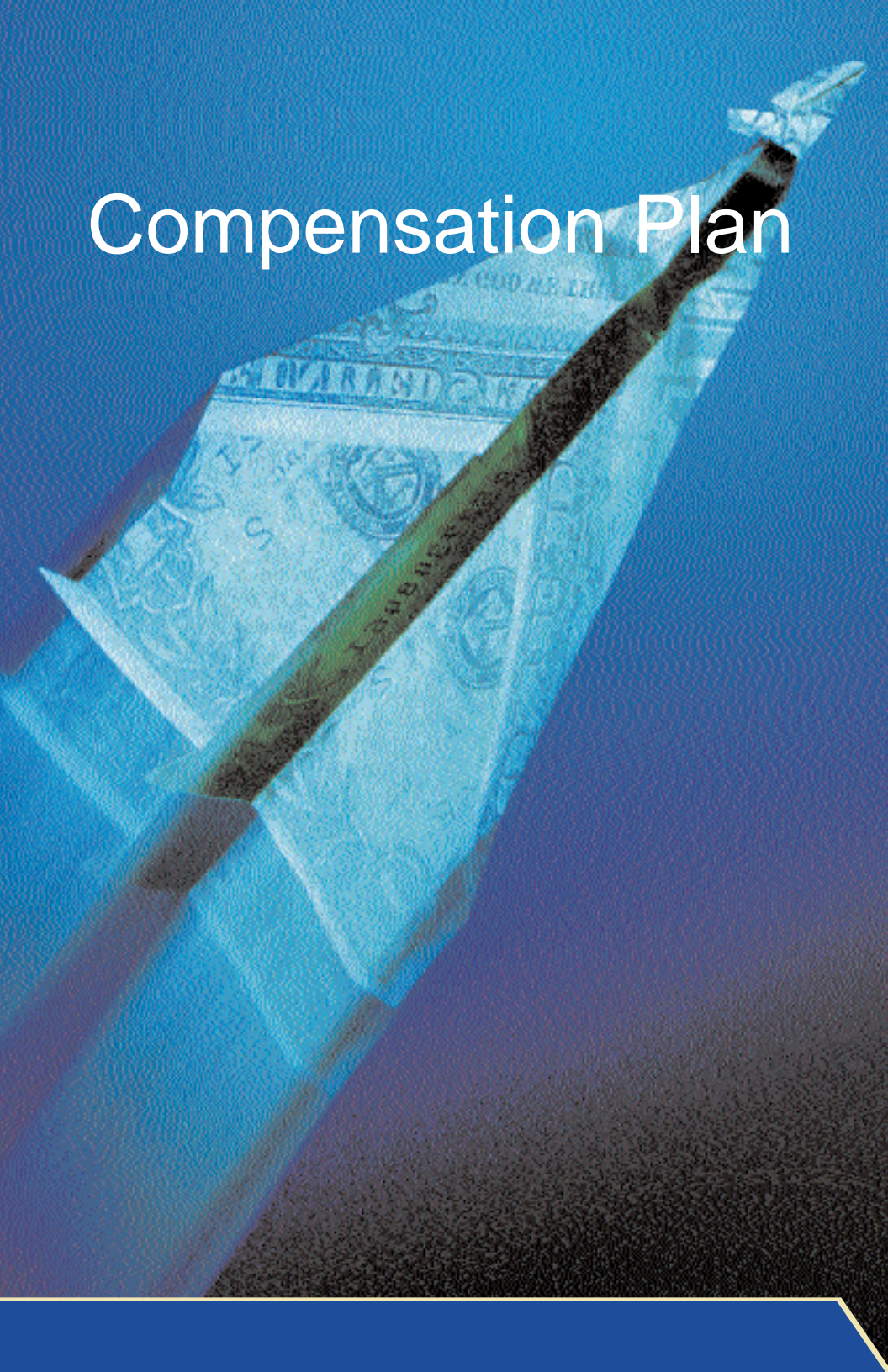
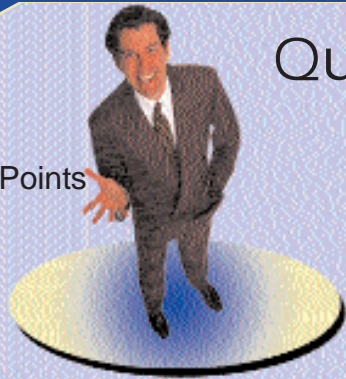


# Compensation Plan



# Quick Start Program Earn \$900 in 90 Days!\*

You Gather  
10 New Customer Points  
**\$150**



New Agent  
10 New  
Customer Points  
**\$250**



New Agent  
10 New  
Customer Points  
**\$250**



New Agent  
10 New  
Customer Points  
**\$250**



\*And There's More...

Become a Member of the 1K Club!

Achieve your goal in 45 days and earn an  
extra \$100, for a total of \$1,000!



Join the 1K Club and enjoy the benefits of  
earning this Elite Status

# Compensation Plan

Begin your xPectations business by obtaining a basic understanding of the Compensation Plan. There are several ways to earn income in the form of bonuses and residual commissions. The next several pages will serve as your guide to financial success.

## Customer Points

Customer Points determine eligibility for qualifications/bonuses and must be requalified monthly. A "new customer" is considered a customer that has not used the service (dial-around or presubscribed) in the previous 90 days from their set-up date.

### 1 Customer Point

Any customer who uses one of our residential dial-around products and generates over \$10.00 in billed revenue during the calendar month

### 1 Customer Point

Any customer who uses one of our residential dial-around products and generates over \$10.00 in billed revenue during the calendar month

### 1 Customer Point

Any customer that uses 800 toll free service and generates over \$10.00 in billed revenue during the calendar month

### 2 Customer Points

Any customer that is presubscribed to one of our residential or commercial calling plans and generates over \$10.00 in billed revenue during the calendar month

### 2 Customer Points

Any customer who uses one of our residential dial-around products and generates over \$50.00 in billed revenue during the calendar month

### 3 Customer Points

Any customer that is presubscribed to one of our residential or commercial calling plans and generates over \$100.00 in billed revenue during the calendar month

## Direct Bonus

Direct Bonuses are a great way for you to earn income during the first 90 days of your xPectations™ business. You are eligible to earn Direct Bonuses for your personal efforts in gathering customers. See Customer Point System found on page 3.

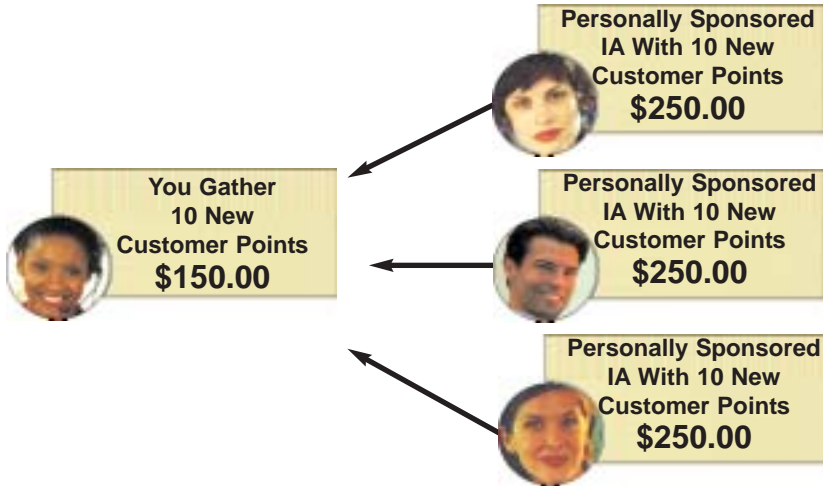


You can earn a total of \$150 as you personally gather your first 10 NEW Customer Points. Your NEW Customer Points must be acquired during the first 90 days from your start date. Your start date is the date in which we accept your Independent Agent (IA) Application. There are a total of three Direct Bonuses that you can earn.

Direct Bonus	Bonus Amount	Customer Point Qualifications
I	\$50	5 New Customer Points
II	\$100	10 New Customer Points



## QUICK START PROGRAM



Quick Start Program - Total Payout \$900.00

## 1K CLUB

**1K Club** - As a new Agent you can earn an additional \$100 bonus and enter the 1K Club by completing the Quick Start Program in your first 45 days. The Quick Start Program must be completed in its entirety during your first 45 days. You must gather all required customers within your first 45 days.

## Quick Start Bonus

Remember, the Quick Start Bonus can be duplicated as often as you like. This bonus is paid whenever a new IA enters your organization and accumulates 10 NEW Customer Points in their first 90 days. You are eligible to earn Quick Start Bonuses through your 7 levels of downline.

Level	Bonus
1	\$250
2	\$10
3	\$10
4	\$10
5	\$10
6	\$10
7	\$25

## Residual Commissions

### Residual Commissions for Personally Gathered Customers

Residual commissions are based on billed revenue generated during a calendar month. See below chart.

Monthly Billed Revenue		Monthly Commission
.01¢	- \$ 500.00	6%
\$ 500.01	- \$ 5000.00	8%
\$ 5,000.01	- \$ 10,000.00	10%
\$ 10,000.01	- \$ 40,000.00	12%
\$ 40,000.01	- \$ 100,000.00	13%
\$ 100,000.01	- \$ 200,000.00	14%
\$ 200,000.01	- \$ 400,000.00	15%
\$ 400,000.01	+	16%



# Compensation Plan

## Residual Commissions for Downline Customers

You will be eligible to earn Residual Commissions from customers at each level of your downline by meeting Customer Point monthly eligibility requirements set forth in the table below. You can also take advantage of our aggressive downline residual accelerator!

Level	Commission	REQUIREMENTS	
		Customer Points or Revenue	Active IAs*
1	1%	2/\$400	1
2	1%	6/\$800	2
3	1%	8/\$1000	2
4	1%	10/\$1200	2
5	1%	12/\$1600	3
6	1%	15/\$1800	3
7	3%	20/\$2000	3

## Downline Residual Accelerator

Level	Commission	REQUIREMENTS	
		Customer Points or Revenue	Active IAs*
1	1%	2/\$400	1
2	1%	6/\$800	25
3	2%	8/\$1000	50
4	2%	10/\$1200	100
5	3%	12/\$1600	200
6	3%	15/\$1800	400
7	4%	20/\$2000	

\*Active IA = Any IA who has four Customer Points during the calendar month

If in level 2 you have 25 or more active Agents the payout on level 3 increases to 2%.  
If in level 3 you have 50 or more active Agents the payout on level 4 increases to 2%.  
If in level 4 you have 100 or more active Agents the payout on level 5 increases to 3%.  
If in level 5 you have 200 or more active Agents the payout on level 6 increases to 3%.  
If in level 6 you have 400 or more active Agents the payout on level 7 increases to 4%.

## *Leadership Bonuses*

With the xPectations™ Program you have the opportunity to be promoted and grow through five leadership positions by meeting the qualifications defined within this section. Each position has a set of qualifications that you will need to meet in order to initially achieve that leadership position. Once you have achieved a leadership position you will need to meet the continuing monthly qualifications to continue your eligibility to earn Leadership Bonuses. Leadership Bonuses are based on prior month qualifications. Example: An IA becomes Area Manager on January 15th. The IA is now eligible to earn Leadership Bonuses for all IAs who enter his/her downline and generate 10 NEW Customer Points in February. These bonuses are paid to you through unlimited levels of your organization and are paid whenever a new IA enters your organization and accumulates 10 NEW Customer Points in their first 90 days.

### **AREA MANAGER \$30**

#### **Qualifications:**

- Acquire 20 Customer Points or \$1,000 in direct customer revenue.
- Acquire 3 personally sponsored active IAs.

### **AREA DIRECTOR \$60**

#### **Qualifications:**

- Acquire 25 Customer Points or \$1,250 in direct customer revenue.
- Acquire 30 active IAs in your downline, of which 10 are personally sponsored.

### **REGIONAL DIRECTOR \$40**

#### **Qualifications:**

- Acquire 30 Customer Points or \$1,500 in direct customer revenue.
- Acquire 50 active IAs in your downline, of which 15 are personally sponsored.
- At least three IA has reached the position of Area Manager.

### **SENIOR DIRECTOR \$30**

#### **Qualifications:**

- Acquire 35 Customer Points or \$1,750 in direct customer revenue.
- Acquire 75 active IAs in your downline, of which 20 are personally sponsored.
- At least three IAs have reached the position of Area Manager.
- At least five IAs have reached the position of Area Director.

## EXECUTIVE DIRECTOR \$40

### Qualifications:

- Acquire 40 Customer Points or \$2,000 in direct customer revenue.
- Acquire 100 active IAs in your downline, of which 25 are personally sponsored.
- At least three IAs have reached the position of Area Manager.
- At least five IAs have reached the position of Area Director.
- At least three IA have reached the position of Regional Director.

\*To remain eligible for monthly Leadership Bonuses you must maintain the qualifications for personally gathered customers and personally sponsored Agents on a monthly basis.

## *Leveling Out*

Each Leadership Bonus is paid on an unlimited number of levels, but only to one person. This means that when individuals in the organization of someone who has achieved leadership status (Area Director or higher) also achieves a promotion to leadership status by becoming an Area Director or higher, all future IAs sponsored by the newly promoted IA are placed in the newly promoted person's downline organization. This also means that if more than one IA in a leadership position would otherwise be eligible to receive a particular Leadership Bonus, such bonus will only be paid to the newest IA in the leadership position. Of course, a previously sponsored IA remains in his original leadership organization. This process repeats when another person in the downline achieves leadership status. This is known as "leveling out" of a downline.

## Renewal Bonus

Renewal Bonuses can be earned annually from IAs who renew their IA status. When an IA renews their IA status they have 60 days prior to their renewal date through 90 days after their renewal date to earn 10 NEW Customer Points. Even though qualifications to trigger the Renewal Bonus can be earned prior to the renewal date, the bonus will not be paid until the IA pays the renewal fee. Renewal Bonus amounts are as follows:

Level	Bonus	REQUIREMENTS	
		Customer Points or Revenue	Active IAs
<b>Direct Renewal Bonus \$100 Paid to Renewing Agent</b>		<b>10 New Customer Points</b>	
1	\$50	2/\$400	1
2	\$10	6/\$800	2
3	\$10	8/\$1000	2
4	\$10	10/\$1200	2
5	\$10	12/\$1600	3
6	\$10	15/\$1800	3
7	\$25	20/\$2000	3