

Compensation Plan Details

Introduction

SendOutCards offers multiple ways of earning an income, all of which involve hard work and effort, but offer great rewards as well. There are two ways to participate in SendOutCards: As a customer or as a Referral Partner. This document discusses being a Referral Partner and earning an income through the SendOutCards Opportunity. You have several ways to earn bonuses and commissions in SendOutCards. You have the option to participate on multiple levels, and grow your business at your own pace. You may participate in the earning side of SendOutCards by enrolling as a Referral Partner for a one-time fee of \$59 and an annual renewal of \$59.

As a Referral Partner you have the opportunity to participate in the compensation program. SendOutCards offers multiple packages that may be purchased to help you grow your business.

Note: All amounts stated are in U.S. Dollars for purchase prices, bonuses and commissions issued to participating Referral Partners. International residents' participation with SendOutCards is based upon acceptance of applications in the U.S. under U.S. laws and regulations with the understanding that SendOutCards conducts all business in U.S. currency. International residents agree to this condition when signing up to participate with SendOutCards. See SendOutCards Policies and Procedures & Terms and Conditions for additional details.

How do I make money with SendOutCards?

There are several methods of earning an income with SendOutCards. We will briefly outline them here before going into greater detail in a later section.

Customer Direct Retail Profits

Sell your services directly to customers by sending a card or gift. You send the item to them, from your account, and collect the money directly from them.

Product & Customer Acquisition Bonus

These one-time bonuses, paid out weekly, are paid to Referral Partners who advance through the ranks and demonstrate ability to help their downline Referral Partners grow their businesses. There are many ways to earn these commissions and bonuses. As you advance in rank, Customer Acquisition Bonuses increase and you are rewarded for helping more people sell products and gather and train customers and/or Referral Partners.

Customer Commission

This weekly commission is paid based on retail sales to customers; more customers buying your products result in more income.

Personal & 7-Level Downline Commission (Residual Income)

This weekly commission is based on commissionable volume sold on levels 0-7 of a Referral Partner's downline organization.

Downline Infinity Commission

This weekly commission is based on the commissionable volume sold in your downline. This bonus pays to unlimited levels, depending on how your organization is coded to you as a leader.

General Terms to Know

Downline

The Organization below an individual Referral Partner consisting of levels of other Referral Partners either sponsored directly by the individual, or by the other Referral Partners within the direct line of sponsorship.

Upline

The Referral Partner or Referral Partners above a particular Referral Partner in a direct line of sponsorship up to the Company. In summary it is the line of sponsors that links any particular Referral Partner to the company.

Coded Upline

The Referral Partners above a particular Referral Partner that have the Manager, Senior Manager, Executive, Senior Executive, and Eagle coding's on the Referral Partner. This is not necessarily the same as the Upline.

Leg

Each individual Referral Partner enrolled front line to a particular Referral Partner is considered a leg under that Referral Partner. All Customers enrolled by a specific front line Referral Partner or any Downline Referral Partner count as a part of that leg as well. Each leg may contain any number of Referral Partners and Customers underneath that Referral Partner, in their own downline organization. For the purpose of qualifying for rank advancement, all the Referral Partners customers combined constitute a leg.

How do I qualify to earn Bonuses/Commissions?

Each commission/bonus type has different qualification requirements. To be eligible to earn all available commission/bonuses, a Referral Partner is required to be Rank Qualified at their highest achieved rank.

What is Commissionable Volume?

Commissionable Volume is earned on many purchases made by Referral Partners and their direct customers. Commissionable volume is calculated to determine commission payouts for Referral Partners. Commissionable volume consists of cards (not including paper upgrades), gifts, and subscriptions that are purchased at variable rates.

EXAMPLE:

Purchased Product	Purchase Price	Commissionable Volume
Postcard	\$0.58-\$0.91	\$0.40
Cards (Flat, 2 panel, 3 panel, BIG)	\$1.75-\$2.75	\$1.20
Photo Drop Cards (Basic)	\$1.00	\$0.80
\$17 Subscription	\$17.00	\$10.71
\$97 Subscription	\$97.00	\$62.00
\$147 Subscription	\$147.00	\$93.00

*For questions on legacy point users, please contact Support.

What calculations are used for determining qualification for Bonuses/Commissions and rank advancement?

PCV - Personal and Customer Volume

Comprised of the total qualifying volume calculated from purchases made by a Referral Partner and their direct customers. **A maximum of 31 can come from the Referral Partners own purchases.** PCV is calculated based on the previous 35 day period, on a rolling basis. This means the computer looks back 35 days from the bonus period end date when determining PCV.

GV - Group Volume (Commissionable Volume)

Comprised of the total qualifying volume calculated from purchases made by a Referral Partner, the Referral Partner's direct customers (Level 0), and downline located within levels 1-7 of the Referral Partners organization, and anyone in a Referral Partner's organization that they hold coding on. **A maximum of 31 can come from the Referral Partners own purchases.** GV is calculated based on the previous 35 calendar days, on a rolling basis. This means the computer looks back 35 days from the last day of the bonus period when determining GV.

What does "Bonus Period" and "Qualification Period" mean?

All bonus and qualification periods are based on U.S. Eastern Time Zone. The "Bonus Period" for weekly commissions and bonuses are run once in the calendar week of Sunday through Saturday.

The "Qualification Period" is the timeframe used to determine if you qualified to be paid the bonus that is being evaluated for that bonus period. The last 35 days from the bonus period end date are used. For example: If you enroll a new Premium Subscription on the last day of the bonus period, (Saturday December 16th), we would look back at volume generated during the past 35 days, to verify you meet the necessary qualifications to see if you are qualified to receive the bonus.

How does coding work?

When a new Referral Partner signs up, they are attached (or coded) to the person who sponsored them. The new Referral Partner inherits the coding of their sponsor. Each Referral Partner is coded to only one of each rank (Manager, Sr. Manager, Executive, Sr. Executive, and Eagle). The way a new Referral Partner inherits their coding is by first inheriting the coding of their sponsor. For example, if the new Referral Partner's sponsor is a Sr. Manager, that sponsor will be coded to them as the Manager and Sr. Manager. The new Referral Partner would then inherit the sponsor's upline coding for Executive, Sr. Executive, and Eagle. When a new Referral Partner receives their coding, that coding does not change. Using our previous example, if the Referral Partner's sponsor becomes an Executive later on, the new Referral Partner's coding does not change – it remains the same.

With customer payouts, coding is contingent upon the highest qualified rank of their direct sponsor. If their direct sponsor holds multiple ranks at the time of payout, and is Rank Qualified, they will earn the appropriate Customer Acquisition Bonuses.

What are the qualification requirements for each type of bonus/commission in the SendOutCards Compensation Plan?

The following chart shows each type of bonus/commission available within the SendOutCards compensation plan. Next to each rank, you will find the applicable PCV and GV requirements for each bonus/commission type. You are encouraged to look closely at your current rank to make sure you meet these WEEKLY qualifications.

	<u>BONUSES/ COMMISSIONS</u>	GROUP QUALIFIED	RANK QUALIFIED
	Product Bonuses Customer Direct Retail Profits	<u>Bonuses/ Commissions</u> -Customer Commissions 20% -7 Level Downline commission (Levels 1-7)	<u>Eligible to earn ALL Bonuses/ Commissions including:</u> -Customer Acquisition Bonuses -Downline Infinity Commission
RANK			
Referral Partner	All active Referral Partners, with an up to date renewal are eligible to earn these commissions/bonuses with no further qualifications.	93 PCV	N/A
Manager		93 PCV	124 PCV + 500 GV to maintain rank qualifications.
Sr. Manager		93 PCV	217 PCV + 2,000 GV to maintain rank qualifications.
Executive		93 PCV	310 PCV + 10,000 GV to maintain rank qualifications.
Sr. Executive		93 PCV	403 PCV + 50,000 GV to maintain rank

			qualifications.
Eagle		93 PCV	496 PCV + 100,000 GV to maintain rank qualifications.

NOTE:

Referral Partners must be Rank Qualified at their highest achieved rank by meeting PCV and GV requirements to be eligible to earn all bonuses/commissions. Once a Referral Partner achieves a rank they will always maintain that title, however, payouts will be paid according to qualified rank calculated at the end of each bonus period.

All Referral Partners are considered Qualified for bonuses and commissions within their first 30 days of enrollment, however there is not a grace period within the first 30 days for rank advancement purposes.

SendOutCards provides a grace payment at rank to Referral Partners that miss their qualifications in one week. What this means is that if a Referral Partner qualifies to be paid at one rank and the following week they do not meet the qualifications to be paid at that rank again, SendOutCards will pay them at the rank they qualified at the previous week. If the Referral Partner does not become qualified again in the third week they will be paid at the rank they do qualify for. By way of example, if a Referral Partner holds the lifetime rank of Executive and is qualified to be a paid as Executive in the first week of the month. Then in the second week of the month that lifetime Executive only qualifies to be paid as a Senior Manager, SendOutCards will pay the Referral Partner as an Executive in week two. If during week three the lifetime ranked Executive only qualifies to be paid as a Senior Manager again then they will be paid as a Senior Manager for week three. Another way to describe this would be, a Referral Partner will be paid at the highest of the Rank the Referral Partner qualified for this week or the immediately previous week.

All qualifications for any bonus or commission are based on U.S. Eastern Time Zone. Any special promotions for contests or other events may have different requirements and will be specified.

How do I ensure that I am eligible to earn commissions/bonuses?

Every Referral Partner can view their current qualifications from the dashboard screen located on their website, once logged in. The dashboard can be accessed by clicking on the envelope icon located in the upper left corner. The dashboard will show both the current qualifications and requirements for each level of qualification.

- 1- Personally Qualified
- 2- Group Qualified
- 3- Rank Qualified
- 4- Group Volume

What are the different types of bonuses/ commissions available in the SendOutCards Compensation Plan?

Customer Direct Retail Profits

Sell your services directly to customers by sending a card or gift. You send the item to them, from your account, and collect the money directly from them.

Customer Commission

Customer Commissions are paid weekly on purchases of cards and/or gifts, made by a Referral Partner and their customers. All Referral Partners must be Group Qualified (93 in PCV) in order to receive the 20% Customer Commission. If a Referral Partner does not have 93 in PCV, but is at least Personal Qualified (31 in PCV), they will earn 5% in Customer Commissions.

Qualification Level	Customer Commission Payout Percentage
Personal Qualified	5% in Customer Commissions
Group Qualified	20% in Customer Commissions

Product & Customer Acquisition Bonus

Product Bonuses are paid weekly, to the coded sponsor, for eligible products purchased by customers and Referral Partners. No additional qualifications are required, for active Referral Partners, to earn product bonuses.

Customer Acquisition Bonuses are one time bonuses paid to coded Referral Partners, for eligible product purchases made by downline customers and Referral Partners. Customer Acquisition bonuses are paid weekly. The chart below details each product and the applicable bonus/commission available to Referral Partners.

For Referral Partner product purchases, encoded upline must be Rank Qualified at their highest earned rank, on the last day of the bonus period that the purchase is made.

If a Referral Partner holds multiple coding, they will receive up to the level of coding they hold based on their current Rank Qualification, on the last day of the bonus period.

PRODUCT CHART

	Cost	Sponsor	Manager	Sr. Manager	Executive	Sr. Executive	Eagle
Essentials Pack	\$99	\$25	\$13	\$8	\$6	\$5	\$3
2-Touch Campaign (Standard)	\$40	\$10	\$5	\$3	\$2	\$2	\$1
3-Touch Campaign (Standard)	\$55	\$14	\$7	\$5	\$3	\$3	\$2
4-Touch Campaign (Standard)	\$75	\$19	\$10	\$6	\$4	\$4	\$2

5-Touch Campaign (Standard)	\$90	\$23	\$12	\$7	\$5	\$5	\$3
6-Touch Campaign (Standard)	\$110	\$27	\$14	\$9	\$6	\$5	\$3
7-Touch Campaign (Standard)	\$120	\$31	\$16	\$10	\$7	\$6	\$4
8-Touch Campaign (Standard)	\$140	\$35	\$18	\$11	\$8	\$7	\$4
9-Touch Campaign (Standard)	\$150	\$38	\$20	\$12	\$9	\$8	\$5
10-Touch Campaign (Standard)	\$165	\$41	\$22	\$13	\$10	\$8	\$5
11-Touch Campaign (Standard)	\$175	\$44	\$23	\$14	\$11	\$9	\$5
12-Touch Campaign (Standard)	\$190	\$47	\$25	\$15	\$11	\$9	\$6
2-Touch Campaign (Niche)	\$55	\$15	\$8	\$5	\$3	\$3	\$2
3-Touch Campaign (Niche)	\$85	\$21	\$11	\$7	\$5	\$4	\$3
4-Touch Campaign (Niche)	\$110	\$28	\$14	\$9	\$7	\$6	\$3
5-Touch Campaign (Niche)	\$135	\$34	\$18	\$11	\$8	\$7	\$4
6-Touch Campaign (Niche)	\$160	\$40	\$21	\$13	\$10	\$8	\$5
7-Touch Campaign (Niche)	\$180	\$46	\$24	\$15	\$11	\$9	\$5
8-Touch Campaign (Niche)	\$200	\$51	\$26	\$16	\$12	\$10	\$6
9-Touch Campaign (Niche)	\$220	\$56	\$29	\$18	\$13	\$11	\$7
10-Touch Campaign (Niche)	\$240	\$61	\$32	\$19	\$15	\$12	\$7
11-Touch Campaign (Niche)	\$255	\$65	\$34	\$21	\$16	\$13	\$8
12-Touch Campaign (Niche)	\$275	\$69	\$36	\$22	\$17	\$14	\$8
Handwriting Font & Signatures	\$49	\$7	\$5	\$5	\$1	\$1	\$1

Gifts

Commissions and volumes paid on gifts vary. Please see the SendOutCards website for Gift Information.

Personal & 7-Level Downline Commission (Residual Income)

This Downline Commission is paid weekly on levels 0 (the Referral Partner and their customers) through 7 (their Referral Partners and downline) of the Referral Partner’s genealogy. All Referral Partners must be Personal Qualified (31 in PCV) in order to receive commissions on their zero level. All Referral Partners must be Group Qualified (93 in PCV) in order to receive commissions on levels 1-7. The percentages paid out on each level are found in the chart below. Zero level commissions are not paid on purchases paid through the Customer Commission.

Level	% Payout
0	20%
1	2%
2	2%
3	2%
4	2%
5	2%
6	2%
7	5%

Qualification Level	Qualification Percentage
31 (Personal Qualified)	Qualifies Referral Partner to be paid 20% on Level 0 (Personal & Customer Volume)
93 (Group Qualified)	Qualifies Referral Partner to be paid on Levels 1-7

The commission payout is calculated based on the commissionable volume total of the downline Referral Partner and their directly sponsored customers.

Downline Infinity Commission

The Downline Infinity Commission is paid out weekly on unlimited levels. The percentage paid is based on the coding that the upline Referral Partner has on the Referral Partner they are being paid for. To qualify to receive all the Downline Infinity Commission, the Referral Partner must be Rank Qualified at their highest achieved rank on the last day of the bonus period. If the Referral Partner is not qualified at their highest achieved rank, on the last day of the qualification period, they will be paid up to and including the rank for which they are qualified. *The chart below assumes the Referral Partner has full coding on the Referral Partner they are being paid for.* If a Referral Partner does not have full coding, they will only be paid the percentage for the coding they have, assuming they are Rank Qualified at their highest achieved rank.

Leader’s Rank	% paid to unlimited levels
Manager	5%
Sr. Manager	10%
Executive	15%
Sr. Executive	20%
Eagle	25%

Advancement

Upon joining SendOutCards, each Referral Partner starts at the rank of Referral Partner. Advancement through the ranks takes place by meeting the requirements to rank advance to the given rank. You must achieve all of the requirements of your current rank before you can advance to the next rank.

What are the ranks in SendOutCards?

The current ranks for Referral Partners are as follows:

- Referral Partner (Dist)
- Manager (Man)
- Senior Manager (Sr. Man)
- Executive (Exec)
- Senior Executive (Sr. Exec)
- Eagle (Eagle)

How do I advance from one rank to the next?

Referral Partners must pay an annual renewal fee to remain a Referral Partner. The current fee is \$59.00, which is due on the anniversary date of their enrollment. Referral Partners must be active to be eligible to rank advance personally and to count for their upline's rank advancement.

Rank advancement takes place when all requirements to rank advance are met during two consecutive 30-day time frames (60 days) - excluding the Fast Track options. Rank advancements may take up to 24 hours to process and will be reflected in your Revolution Office or on your Dashboard.

Once a Referral Partner promotes in rank, they have a 6-month grace period to meet the GV requirement. At the end of the 6-month grace period, the Referral Partner will be required to meet the full monthly PCV and GV qualification requirements in order to be paid at the highest achieved rank.

Each rank is described in the following sections:

1. **Manager:**

To *become* a Manager you must have met the Referral Partner requirements and accomplished the following:

- \$500 in GV (Group Qualifying Volume)
 - GV must come from at least 2 legs; no more than 50% of total GV can come from one leg. Your 0 Level counts as it's own leg.
- \$124 in PCV (Personal & Customer Qualifying Volume)
 - Up to \$31 can come from you.

To be paid at the rank of Manager, you must maintain the Manager qualifications for each qualification period; with the exception that your \$500 GV can come from your coded levels 0-7.

2. **Senior Manager:**

To *become* a Senior Manager you must have met the Manager requirements and accomplished the following:

- \$2,000 in GV (Group Qualifying Volume)
 - GV must come from at least 2 legs; no more than 50% of total GV can come from one leg. Your 0 Level counts as it's own leg.
- \$217 in PCV (Personal & Customer Qualifying Volume)
 - Up to \$31 can come from you.

To be paid at the rank of Senior Manager, you must maintain the Senior Manager qualifications for each qualification period; with the exception that your \$2,000 GV can come from your coded levels 0-7.

3. Executive:

To *become* an Executive you must have met the Senior Manager requirements and accomplished the following:

- \$10,000 in GV (Group Qualifying Volume)
 - GV must come from at least 2 legs; no more than 50% of total GV can come from one leg. Your 0 Level counts as it's own leg.
- \$310 in PCV (Personal & Customer Qualifying Volume)
 - Up to \$31 can come from you.

To be paid at the rank of Executive, you must maintain the Executive qualifications for each qualification period; with the exception that your \$10,000 GV can come from your coded levels 0-7.

4. Senior Executive:

To *become* a Senior Executive you must have met the Executive requirements and accomplished the following:

- \$50,000 in GV (Group Qualifying Volume)
 - GV must come from at least 2 legs; no more than 50% of total GV can come from one leg. Your 0 Level counts as it's own leg.
 - At least \$5,000 of the total GV has to be in your Executive code, levels 1+.
- \$403 in PCV (Personal & Customer Qualifying Volume)
 - Up to \$31 can come from you.

To be paid at the rank of Senior Executive, you must maintain the Senior Executive qualifications for each qualification period; with the exception that your \$50,000 GV can come from your coded levels 0-7.

5. Eagle:

To *become* the Rank of Eagle you must have met the Senior Executive requirements and accomplished the following:

- \$100,000 in GV (Group Qualifying Volume)
 - GV must come from at least 2 legs; no more than 50% of total GV can come from one leg. Your 0 Level counts as it's own leg.
 - At least \$10,000 of the total GV has to be in your Senior Executive code, levels 1+.
- \$496 in PCV (Personal & Customer Qualifying Volume)

- Up to \$31 can come from you.

To be paid at the rank of Eagle, you must maintain the Eagle qualifications for each qualification period; with the exception that your \$100,000 GV can come from your coded levels 0-7.

How do I advance on the Fast Track program?

Any new Referral Partner has the option to Fast Track to Manager and Senior Manager. If you do not complete either of the Fast Track options, you can rank advance the standard way.

The Fast Track can be achieved by completing the following:

Manager

- \$1,000 in GV (Group Qualifying Volume)
 - GV must come from at least 2 legs; no more than 50% of total GV can come from one leg. Your 0 Level counts as it's own leg.
- \$124 in PCV (Personal & Customer Qualifying Volume)
 - Up to \$31 can come from you.

To be paid at the rank of Manager, you must maintain the Manager qualifications for each qualification period; with the exception that your \$500 GV can come from your coded levels 0-7.

Senior Manager

- \$4,000 in GV (Group Qualifying Volume)
 - GV must come from at least 2 legs; no more than 50% of total GV can come from one leg. Your 0 Level counts as it's own leg.
- \$217 in PCV (Personal & Customer Qualifying Volume)
 - Up to \$31 can come from you.

To be paid at the rank of Senior Manager, you must maintain the Senior Manager qualifications for each qualification period; with the exception that your \$2,000 GV can come from your coded levels 0-7.