promotion), so her Weekly Bonus would be \$2,000, subject to the 65% Payout Rule, and she will have 0 sales credits on her left and 17 on her right carry over to the next pay period.

# 5.5.2 - Weekly Bonus Sales Volume Expiration and Counter Resets 5.5.2.1 - Expiration 1 – Volume Expiration for Qualified Representatives

Binary Sales Volume expires after 26 <u>FULL</u> weekly pay periods for Qualified Representatives. If a sale is not used to generate a cycle within that time frame, the Sales Volume expires at the beginning of the next pay period and can no longer be used to create a bonus cycle. Volume is used First In, First Out (FIFO) to generate cycles. All accumulated Sales Volume that is 25 weeks or newer will remain.

#### 5.5.2.2 - Counter Reset 1 - For Unqualified Representatives

If a Representative is at the ER or AR rank, or is not Qualified and is more than eight (8) full weekly pay periods from his/her enroll date, all uncycled volume from orders older than four (4) full weekly pay periods will expire and Sales Volume counters will reset.

# 5.5.2.3 - Counter Reset 2 – Billing Grace Period Expiration

After his/her first eight (8) <u>FULL</u> weekly pay periods, if a **Qualified Representative (Q or QX)** or higher rank falls out of rank qualification for any reason, including going Inactive, he/she has a four-week grace period to re-qualify. The grace period begins the day after the last day he/she was qualified. If he/she does not re-qualify during the grace period, all Binary Sales Volume counters will be reset.

A Representative may have multiple billing grace periods in a calendar year. To return to Active status the account must be brought current before the next recurring order billing date. If, for example, his/her recurring order did not process on July 21, he/she would go into grace period. If it was corrected prior to August 21, he/she would become Active and would then continue to bill normally on August 21. If the August 21 recurring order date was to hit without correcting the grace period, the Representative would go Inactive and at that time new volume would no longer accrue, but previously accrued volume would continue to hold. If the Representative has not paid his/her fees for the two missed months prior to the third recurring order date (in this example, September 21) and that payment also fails, all volume counters will be reset.

#### 5.5.3 - \*65% Cap Rule

The Weekly Bonus program is subject to the 65% Cap Rule. For details, please see Section 9.

# **SECTION 6 - MONTHLY RESIDUAL COMMISSIONS**

#### 6.1 - Description

WorldVentures Representatives at the Senior Representative or higher rank earn Monthly Residual Commissions based on the monthly billing generated by their entire Binary Organization. The Representative accumulates Sales credits based on the monthly fees each Customer pays:

<u>Product</u>	Customer Pays	Sales Credit
DreamTrips Monthly Fees	\$26.99*	1
DreamTrips Life Monthly Fees	\$54.99	2
International DreamTrips Monthly Fees	\$49.98	2
Luxury DreamTrips Monthly Fees	\$99.99*	3
LTC Monthly Fees (if purchased prior to March 19, 2011)	\$26.99*	1
Both Luxury DTM and LTC Monthly Fees	\$126.98*	4

One "cycle" is generated for every three sales credits on the left side that match up with three sales credits on the right side of the Representative's Binary Organization. Each Monthly Bonus cycle pays up to \$10\*.

3 sales credits Left + 3 sales credits Right = 1 cycle = up to \$10\*

Monthly Sales Credits are also called Monthly Sales Volume, Monthly Volume, or Secondary Binary Volume.

\*Once a Senior Representative achieves the rank of Director, the value of each cycle increases to \$15.

Please note that a Customer's first monthly fees are charged at the time of purchase; however, the initial month's fees do not generate credits in the Binary Tree toward Monthly Residual Bonuses. Instead, they are credited toward Weekly Bonuses as part of the 65% Payout Cap.

\*Customers enrolled prior to June 13, 2009 have monthly fees of \$19.95 for the DreamTrips Membership and \$19.99 for the LTC package. Customers enrolled between June 13, 2009 and August 1, 2010 have monthly fees of \$24.99 each for the DreamTrips Membership and LTC package. They are still worth one sales credit each in the monthly Compensation Plan.

#### 6.1.1 - Customer Only Credit Auto-Balance

For Monthly Residual Commissions, if a Representative has generated sales credits on his/her left and right that do not yet complete a cycle and has Retail Customer Only monthly sales credits (monthly fees from either DTM, DTLM, Luxury DTM, or LTC Customers who are non-Representatives and are therefore not placed in the Binary Tree) that have not yet been paid on, the computer will Auto-Balance the Representative's credits and apply any available credits to the weaker team's volume.

For example, Representative X, a Director, has ten Retail Customers (non-Reps) who are actively paying their monthly fee(s). This month his left team generates 120 monthly fee sales credits and his right team generates 110 monthly fee sales credits. Seeing that the right team is lower by ten credits, the computer will Auto-Balance and assign the monthly fee credits of the ten Retail Customers (non-Reps) to Representative X's right team. This would thus cause Representative X to cycle 40 times for a monthly residual check of \$600 (assuming full \$15 cycles).

It is important to understand that when a Retail Customer Only monthly sales credit is "assigned" to the Rep's left or right side, that no changes are actually made to the Binary Organization. The Customer still exists outside of the Binary Tree and does not have a Business Center.

#### 6.1.1.1 - Luxury DreamTrip Auto-Balance Exception

Luxury DreamTrips Membership sales generate three (3) sales credits. However, all three sales credits are assigned to a single side when auto-balanced and are not broken up.

#### 6.2 - Active Status Requirement

Sales Representatives must be Active to accumulate sales credits (also called volume). If a Representative is Inactive status, no new sales credits will accumulate until he/she becomes Active again, and will not be credited retroactively if he/she does become Active again.

Representatives must have an Active Status at 11:59:59 PM (Midnight) Central Time on the last day of the monthly pay period to be qualified to earn the Monthly Residual Commission.

#### 6.3 - Qualification

Representatives must have achieved and be at the Senior Representative or higher rank at 11:59:59 PM (Midnight) Central Time on the last day of the monthly pay period to be qualified to earn the Monthly Residual Commission.

#### 6.4 - Monthly Pay Period

Monthly Residual Commissions are disbursed monthly, on the fifteenth day of the month following the end of the monthly pay period. The Monthly Residual Commission pay period begins on the first day of each month at 12:00:00 AM Central Time and ends on the last day of each month at 11:59:59 PM (Midnight) Central Time (See Fig. 1).

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Example Month						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Begins	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30 Ends	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15 PayDay				

Figure 1. Monthly pay period and payday example.

#### 6.5 - Limitations

#### 6.5.1 - Maximum Payout by Rank

There is a maximum amount that a Representative may earn each month at each promotion rank. Representatives will not be paid more than the maximum amount, regardless of the number of cycles completed for the pay period. If the 65% rule comes into play in a given month, Representatives will be able to use all of their completed cycles for that month, up to the point where the maximum monthly commissions are met. The limits are:

Rank	Maximum Amount
SR	\$500
DIR	\$2,000
MD	\$5,000
RMD	\$10,000
NMD	\$20,000
IMD	\$50,000

Example: Mary is a Director. She has 333 sales credits on her left and 600 sales credits on her right in Monthly Sales Volume on the last day of the month at 11:59:59 PM. When the bonus process runs, 111 cycles are calculated (333  $\div$  3 = 111). Since she is a Director, she is limited to \$2,000 per month (in this case 133 cycles), so her Monthly Residual Commission this month is up to \$2,000, subject to the 65% Payout Rule.

#### 6.5.2 - Monthly Residual Commission Sales Volume Expires

All Monthly Residual Sales Volume that does not match up to create cycles expires and does not carry over to the following monthly pay period.

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#### 6.5.3 - \*65% Cap Rule

The Weekly Bonus program is subject to the 65% Cap Rule. For details, please see Section 9.

# **SECTION 7 - BONUSES**

#### 7.1 - Personal Sales Bonuses

#### 7.1.1 - Description

When a Representative personally sponsors six (6) new Customers, or Customers that are also Reps, within a rolling calendar of four (4) full weekly pay periods or less, he/she will earn a \$250 Personal Sales Bonus. New Customers count toward a Personal Sales Bonus for four weeks.

For example, if a Representative enrolls five (5) Customers in one week and then two (2) in the following week, he/she has earned one (1) Personal Sales Bonus of \$250 (in addition to \$140 in Direct Commission for the seven (7) personal sales). In the following week, he/she now has one (1) sale carried over toward his/her next six (6). Every time six (6) Customers are sponsored, the Rep earns a bonus; there is no limit per month or per week. Twelve personal Customers in a week would generate two (2) \$250 Personal Sales Bonuses. Any sales over six (6) in a four-week period apply toward earning the next bonus. Every sale counts toward bonus earning potential for four weeks.

A second example: If a Rep generates one (1) sale in week one, no sales in week two, three (3) sales in week three, and one (1) sale in week four, he/she would not have earned the required six (6) sales (he/she would only have five), so when week five begins, the one (1) sale from week one would no longer count toward the total (he/she would then be at four sales).

#### 7.1.2 - Active Status Requirement

Personal Sales Bonuses are paid to the Representative regardless of his/her Active status, but his/her Representative Agreement must still be in effect—not cancelled, suspended, or terminated.

#### 7.1.3 - Qualification

Personal Sales Bonuses are paid to the Representative regardless of his/her Qualified status, but his/her Representative Agreement must still be in effect—not cancelled, suspended, or terminated.

#### 7.1.4 - Limitations

Representatives may earn as many Personal Sales Bonuses as they can qualify for, based on every six Customers acquired. This could mean one Bonus per four weeks, one per week, one per day, etc. There is no limit to how many a Representative may earn. Further, WorldVentures will recover Personal Sales Bonuses paid to Representatives any time an initial product purchase is refunded to the Customer.

Finally, Customers who purchase the Luxury DreamTrips Membership initially do not count toward the Personal Sales Bonus. Upgrades to Luxury DreamTrips Memberships do not count either. Only Customers making \$199 initial purchases count toward Personal Sales Bonuses.

#### 7.2 - TrainingDollars

# 7.2.1 - Description

When a Representative personally acquires six (6) new Customers within a rolling calendar of four (4) full weekly pay periods or less, in addition to the \$250 Personal Sales Bonus, once per month he/she will also be awarded 100 TrainingDollars.

TrainingDollars can be redeemed toward the price of many of WorldVentures' training events and have a one TrainingDollar to one Dollar redemption value.

#### 7.2.2 - Active Status Requirement

TrainingDollars are awarded to the Representative regardless of his/her Active status, but his/her Representative Agreement must still be in effect—not cancelled, suspended, or terminated.

#### 7.2.3 - Qualification

TrainingDollars are awarded to the Representative regardless of his/her Qualified status, but his/her Representative Agreement must still be in effect—not cancelled, suspended, or terminated.

#### 7.2.4 - Limitations

Representatives are only eligible to be awarded 100 TrainingDollars once per calendar month. TrainingDollars can only be redeemed toward the price of a WorldVentures Acceleration Workshop, Millionaire Boot Camp, MOMENTUM!, and Regional Training Events. Journey, A View From the Edge, the WorldVentures National Convention, VIP Days, the Rovia Annual Conference, and LTC Seminars to Success are not eligible. Additionally, only 100 TrainingDollars will be eligible for redemption per event. More than 100 TrainingDollars per training will not be accepted. Regional Training Events are valued at 100 TrainingDollars.

TrainingDollars expire 90 days after they have been awarded, if not used.

#### 7.3 - TravelDollars

#### 7.3.1 - Description

WorldVentures Representatives are awarded 100 TravelDollars for every sixth weekly cycle they earn. This is in lieu of the \$100 Cycle Bonus. TravelDollars may be redeemed only through the Company and are designed to reward our Representatives by covering some or all of the costs of their travel experiences.

#### 7.3.2 - Active Status Requirement

Sales Representatives must be Active to accumulate sales credits (also called volume). If a Representative is in Inactive status, no new sales credits will accumulate until he/she becomes Active again, and will not be credited retroactively if he/she does become Active again.

Representatives must have an Active Status at 11:59:59 PM (Midnight) Central Time on the last day of the weekly pay period to be qualified to earn the Weekly Bonuses, and thus TravelDollars.

#### 7.3.3 - Qualification

Representatives must also be Qualified to earn Weekly Bonuses, and thus TravelDollars. To be eligible for a Weekly Bonus, a Representative must be a Qualified Representative (Q or QX) or higher rank.

#### 7.3.4 - Award Frequency

TravelDollars are awarded concurrently with Weekly Bonuses.

#### 7.3.5 - Limitations

For details on redeeming TravelDollars, see Appendix B: TravelDollars Redemption Policy.

#### 7.4 - Director Bonus

#### 7.4.1 - Description

When a new Representative achieves the Director rank within twelve (12) full weekly pay periods, he/she will earn \$5,000.

#### 7.4.2 - Active Status Requirement

Representatives must have an Active Status at 11:59:59 PM (Midnight) Central Time on the last day of the weekly pay period to be qualified to earn the Director Bonus.

#### 7.4.3 - Qualification

Representatives must have achieved the rank of Director (DIR) or higher at 11:59:59 PM (Midnight) Central Time on the last day of the twelfth full weekly pay period from the date of enrollment to be qualified for the Director Bonuses.

## 7.5 - DreamCar Bonus

#### 7.5.1 - Description

When Representatives achieve the Regional Marketing Director level, WorldVentures pays them up to \$1,000 monthly as a DreamCar Bonus. This bonus increases to up to \$1,500 monthly when they reach International Marketing Director.

#### 7.5.2 - Active Status Requirement

Representatives must have an Active Status at 11:59:59 PM (Midnight) Central Time on the last day of the monthly pay period to be qualified to earn the DreamCar Bonus.

#### 7.5.3 - Qualification

Representatives must have achieved the rank of Regional Marketing Director (RMD) or higher at 11:59:59 PM (Midnight) Central Time on the last day of the monthly pay period to be qualified to earn the DreamCar Bonus for the following month. Representatives are not eligible for DreamCar Bonuses for the month in which they first achieve RMD—there is a one-month lag. Representatives must also have submitted documentation of the financing agreement or payment stub by the fifteenth day of the month following the month in which they first achieve RMD.

Example: Mary achieves the rank of RMD on March 4. She will be eligible for the April DreamCar Bonus, which is paid on May 15, provided she submits acceptable financing documentation by April 15 (that is approved).

#### 7.5.4 - Payment Frequency

DreamCar Bonuses are disbursed to the Representative monthly, on the fifteenth day of the month following the end of the monthly pay period.

#### 7.5.5 - Limitations

For more details on the DreamCar Bonus, please see Appendix C: DreamCar Bonus Policy.

#### 7.6 - DreamHome Bonus

### 7.6.1 - Description

WorldVentures pays Representatives who achieve the International Marketing Director level a DreamHome Bonus of up to \$3,000 monthly.

#### 7.6.2 - Active Status Requirement

Representatives must have an Active Status at 11:59:59 PM (Midnight) Central Time on the last day of the monthly pay period to be qualified to earn the DreamHome Bonus.

#### 7.6.3 - Qualification

Representatives must have achieved the rank of International Marketing Director (IMD) at 11:59:59 PM (Midnight) Central Time on the last day of the monthly pay period to be qualified to earn the DreamHome Bonus for the following month. Representatives are not eligible for DreamHome Bonuses for the month in which they first achieve IMD—there is a one-month lag. Representatives must also have submitted documentation of the financing agreement or payment stub by the fifteenth day of the month following the month in which they first achieve IMD.

Example: Mary achieves the rank of IMD on March 4. She will be eligible for the April DreamHome Bonus, which is paid on May 15, provided she submits acceptable financing documentation by April 15 (that is approved).

#### 7.6.4 - Payment Frequency

DreamHome Bonuses are disbursed to the Representative monthly, on the fifteenth day of the month following the end of the monthly pay period.

#### 7.6.5 - Limitations

For more details on the DreamHome Bonus, please see Appendix D: DreamHome Bonus Policy.

# **SECTION 8 - PROMOTIONAL LEVELS**

#### 8.1 - Enrolled Representative (ER)

#### 8.1.1 - Requirements

Entry-level position; a Representative who has enrolled, but is not Active.

#### 8.1.2 - Commissions & Bonuses

**Direct Commissions** 

# 8.2 - Active Representative (AR)

#### 8.2.1 - Requirements

A Representative who is Active, but has not met the minimum requirements for advancement.

#### 8.2.2 - Commissions & Bonuses

**Direct Commissions** 

Until a Representative becomes Qualified, Sales Volume will irrevocably expire after one month from the date and time of the sale.

#### 8.3 - Qualified Representative (Q)

#### 8.3.1 - Requirements

An Active Representative may become a Qualified Representative (Q) by:

a) Making four Retail Product sales to Retail Customers or Customers who are also Representatives. Customer enrollment dates must all be on or after June 7, 2009. Sales can be credited to either Left Binary Team or Right Binary Team, based on Auto-Balance.

All four personally sponsored Representatives/Customers must remain Active for the Representative to remain at the Qualified rank.

#### 8.3.2 - Commissions & Bonuses

- a) Direct Commissions
- b) Weekly Bonuses (\$2,000 Weekly maximum)
- c) Bonuses
  - a. TravelDollars, subject to the \$2,000 maximum combined value of Cycle Bonuses and TravelDollars

#### 8.3.3 - Waived Monthly Fees

When the Company successfully processes the initial product fee(s) OR monthly fee(s) for the four Customers (or Customers who are also Representatives), provided they all have enrollment dates on or after June 6, 2009, the Qualified Representative's following month's fees are waived. So, if Representative X enrolls his four (or a combination of new enrollments and monthly product fee(s) from previous Customers) per the rules above in July, he would become Qualified. Thus, his August fee(s) would be waived.

Upon obtaining Qualified status, the Representative's monthly product fee(s) of \$26.99, \$53.98, \$54.99, etc. (depending on his/her product makeup), as well as his/her \$10.99 RBS fee, will be waived. However, his/her status will still be considered Active. For Luxury DreamTrips, see below.

The four sales that qualify the Representative may be any mix of initial product fees (\$199.95, \$199.99, \$999.99) or monthly fees (\$26.99, \$53.98, \$54.99, \$99.99). Additionally, other than the Luxury DreamTrips Membership (as outlined below), whatever the Representative's products are, the fee(s) will be waived. So, four DreamTrip-only Customers could potentially result in waiving as little as the \$10.99 RBS fee or as much as \$65.98 (for both the DreamTrips Life Membership and the RBS). In short, any combination of four Customers could result in free monthly fees (no matter the amount, excluding the Luxury DreamTrips Membership).

In the event that a Representative who has purchased the RBS only becomes Qualified and has his/her monthly fee waived, he/she is still responsible for maintaining one retail product sale per month—(1) the DreamTrips Membership; (2) the DreamTrips Life Membership; or (3) the Luxury DreamTrips Membership—to a Retail Customer or a Customer who is also a Representative, per Section 3.1.

#### 8.3.3.1 - Limitations

All four personally sponsored Customers must remain Active for the Representative to maintain the Q classification.

In the event that one of the four Customers goes into Grace Period or Inactive Status, the Company will attempt to charge the Representative based on the billing information on file. In the event that billing is unsuccessful, the Representative will also go into Grace Period or Inactive Status.

In the event that one or more of the four who helped the original sponsoring Representative reach Qualified Status *also* becomes Qualified, they will still be designated as Active and therefore still count toward the original sponsoring Representative's Qualified status.

NOTE: Qualified Representatives will *not* generate any monthly sales credit(s) into the Binary Tree and will not contribute to his/her Upline's monthly cycles.

#### 8.3.3.2 - Luxury DreamTrips Limitations

In order for a Representative's Luxury DreamTrips monthly fee to be waived, he/she must have enrolled, and maintained, four Active Luxury DreamTrips Customers. Only four Active Luxury DreamTrips Customers can result in waived Luxury DreamTrips fees.

#### 8.3.4 - Qualified, Monthly Fees Not Waived (QX)

This rank replaces the previous Fully Qualified Representative (FQR) rank, and is only for Representatives with enrollment dates prior to June 6, 2009 with either four sales made prior to June 6, 2009, or a mixture of sales both before *and* after June 6, 2009, with less than four occurring on or after June 6, 2009. No Representatives joining on or after June 6<sup>th</sup> will be eligible for QX designation.

# 8.3.5 - FQR Plus (FQR+)

#### 8.3.5.1 - Description

An Active Representative with a join date prior to June 6, 2009 may become a Fully Qualified Representative Plus (FQR+) by enrolling two Representatives (one left, one right) who activate their Business Center (as outlined in Section 3.1) and then enrolling four additional Retail Customers or Customers who are also Representatives. If a Representative, with a join date prior to June 6, 2009 has six (6) personally sponsored, Active Customers with an entry date before June 6, or a mixture of sales both before and after June 6, 2009, with less than four occurring on or after June 6, 2009, his/her fees are waived. If he/she loses personally sponsored Reps or Customers, he/she can sponsor new Customers to maintain a total of six (6) to reinstate free billing and FQR+ status. In the event that he/she obtains four new

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Customers with join dates on or after June 6, 2009, he/she will be changed to Q status and his/her monthly fees will continue to be waived.

Upon obtaining FQR+ status, the Representative's monthly product fee(s) of \$19.95, \$19.99, or \$39.94, as well as his/her \$10.99 RBS fee, will be waived. However, his/her status will still be considered Active.

The same rules for waived billing apply: When the Company successfully processes the initial product fee(s) OR monthly fee(s) for the six Customers (or Customers who are also Representatives, two of which *must* be Representatives), the qualifying Representative's *following* month's fees are waived. Also, the six sales that qualify the Representative may be any mix of initial product fees or monthly fees. Additionally, whatever the Representative's products are, the fee(s) will be waived; any combination of six Customers will result in free monthly fees (no matter the amount, excluding the Luxury DreamTrips Membership). However, if the number of sales made on or after June 6, 2009 becomes four (4) or more, the status will change from FQR+ to simply Q, per the new rules.

In the event that a Representative who has purchased the RBS Only becomes FQR+ and has his/her monthly fee waived, he/she is still responsible for maintaining one retail product sale per month—(1) the DreamTrips Membership; (2) the DreamTrips Life Membership; or (3) the Luxury DreamTrips Membership—to a Retail Customer or a Customer who is also a Representative, per Section 3.1.

#### **8.3.5.2 - Limitations**

The same limitations pertaining to Qualified (Q) apply here, except for six instead of four. Also, two of the six must be Representatives and placed one left, one right.

#### 8.4 - Senior Representative (SR)

#### 8.4.1 - Requirements

An Active Representative may become a Senior Representative (SR) by:

- a) Becoming a Qualified Representative (Q or QX), and;
- b) Having at least thirty (30) Active Customers on his/her Left Binary Team and at least thirty (30) Active Customers on his/her Right Binary Team, based on Team Sales and Auto-Balance of Personal Retail Customer Only Sales. This is also called being "30/30."

#### 8.4.2 - Commissions & Bonuses

- a) Direct Commissions
- b) Weekly Bonuses (\$2,000 Weekly maximum)
- c) Monthly Residual Commissions, \$10/cycle (\$500 Monthly maximum)
- d) Bonuses
  - a. TravelDollars, subject to the \$2,000 maximum combined value of Cycle Bonuses and TravelDollars

#### 8.5 - Director (DIR)

#### 8.5.1 - Requirements

An Active Representative may become a Director (DIR) by:

- a) Becoming a Qualified Representative (Q or QX), and;
- b) Having at least ninety (90) Active Customers on his/her Left Binary Team and at least ninety (90) Active Customers on his/her Right Binary Team, based on Team Sales and Auto-Balance of Personal Retail Customer Only Sales, and;
- c) Building lines of Lineage with a total count of at least one hundred and forty (140) Active Customers, with no more than ninety (90) counted from any one line

#### 8.5.1.1 - Exception

Representatives enrolled prior to September 1, 2010 may obtain the rank of Director without the Lineage requirement outlined above until 11:59:59 PM (Midnight) Central Time, February 28, 2011. Beginning March

1, 2011, Representatives who have not met the Lineage requirement outlined above will be reclassified as Senior Representatives.

#### 8.5.2 - Commissions & Bonuses

- a) Direct Commissions
- b) Weekly Bonuses (\$2,000 Weekly maximum)
- c) Monthly Residual Commissions, \$15/cycle (\$2,000 Monthly maximum)
- d) Bonuses
  - a. TravelDollars, subject to the \$2,000 maximum combined value of Cycle Bonuses and TravelDollars

#### 8.6 - Marketing Director (MD)

# 8.6.1 - Requirements

An Active Representative may become a Marketing Director (MD) by:

- a) Becoming a Director (DIR), and;
- b) Building lines of Lineage with a total count of at least four hundred (400) Active Customers, with no more than two hundred (200) counted from any one line, and;
- c) Earning at least \$6,750 cumulatively in the preceding three calendar months, \$2,250/month average (TravelDollars are included)

Personal Retail Customer Only sales will also count toward the total Lineage, although they will not be assigned to a specific line. To maintain the MD rank, the Representative must continue to average at least \$6,750 in the preceding three calendar months.

#### 8.6.2 - Commissions & Bonuses

- a) Direct Commissions
- b) Weekly Bonuses (\$5,000 Weekly maximum)
- c) Monthly Residual Commissions, \$15/cycle (\$5,000 Monthly maximum)
- d) Bonuses
  - a. TravelDollars, subject to the \$5,000 maximum combined value of Cycle Bonuses and TravelDollars

# 8.7 - Regional Marketing Director (RMD)

#### 8.7.1 - Requirements

An Active Representative may become a Regional Marketing Director (RMD) by:

- a) Becoming a Marketing Director (MD), and;
- b) Building lines of Lineage with a total count of at least nine hundred (900) Active Customers with no more than three hundred (300) counted from any one line, and;
- c) Earning at least \$15,750 cumulatively in the preceding three calendar months, \$5,250/month average (TravelDollars are included)

Personal Retail Customer Only sales will also count toward the total Lineage, although they will not be assigned to a specific line. To maintain the RMD rank, the Representative must continue to average at least \$15,750 in the preceding three calendar months.

#### 8.7.2 - Commissions & Bonuses

- a) Direct Commissions
- b) Weekly Bonuses (\$10,000 Weekly maximum)
- c) Monthly Residual Commissions, \$15/cycle (\$10,000 Monthly maximum)
- d) Bonuses
  - a. TravelDollars, subject to the \$10,000 maximum combined value of Cycle Bonuses and TravelDollars
  - b. \$1,000 DreamCar Bonus Monthly maximum

# 8.8 - National Marketing Director (NMD)

#### 8.8.1 - Requirements

An Active Representative may become a National Marketing Director (NMD) by:

- a) Becoming a Regional Marketing Director (RMD), and;
- b) Building lines of Lineage with a total count of at least one thousand eight hundred (1,800) Active Customers with no more than six hundred (600) counted from any one line, and;
- c) Earning at least \$31,500 cumulatively in the preceding three calendar months, \$10,500/month average (DreamCar Bonus and TravelDollars are included)

Personal Retail Customer Only sales will also count toward the total Lineage, although they will not be assigned to a specific line. To maintain the NMD rank, the Representative must continue to average at least \$31,500 in the preceding three calendar months.

#### 8.8.2 - Commissions & Bonuses

- a) Direct Commissions
- b) Weekly Bonuses (\$20,000 Weekly maximum)
- c) Monthly Residual Commissions, \$15/cycle (\$20,000 Monthly maximum)
- d) Bonuses
  - a. TravelDollars, subject to the \$20,000 maximum combined value of Cycle Bonuses and TravelDollars
  - b. \$1,000 for DreamCar Monthly maximum

#### 8.9 - International Marketing Director (IMD)

#### 8.9.1 - Requirements

An Active Representative may become an International Marketing Director (IMD) by:

- a) Becoming a National Marketing Director (NMD), and;
- b) Building lines of Lineage with a total count of at least three thousand (3,000) Active Customers with no more than one thousand (1,000) counted from any one line, and;
- c) Earning at least \$56,250cumulatively in the preceding three calendar months, \$18,750/month average (DreamCar Bonus and TravelDollars are included, DreamHome excluded)

Personal Retail Customer Only sales will also count toward the total Lineage, although they will not be assigned to a specific line. To maintain the IMD rank, the Representative must continue to average at least \$56,250 in the preceding three calendar months.

#### 8.9.2 - Commissions & Bonuses

- a) Direct Commissions
- b) Weekly Bonuses (\$25,000 Weekly maximum)
- c) Monthly Residual Commissions, \$15/cycle (\$50,000 Monthly maximum)
- d) Bonuses
  - a. TravelDollars, subject to the \$25,000 maximum combined value of Cycle Bonuses and TravelDollars
  - b. \$1.500 DreamCar Bonus Monthly maximum
  - c. \$3,000 DreamHome Bonus Monthly maximum

#### 8.10 - Bonus Business Center

#### 8.10.1 - Description

When a Representative generates at least \$25,000 in income during a single calendar month from a single Business Center, the Representative will be issued a bonus in the form of the one-time creation and insertion of a new Business Center directly above the existing center.

The original Business Center will be directly sponsored by the new Business Center, thus creating its first line of Lineage.

#### 8.10.2 - Limitations

The new Business Center will maintain the same ownership as the original Business Center and will not be sellable or transferable except under the provisions of section 4.28 in the WorldVentures Policies and Procedures or in the event the Representative's complete divestiture of all WorldVentures business interests

The original Business Center is only eligible to generate a Bonus Center once. The new (Bonused) Business Center will also be eligible for awarding of a Bonus Center upon generating at least \$25,000 in income during a single calendar month.

# 8.11 - Monthly Rank Grace Period

Available twice per calendar year, non-consecutively, to Directors and above, the Monthly Rank Grace Period is independent of the Recurring Order (Active Status) Grace Period.

Once a Representative achieves the rank of Director, he/she will be eligible for Rank Grace Periods. In the event that a Representative was a Director in the month of July but drops out of Director qualification when month-end rankings are calculated August 1, due to insufficient Customer volume (alternatively due to insufficient Earnings, at higher ranks), he/she will still be paid his/her July monthly commissions as a Director, as well as all weekly commissions for the month of August as Directors. If he/she does not regain his/her Director rank by the end of August, he/she will not receive his/her August monthly commissions in September. To clarify, if he/she is unable to regain the Director rank, he/she would no longer be eligible for Monthly Rank Grace Periods until he/she successfully regained the Director Rank.

Likewise, if a Representative has previously achieved the IMD rank in July but drops out of IMD qualification when month-end rankings are calculated August 1 (due to either insufficient Customer volume or insufficient earnings) he/she would still be paid his/her July monthly commissions and DreamCar and DreamHome bonuses. However, if he/she was unable to regain his/her IMD rank by the end of his/her grace month, he/she would forfeit his/her DreamHome bonus and his/her higher monthly commissions and DreamCar bonus and be paid as an NMD in September.

Monthly Rank Grace Periods can only be initiated at the beginning of a calendar month. If a Representative is not in a Monthly Rank Grace Period, and drops below the Customer volume required for his/her rank during a weekly pay period, that will not trigger a Monthly Rank Grace Period and the Representative would be compensated based on his/her actual rank at the time the weekly pay period is run.

# **SECTION 9 - 65% PAYOUT CAP RULE**

WorldVentures commits to pay up to 65% of all sales revenue generated by our Representatives back to the field, and sets these amounts aside into separate commission accounts. To ensure the long-term viability of WorldVentures and protect the future opportunity for our Representatives, the Company must limit the percentage of total commission payout to this percentage. This 65% maximum is called the 65% Payout Cap.

Here is an example of how it works: If Weekly Sales Volume for a given week were \$1,000,000 companywide, then WorldVentures would pay a maximum of \$650,000 in commissions to our Representatives. If the weekly commissions process generated \$700,000, or 70%, then all commission checks would be "shaved" an equal percentage to bring the total payout back to 65%. This would cause a weekly cycle to payout less than \$100. The same is true of Monthly Residual Commissions. The 65%

Payout Cap is necessary to insure the long-term health and continued growth of WorldVentures and to provide long-term opportunity for our Representatives. We all want a Company that will be profitable and secure for many years to come.

Each of the two WorldVentures commission programs (weekly and monthly) is self-contained, and the 65% Payout Cap is applied separately to each one. In addition, any surplus funds from commission runs will be used to cover any shortfall before commission checks will be shaved within each of the commission programs.

Travel commissions are paid by Rovia and are unrelated to this Compensation Plan.

# **SECTION 10 - MISCELLANEOUS**

#### 10.1 - Charge Backs & Refunds

WorldVentures reserves the right to recover Sales Volume credited or commissions paid to a Representative any time a commissionable purchase of any kind is refunded to a Customer.

# APPENDIX A: GLOSSARY OF TERMS

<u>Active Customer</u> — A Customer who has an Active and paid-up DreamTrips Membership, DreamTrips Life Membership, Luxury DreamTrips Membership, or LTC Package (if purchased prior to March 19, 2011) for the subject calendar month.

<u>Active Representative</u> — A Representative who has (1) maintained the sale of at least one of WorldVentures' products (DreamTrips, DreamTrips Life, or Luxury DreamTrips) to a Retail Customer during the current month or (2) who has a current and Active product personally.

<u>Active Rank</u> — Refers to the current rank of a Representative, as determined by the WorldVentures Compensation Plan, for any calendar month OR volume period. To be considered "Active" relative to a particular rank, a Representative must meet the criteria set forth in the WorldVentures Compensation Plan for his/her respective rank. (See the definition of "Rank" below.)

<u>Agreement</u> — The contract between the Company and each Representative includes the Representative Agreement, the WorldVentures Policies and Procedures, the WorldVentures Compensation Plan, and the Business Entity Registration Form (where appropriate), all in their current form and as amended by WorldVentures in its sole discretion. These documents are collectively referred to as the "Agreement."

<u>Business Center</u> — A node or "position" in the WorldVentures Binary Tree, created by the enrollment of a Representative through the purchase of the RBS, which tracks the sales generated by the Representative and the Representative's team.

**Cancel** — The termination of a Representative's business.

<u>Commissionable Products/Services</u> — All WorldVentures products and services on which commissions and bonuses are paid. Representative Business Systems and sales aids are not commissionable products.

**Company** — The term as it is used throughout the Agreement means WorldVentures Marketing, LLC.

<u>Customer</u> — A person who purchases WorldVentures products for personal use.

**Downline** — See "Marketing Organization" below.

<u>Downline Activity Report</u> — A monthly report generated by WorldVentures that provides critical data relating to the identities of Representatives, sales information, and enrollment activity of each Representative's Marketing Organization. This report contains confidential and trade secret information proprietary to WorldVentures.

<u>Downline Leg</u> — Each one of the individuals enrolled immediately underneath a Representative and his/her respective Marketing Organizations represents one "leg" in the Representative's Marketing Organization. Each Business Center has two legs—one on the left and one on the right.

**Enroller** — A Representative who recruits and enrolls another Representative into the business opportunity or a new Customer. The Enroller is typically also the Sponsor of the new Representative or Customer.

<u>Group Sales Volume</u> — The commissionable value of WorldVentures products generated by a Representative's Marketing Organization. Group Sales Volume does not include the Personal Sales Volume of the subject Representative. (Representative Business Systems and sales aids have no Sales Volume.)

<u>Immediate Household</u> — Heads of household and dependent family members residing in the same house.

<u>Left Side Group Sales Volume (GSV)</u> — The commissionable value of WorldVentures products and services sold in the left Downline leg of a particular Business Center.

<u>Level</u> — The layers of Downline Representatives in a particular Representative's Marketing Organization. This term refers to the relationship of a Representative relative to a particular Upline Representative, determined by the number of Representatives between them who are related by sponsorship. For example, if A sponsors B, who sponsors C, who sponsors D, who sponsors E, then E is on A's fourth level.

<u>Lineage</u> — The legs in the Representative marketing structure that were initially started by the Representative sponsoring a personal Representative, and then extended by him/her recruiting Representatives personally and that process duplicating. A Representative's Lineage is like his/her sponsorship family tree. It comes from those whom the Representative personally recruited and whom they personally recruited, etc. Spillover will not add to Lineage.

**Marketing Organization** — The Representatives sponsored below a particular Representative.

<u>Official WorldVentures Material</u> — Literature, audio, or videotapes, and other materials developed, printed, published, and distributed by WorldVentures to Representatives.

<u>Personal Sales Volume (PSV)</u> — The commissionable value of services and products sold in a calendar month (1) by the Company to a Representative and (2) by the Company to the Representative's personally enrolled Customers.

**Rank** — The "title" that a Representative has achieved pursuant to the WorldVentures Compensation Plan.

<u>Right Side Group Sales Volume (GSV)</u> — The commissionable value of product sold in the right Downline leg of a particular Business Center.

**Sponsor** — The Representative to whom front-line Lineage is credited when a new Representative is enrolled into the Company.

Representative Business System (RBS) — An online tool that includes a Personalized Website and Back Office System as well as online Training and access to essential Sales and Marketing tools to help Representatives build their WorldVentures business. The Company requires that Representatives purchase a Representative Business System (RBS) for \$99.95 and then \$10.99/month moving forward.

<u>Retail Customer</u> — An individual or entity who is not a WorldVentures Representative and who purchases WorldVentures products or services from or through a Representative.

<u>Upline</u> — Refers to the Representative or Representatives above a particular Representative in a sponsorship line up to the Company. Conversely stated, it is the line of sponsors that links any particular Representative to the Company.

# APPENDIX B: TRAVELDOLLARS REDEMPTION POLICY

TravelDollars can be redeemed through the Company and used in two ways:

- 1) TravelDollars can be redeemed toward the purchase of any of WorldVentures' DreamTrips if the Representative is also a DreamTrips Member. TravelDollars will be redeemed for the price of the DreamTrip, plus an additional 5% charge (e.g., If the trip cost is \$600, an additional \$30 will be added for a total TravelDollar redemption of \$630), on a reimbursement basis, OR;
- 2) TravelDollars can be used by any Representative booking regular travel on a reimbursement basis. After providing the necessary receipts and proof of travel, WorldVentures will reimburse said Representative. A Representative does not need to be a DreamTrips Member to use TravelDollars in this way.

Each trip needs to be booked and paid in full before the TravelDollars expiration date. Partial TravelDollars cannot be used for any particular trip. A Representative must have enough TravelDollars for the entire travel package or travel fare. No partial reimbursements will be issued. Travel must have been consumed/taken prior to submitting reimbursement request.

Air, Car, Hotel, and Cruise bookings are eligible for redemption. In addition, airport parking, as well as transfers (including taxis, shuttles, and car service) are included. Entertainment and food expenses (including hotel amenities, mini-bar, room service, etc.) are not eligible.

TravelDollars expire if not used within one year from the date awarded.

TravelDollars are not transferable, but can be redeemed within one's immediate family. Immediate family is defined as the Representative spouse and dependent children. Dependent children are those children residing with their parent(s) or legal guardian(s) who are un-married, in school, and are 25 or under. In addition, a child that is permanently handicapped (no matter what age) and under the direct care of his/her parent(s) or legal guardian(s) is a dependent child.

# **APPENDIX C: DREAMCAR BONUS POLICY**

Payments by WorldVentures will be maintained as long as the Representative maintains RMD status. The Representative must be willing to provide a promotional picture and personal biography.

#### Requirements:

- a) Must be new<sup>†</sup>
- b) Purchase or lease is acceptable
- c) Must place WorldVentures logo, available for purchase from WorldVentures, in a visible location

WorldVentures will make payment to the Representative, up to \$1,000 monthly (\$1,500 at the IMD Level). WorldVentures will issue bonus to Representative in the amount of the actual car payment, up to but not exceeding the monthly maximum (e.g., Representative with a \$700 car payment would only receive a bonus of \$700).

Payments by WorldVentures will be maintained as long as Representative maintains RMD status.

<sup>†</sup>If a purchase, it must be within the last three model years. If pre-owned, it must "look new."

# APPENDIX D: DREAMHOME BONUS POLICY

At the International Marketing Director level, WorldVentures Representatives qualify for a DreamHome Bonus. The Representative must be willing to provide a promotional picture and personal biography.

#### Requirements:

- a) Can be a new home or Representative's existing home
- b) Can be an apartment, condo, or house
- c) Can be leased or purchased
- d) Must fully document that residence belongs to the Representative

WorldVentures will make payment to the Representative, up to \$3,000 monthly. WorldVentures will issue the bonus to the Representative in the amount of the actual home payment, up to but not exceeding the monthly maximum (e.g., Representative with a \$2,500 home payment would only receive a bonus of \$2,500).

Payments by WorldVentures will be maintained as long as Representative maintains IMD status.

# **APPENDIX E: SPECIAL PROGRAMS**

From time to time WorldVentures introduces special programs such as DreamTripsU, which may include discretionary or discounted pricing and product terms which will be allocated a sales credit value in the Compensation Plan. Details of the applicable sales credit values together with any other applicable variations or exceptions associated with participation in a special program will be available in the program documentation issued by WorldVentures for each special program. Representatives must check the details of each special program for applicable variations or exceptions to this Compensation Plan.