

LIMBIC ARC – SALES COMPENSATION PLAN

Limbic Arc, LLC (“Limbic Arc” or the “Company”) will pay sales compensation to parties’ signatory to the standard Limbic Arc Affiliate Agreement as follows*:

1. Structure of Compensation

- a. According to the Sales Compensation Plan set forth herein, Limbic Arc will pay qualifying Affiliates (“Affiliates” or “Affiliate”) fifty percent (50%) of cash received from software license subscriptions, less the cost of the Affiliate Rewards & Recognition program (“Total Payout Amount”).
- b. Limbic Arc employs a binary enrollment structure wherein each Affiliate has two sales teams or “legs”, referred to as the “Strong Leg” and the “Weak Leg”.
- c. Both sales teams are comprised of software licensees, Customers, and other Affiliates, who maintain active subscriptions to the Limbic Arc software.
- d. To determine which leg is “strong” and which leg is “weak” Limbic Arc measures each leg by the total volume of gross revenue collected since the position in the genealogy was established (the position held by the Affiliate). This means that it is possible for commissions to be paid to an Affiliate for a period on a “weak” leg producing higher gross revenue volume as measured by the week or month until that “weak” leg’s total historical volume exceeds the other “strong” leg. At the time when the total historical volume lead switches between the legs, so do the designators “weak” and “strong”. The leg with the lower total historical gross revenue volume will always be the “weak” leg on which commissions are based and the leg with the higher total historical gross revenue volume will always be the “strong” leg from which no commissions are paid. Anytime Limbic Arc uses the terms “weak leg” or “strong leg”, this is what we mean. Commissions will always be based on the calculation of “weak” and “strong” made in the week prior to the week in which a commission is paid.
- e. Note: Some multi-level marketing companies use the term “Non-Flushing Binary” to describe this type of system. Because this term is not legally defined with clarity, we do not use this term in our contracts or official sales compensation plan, however our plan does fit the most common usage of that term as we understand it.
- f. Each level of the Downline Organization is a “Level”.
 - i. When enrolling, all Affiliates must name the Affiliate who has referred them into the company. The referring Affiliate is the “Enroller” of the new Affiliate.

- ii. All software licensees enrolled by an Affiliate are their First “Generation,” regardless of where in the Downline Organization they reside.
 - iii. All software licensees enrolled by their First Generation are the Affiliate’s Second Generation;
 - iv. All software licensees enrolled by their Second Generation are the Affiliate’s Third Generation; and so forth.
- g. The Total Payout Amount shall be allocated and applied in the following order:
- i. First, to the Binary Weak-Leg Bonus.
 - ii. Second, if Total Payout Amount funds remain, to the Generations Check Match. If the Total Payout Amount is not sufficient to meet the total obligations of the Generations Check Match, available funds will be prorated among all Affiliates qualifying for Generations Check Match payments.
 - iii. Third, if any Total Payout Amount funds remain, they will be allocated sixty-five percent (65%) to the Retail Bonus Pool and thirty-five percent (35%) to the Leadership Bonus Pool and distributed to qualifying Affiliates according to their share in those pools.
- h. Compensation is paid weekly on the Total Payout Amount from the previous week (most recently closed Pay Period).
- i. Each week, the Pay Period begins Friday at midnight (12:00 a.m. Saturday morning) MT (Mountain Time) and ends on the following Friday at midnight MT.
- j. Compensation payments are made via a third-party commission processing company, or via direct ACH deposit, or other electronic means as the Company may from time-to-time determine to be appropriate. Physical checks are not an option for payment.
- k. All payments to Affiliates are “Bonuses” under the meaning set forth in the Limbic Arc Affiliate Agreement and the Limbic Arc Terms & Conditions.
- l. A Qualified Customer or Affiliate is one with a Limbic Arc Account that is Active or Past Due, referred herein as a “Position”.
- m. To qualify for any compensation, an Affiliate must have completed the Affiliate Enrollment Process, and must have an Active or Past Due subscription to Limbic Arc.
- n. Other requirements for compensation are enumerated below.

2. Binary Weak-Leg Bonus

To qualify for Binary Weak-Leg Bonus, an Affiliate must achieve a Star Rank. Specific qualification requirements and Bonuses are shown here:

Rank	Personally Enrolled Volume Requirement	Weak-Leg Payment	Maximum Weekly Weak-Leg Bonus
Star 100	US\$99 in Each Leg	8% of Weak-Leg Volume	US\$2,500
Star 200	US\$198 in Each Leg	9% of Weak-Leg Volume	US\$5,000
Star 300	US\$297 in Each Leg	10% of Weak-Leg Volume	US\$7,500
Star 400	US\$396 in Each Leg	11% of Weak-Leg Volume	US\$10,000
Star 500	US\$495 in Each Leg	12% of Weak-Leg Volume	US\$20,000

3. Generations Check Match

Star-rank Affiliates qualifying for a Weak-Leg Bonus will also receive a Generations Check Match bonus equal to ten percent (10%) of the Weak-Leg Bonus paid to each Star-ranked Affiliate to whom they are generationally linked, according to the chart below.

Generations Check Match incorporates compression to help maximize earnings for qualified Affiliates. If an Affiliate position is not qualified, or if the position becomes vacant, the next available qualified upline will become eligible to receive the Generations Check Match bonus.

Star Rank	Check Match from Generationally Linked Star-Ranked Affiliates	Generation Depth of Check Match
Star 100 and Star 200	10% of Weak-Leg Bonus	First Generation
Star 300 and Star 400	10% of Weak-Leg Bonus	First and Second Generations
Star 500	10% of Weak-Leg Bonus	First, Second, and Third Generations

4. Retail Bonus Pool

- a. Sixty-five percent (65%) of the Total Payout Amount remaining, if any amount is remaining after paying Weak-Leg Bonuses and Generations Check Match, will be allocated to the Retail Bonus Pool.
- b. The Retail Bonus Pool will be divided at the end of each Pay Period according to the number of shares in the pool that have been earned during that Pay Period.
- c. Retail Bonus Pool shares are earned according to revenue generated from newly activated software license during the Current Pay Period in either the Strong or Weak Leg. *(Note: Friends & Family Plan Accounts are not Affiliates or Customers and therefore do not result in Retail Bonus Pool shares.)*
- d. Shares are earned according to the chart below:

Designation	Volume from Newly Activated Software Licenses in the Current Pay Period	Number of Shares Earned
Retail 1	US\$99	1
Retail 2	US\$198	2
Retail 3	US\$297 or More	3

5. Leadership Bonus Pool

- a. Thirty-five percent (35%) of the Total Payout Amount remaining after paying Weak-Leg Bonuses and Generations Check Match will be allocated to the Leadership Bonus Pool.
- b. The Leadership Bonus Pool will be divided at the end of each Pay Period according to the number of shares in the pool.
- c. Leadership Bonus Pool shares are earned by the amount of total gross volume generated from software licenses held by Affiliates and Customers whom you personally enrolled in either your Strong or Weak Leg (“Personally Enrolled Volume”). Friends & Family Plan accounts are not Affiliates or Customers and therefore do not result in Leadership Bonus Pool shares.
- d. Shares are earned according to the chart below.

Designation	Personally Enrolled Volume	Number of Shares Earned
Leader 1	US\$396	1
Leader 2	US\$594	2
Leader 3	US\$990 or more	4

6. Rewards & Recognition Program

- a. Special recognition will be given to Affiliates who demonstrate, by their accomplishments, outstanding leadership, and business skills.
- b. To qualify for special recognition, an Affiliate must Reach Star 500, as set forth above.
- c. Recognition Ranks are determined by the average of the Bonus amounts paid over the preceding four weeks as follows:

Recognition Rank	Bonus Requirements After Achieving Star 500 Rank
Bronze	US\$100 in Weekly Average Bonuses
Silver	US\$300 in Weekly Average Bonuses
Gold	US\$700 in Weekly Average Bonuses
Platinum	US\$1,000 in Weekly Average Bonuses
Ruby	US\$2,000 in Weekly Average Bonuses
Emerald	US\$3,000 in Weekly Average Bonuses
Diamond	US\$5,000 in Weekly Average Bonuses
Blue Diamond	US\$7,500 in Weekly Average Bonuses
Black Diamond	US\$10,000 in Weekly Average Bonuses
Presidential Diamond	US\$13,000 in Weekly Average Bonuses
Crown Diamond	US\$15,000 in Weekly Average Bonuses

7. General Terms

- a. This Sales Compensation Plan is subject to the Limbic Arc Affiliate Agreement and Limbic Arc Terms & Conditions. In the case of any disagreement or contradiction between documents the following order of priority applies: Affiliate Agreement, Terms & Conditions, then the Sales Compensation Plan.
- b. Limbic Arc reserves the right to alter and/or modify this Sales Compensation Plan on 30-day's notice, to be provided via email.

**All capitalized terms herein have the meaning set forth either herein or in the Limbic Arc Affiliate Agreement.*