

## One Llama Compensation Plan

**Becoming an Affiliate.** To participate in the One Llama opportunity, a person must first become a One Llama Independent Affiliate. You can become an Affiliate by completing and submitting the One Llama Independent Affiliate Agreement and paying the \$150 Affiliate enrollment fee. Thereafter, to renew the Affiliate Agreement, the Affiliate must pay a \$150 renewal fee on each anniversary of the Agreement. There is no requirement that a person purchase any of One Llama's products or services or become a One Llama Member to become or remain an Affiliate.

**Earning Commissions.** Once your Affiliate Agreement is accepted by One Llama and you have completed the necessary training, you can begin earning Commissions based on the sales of One Llama auto coverage products that you make to your Customers (aka Members). When you sell a One Llama auto coverage product to a Customer, the Customer pays a Service Fee. You will earn a 10% Commission on the amount of the Service Fee. For example, if you sell a One Llama product to a Customer that has a \$300 Service Fee, you will earn a \$30 Commission.

When a Customer renews their One Llama auto coverage, you will earn a 2% Commission on the amount of the Service Fee that the Customer pays when renewing. For example, if one of your Customers renews their One Llama product and there is a \$300 Service Fee, you will earn a \$30 Commission. Note that these products are renewable every six months.

**Building a Team and Earning Bonuses.** You can also build a Team by enrolling and supporting other Affiliates. Your Team will consist of you and the people that you directly enrolled as Affiliates, and the people that they enrolled as Affiliates, down 8 Levels. You can earn Bonuses (overrides) on the Service Fees associated with their sales of One Llama products to their Customers, and on the Service Fees associated with the sales made by other Affiliates on your Team up to 8 Levels below you.

Likewise, you can earn Bonuses on the Service Fees associated with renewals of One Llama auto coverage by the Customers of the Affiliates on your Team.

The amount of the Bonuses that you earn and the Levels that they are paid on is based on your Rank as an Affiliate. In addition, to earn Level Bonuses on initial sales of One Llama products, you must be Active. An Affiliate is Active if he or she has sold at least one One Llama auto coverage product to a Customer during the month. If you are not Active in a month, you will not earn Level Bonuses for that month.

To earn Level Bonuses on renewals of One Llama products you must be Active and must personally generate 2,000 Points in the month through your sales of One Llama products to new customers. If you do not meet this threshold in a month, you will not earn Level Bonuses on renewals for month. Note that no Points are awarded on renewals of One Llama products.

See the Table below for a depiction of the Commissions and Bonuses on the initial sale of a One Llama products and on the renewal of One Llama products.

### Commissions and Bonuses on Initial Sales and Renewals of One Llama Products

Affiliate	Manager	Sr. Manager	Director	Sr. Director	VP	Sr. VP	Exec. VP	President
<b>One-Time Rank Promotion Requirements</b>								
Register as an Affiliate and pay \$150 Enrollment Fee	Accrue 4,000 Team Points and be Active	Accrue 20,000 Team Points and be Active. No more than 60% of Team Points from any one Leg.	Accrue 100,000 Team Points and be Active. No more than 60% of Team Points from any one Leg.	Accrue 250,000 Team Points and be Active. No more than 60% of Team Points from any one Leg.	Accrue 500,000 Team Points and be Active. No more than 40% of Team Points from any one Leg.	Accrue 1,000,000 Team Points and be Active. No more than 40% of Team Points from any one Leg.	Accrue 2,000,000 Team Points and be Active. No more than 40% of Team Points from any one Leg.	Accrue 5,000,000 Team Points and be Active. No more than 40% of Team Points from any one Leg.
<b>Commission on Personal Sales</b>								
10% of Service Fee	10% of Service Fee	10% of Service Fee	10% of Service Fee	10% of Service Fee	10% of Service Fee	10% of Service Fee	10% of Service Fee	10% of Service Fee
<b>Level Bonuses on New Customer Sales (Must be Active)</b>								
	L1 – 5% SFN*	L1 – 5% SFN L2 – 3% SFN	L1 – 5% SFN L2 – 3% SFN L3 – 1% SFN	L1 – 5% SFN L2 – 3% SFN L3 – 1% SFN L4 - 0.25% SFN	L1 – 5% SFN L2 – 3% SFN L3 – 1% SFN L4 - 0.25% SFN L5 - 0.25% SFN	L1 – 5% SFN L2 – 3% SFN L3 – 1% SFN L4 - 0.25% SFN L5 - 0.25% SFN L6 – 0.25% SFN	L1 – 5% SFN L2 – 3% SFN L3 – 1% SFN L4 - 0.25% SFN L5 - 0.25% SFN L6 – 0.25% SFN L7 – 0.15% SFN	L1 – 5% SFN L2 – 3% SFN L3 – 1% SFN L4 - 0.25% SFN L5 - 0.25% SFN L6 – 0.25% SFN L7 – 0.15% SFN L8 – 0.10% SFN
<b>Commission on Personal Renewals</b>								
2.5% of Renewal Service Fee	2.5% of Renewal Service Fee	2.5% of Renewal Service Fee	2.5% of Renewal Service Fee	2.5% of Renewal Service Fee	2.5% of Renewal Service Fee	2.5% of Renewal Service Fee	2.5% of Renewal Service Fee	2.5% of Renewal Service Fee
<b>Level Bonuses on Renewals (Must Have Personally Generated 2,000 Points During the Month)</b>								
	L1 – 1.25% SFRN**	L1 – 1.25% SFRN L2 – 0.75% SFRN	L1 – 1.25% SFRN L2 – 0.75% SFRN L3 – 0.25% SFRN	L1 – 1.25% SFRN L2 – 0.75% SFRN L3 – 0.25% SFRN L4 - 0.0625% SFRN	L1 – 1.25% SFRN L2 – 0.75% SFRN L3 – 0.25% SFRN L4 - 0.0625% SFRN L5 - 0.0625% SFRN	L1 – 1.25% SFRN L2 – 0.75% SFRN L3 – 0.25% SFRN L4 - 0.0625% SFRN L5 - 0.0625% SFRN L6 – 0.0625% SFRN	L1 – 1.25% SFRN L2 – 0.75% SFRN L3 – 0.25% SFRN L4 - 0.0625% SFRN L5 - 0.0625% SFRN L6 – 0.0625% SFRN L7 – 0.0375% SFRN	L1 – 1.25% SFRN L2 – 0.75% SFRN L3 – 0.25% SFRN L4 - 0.0625% SFRN L5 - 0.0625% SFRN L6 – 0.0625% SFRN L7 – 0.0375% SFRN L8 – 0.025% SFRN

\*SFN (Service Fees New) – Service Fees generated by sales of new One Llama products made by the Affiliates on each Level.

\*\*SFRN (Service Fees Renewal) - Service Fees generated by renewals of One Llama products on each Level.

## **Important Terms.**

**Active.** In order to qualify to receive Bonuses on your downline Team, you must be considered “Active” by selling at least one One Llama auto coverage product to a Customer during a calendar month. Upon making a sale to a Customer any calendar month, you will be considered “Active” for that month.

**Customer.** A person who owns a car, is not an Affiliate, and buys a One Llama auto coverage product. Such a person is also a Member. See the definition of “Member”.

**Bonus.** Not to be confused with Commissions, which are based on your own personal sales. A Bonus is the remuneration that is based on a percentage of product the Service Fees generated by sales made by other Affiliates on your Team. Bonuses are paid to qualified Affiliates on up to 8 downline Levels.

**Commission.** The payment that One Llama makes to an Affiliate based on the Service Fee that is generated when a Customer of the Affiliate either a) purchases a One Llama auto coverage product; or b) renews an existing One Llama auto coverage product.

**Leg.** Each Affiliate that you personally enroll is part of your network and begins a separate “Leg”. The Affiliates enrolled under your personally enrolled Affiliate constitute one Leg of your Team. You and your entire personal network are one “Leg” to your Enroller.

**Level.** Affiliates may enroll other Affiliates, who become part of their Team. If you enroll another Affiliate, they are on your Level 1 (L1). When your L1 enrolls another Affiliate, that person becomes your Level 2 (L2), and so on.

**Member.** A person (or entity) who purchases a One Llama auto coverage product from One Llama. All Customers are Members and those Affiliates who choose to purchase a One Llama auto coverage product are Members. Affiliates ARE NOT required to be Members in order to participate in the One Llama opportunity.

**Points.** In the One Llama Compensation Plan, Points are generated when a One Llama auto coverage product is sold. Note that Points are not generated when a One Llama product is renewed by the Member. The amount of Points associated with such a sale is equal to the dollar amount of the applicable Service Fee. See the definition of “Service Fee” below.

**Rank.** A progressive set of titles that designate achievement by an Affiliate of specific performance standards, with corresponding increased percentages and Levels of potential Bonus earnings. Upon achieving a Rank, you will always carry the title of the highest Rank you reach and be paid at such Rank as long as otherwise qualified. The Ranks and requirements to achieve each Rank are set forth below. See the definitions of “Active”, “Leg”, “Team Points”, and “60%/40% Rule”.

- **Affiliate.** Complete and submit the One Llama Independent Affiliate Agreement and pay the \$150 enrollment fee.

- **Manager.** Accrue 4,000 Team Points and be Active.
- **Senior Manager.** Accrue 20,000 Team Points and be Active. No more than 60% of the required Team Points may come from any one of your Legs.
- **Director.** Accrue 100,000 Team Points and be Active. No more than 60% of the required Team Points may come from any one of your Legs.
- **Senior Director.** Accrue 250,000 Team Points and be Active. No more than 60% of the required Team Points may come from any one of your Legs.
- **Vice President.** Accrue 500,000 Team Points and be Active. No more than 40% of the required Team Points may come from any one of your Legs.
- **Senior Vice President.** Accrue 1,000,000 Team Points and be Active. No more than 40% of the required Team Points may come from any one of your Legs.
- **Executive Vice President.** Accrue 2,000,000 Team Points and be Active. No more than 40% of the required Team Points may come from any one of your Legs.
- **President.** Accrue 5,000,000 Team Points and be Active. No more than 40% of the required Team Points may come from any one of your Legs.

**Service Fees.** When a person buys a One Llama auto coverage product, that person pays a Service Fee. All Commissions and Bonuses paid under this Compensation Plan are based on Service Fees.

**Service Fees New (SFN).** The Service Fees generated when a Member initially purchases a One Llama auto coverage product.

**Service Fees Renewal (SFRN).** The Service Fees generated when a Member renews a One Llama auto coverage product. Such products are renewable every six months.

**Team.** Your Team consists of you, the people you directly enroll as Affiliates, and the people they enroll as Affiliates, and so on for 8 Levels below you. See the definition of “Leg” below.

**Team Points.** The Points generated by you and the Affiliate on your Team since the date that you enrolled as an Affiliate. See the definitions of “Points” and “Team”.

**60%/40% Rule.** No more than 60% or 40%, as specified, of the Team Points generated by an Affiliate’s Team, based on Rank requirements for qualification, can be counted from any one Leg. The purpose of this rule is to encourage each Affiliate to build multiple strong Legs. Any amount greater than the specified percentage of the Team Points required for Rank advancement that comes from one Leg of an Affiliate’s Team, will not be counted toward the total required for advancement to that Rank. However, the Affiliate will be paid Bonuses on all the Service Fees on each Level that the Affiliate is entitled to be paid on *for the Rank at which that Affiliate is qualified, AFTER application of the 60% rule or the 40%,* regardless of whether or not the corresponding Points were used to determine that Affiliate’s Rank.