

NMCFS's Compensation Program



This plan will be instituted week ending 1-19-10 and is replacing the old compensation program. To transition current personal producers into the new plan, NMCFS will pay out the greater advance amount between the old advance plan and new advance plan for weeks ending in January; advance 125% of calculated advances on the new plan for weeks ending in February; advance 115% of calculated advances on the new plan in March; and finally advance 105% of calculated advances on the new plan for weeks ending in April. Starting week ending 5-4-10, NMCFS will be paying advances for personal production strictly on the new compensation plan. All transition adjustments will run through your debit balance; however NMCFS will credit a Rep's account for the same amount as the special transition advance if the Representative is still active and writing new business on 12-28-10. All Members written prior to the new compensation plan will still pay on the original commission structure.

Personal Production

Qualifications

Rep Title	Personal NBAV Over 12 Months	Personal NBAV Over 8 Weeks	Dues in Force
7 Star	<i>n/a</i>	24,000 NBAV	70,000 NBAV
6 Star	<i>n/a</i>	12,000 NBAV	70,000 NBAV
5 Star	<i>n/a</i>	6,000 NBAV	6,000 NBAV
4 Star	7,000 NBAV	<i>n/a</i>	<i>n/a</i>
3 Star	3,000 NBAV	<i>n/a</i>	<i>n/a</i>
2 Star	250 NBAV	<i>n/a</i>	<i>n/a</i>
1 Star	108 NBAV	<i>n/a</i>	<i>n/a</i>

Compensation

Advance %	First Year Commission %	Renewal Commission %
364%	65%	8%
336%	60%	8%
308%	55%	8%
280%	50%	5%
252%	45%	0%
224%	40%	0%
224%	40%	0%

NMCFS has removed weekly production levels. Now, Representatives can go up or down in **Rep Title** depending on their weekly production and their dues-in-force number. **NBAV** stands for New Business Annual Volume and refers to the yearly Membership dues per Member. **Dues-in-Force** is the total annual dues paid to NMCA from all of the Members sold by you that are currently active for the last month.

Your Rep Title can be found either on your weekly *Advance Statement* or on your homepage when you login to **CORE** (via nmcfcs.com). You can track your qualifications for promotions to the next title using the **Scorecard** application within CORE weekly.

All advance rates are subject to adjustments on payment type, Member count and Quality of your business.

Quality Multiplier

The *advance multiplier* has been replaced by the **Quality Multiplier**. All Representatives will develop a Quality Multiplier or may already have one established depending on their activity and months selling with NMCFS. For week ending 1-19-10 through week ending 3-23-09, new Representatives will have a set 100% Quality Multiplier. After that, if a Representative has not yet established their own, they will assume the Quality Multiplier of the Team to which they belong. The Quality Multiplier is derived from the quality of your business and can drive your advances percentages **up 43% on any Star Title!**

Leader Overwrites

In the new compensation plan, anyone who builds a team can earn **Leader Overwrites** and can build their Team as large as they want. Leader Overwrites pay above and beyond advances and commissions on personal business as well as the Recruiter Bonus. In fact, as a Leader you even receive *Leader Overwrites on your own personal production!* You start building your team the second you start recruiting direct Representatives or "**legs**" as they will be known in your hierarchy. To be promoted to different **Leader Titles**; you will need to build direct legs to your Team rather than riding one large leg. Furthermore, even though you can earn Leader Overwrites on your personal business, your personal production will not apply to your NBAV requirements on the Leadership qualifications.

To transition current Leaders into the new plan, NMCFS will pay out the greater overwrite advance amount between the old advance plan and new advance plan for weeks ending in January; advance 175% of calculated overwrite advances on the new plan for weeks ending in February; advance 150% of calculated overwrite advances on the new plan in March; and finally advance 125% of calculated overwrite advances on the new plan for weeks ending in April. Starting week ending 5-4-10, NMCFS will be paying advances and commissions for Leader Overwrites strictly on the new compensation plan. All Members written prior to the new compensation plan will still pay on the original overwrite commission structure.

Leader Qualifications

Leader Title	8 Week Team NBAV	Team Dues in Force	Leg Requirements
Executive Sales Leader 6	480,000 NBAV (60,000 a week)	200,000	3 "RSL-3" Legs (or Direct Leader Legs Totaling a Rank of 14)
Executive Sales Leader 5	240,000 NBAV (30,000 a week)	200,000	3 "DSL-2" Legs (or Direct Leader Legs Totaling a Rank of 9)
Regional Sales Leader 4	120,000 NBAV (15,000 a week)	100,000	2 "DSL-2" Legs (or Direct Leader Legs Totaling a Rank of 6)
Regional Sales Leader 3	60,000 NBAV (7,500 a week)	20,000	2 "DSL-1" Legs
Division Sales Leader 2	20,000 NBAV (2,500 a week)	20,000	1 "RSL-1" Leg
Division Sales Leader 1	8,000 NBAV (1,000 a week)	4,500	2 "1-Star" Rep Legs

Overwrite Compensation

Max Advance Percentage	Max First Year Commission %	Max Renewal Overwrite Commission %
128.8%	23%	8%
112.0%	20%	7%
89.6%	16%	5%
67.2%	12%	4%
44.8%	8%	2%
22.4%	4%	1%

Leaders can go up or down in Leader Title depending on their Team's weekly production, their Team Dues-in-Force number, and leg requirements. **Team NBAV** stands for New Business Annual Volume created by your Team not including your own personal production NBAV. **Team Dues-in-Force** is the total annual dues paid to NMCA from all of the Members sold by your Team that are currently active for the last month.

Your Leader Title can be found either on your weekly *Advance Statement* or on your homepage when you login to **CORE** (via nmcs.com). You can track your Leader qualifications for promotions to the next title using the **Scorecard** application within CORE weekly. You may track your recruiting hierarchy on CORE using the **Team Viewer** application.

Differential Overwrites

As you begin to grow a large team, there is a strong possibility that Representatives in your hierarchy will grow to become a Leader as well. This is an important step within the new compensation to help you grow as a Leader. When a Representative does become a Leader and one of their Representatives writes business, you will get the **differential overwrite** of what was paid out to their immediate Leader. For example, if you are a RSL-4 Leader and you have a DSL-1 Leader beneath you who had a Representative write a Membership, the DSL-1 will receive a 22.4% overwrite advance on the Member and you will receive a 67.2% overwrite advance on that same Member. The key is to subtract any overwrite already paid out to the Leader Titles directly beneath you on that leg. For this reason, it is very important to grow more direct legs rather than having one leg to prevent a Leader beneath you from growing past your Leader Title. If a Leader equals or overcomes your Title, you lose overwrites going forward.

Quality Multiplier on Overwrites

As a Leader you too can earn a **Quality Multiplier up to 43%** on your Leader Overwrites. When calculating a Leader Overwrite, Leaders obtain the same Quality Multiplier as the selling Representative on their Team. Therefore, when a Representative on a Leader's Team obtains a Quality Multiplier, the Team Leader receives that same Quality Multiplier for their overwrite at time of sale.

*This document is for explanation purposes only. Please refer to the Contract, Policies & Procedures and Compensation Plan for all terms and conditions. 01/19/10