

PV REQUIREMENTS TO MAINTAIN ACTIVE STATUS, COMMISSION CHECKS, AND CONSULTANT STATUS

(Copied and pasted directly from Paparazzi's Policies & Procedures)

3.7 Maintaining Consultant Status

After the initial application process, maintaining an Independent Consultant status and placement within the Paparazzi commission tree structure is contingent upon the following things:

a. Adhering to and maintaining all published policies, agreements, and components thereof (be in good standing); b. Order or accumulate at least 200 PV of inventory within the previous twelve (12) consecutive calendar months; c. Be up-to-date on any invoices, owing balances, or retractions.

If at any point any of the items documented above are not maintained, the account will be terminated, and the position will be removed from the commission tree structure. At this point, the Consultant will lose all claim, rights, and privileges associated with the former position or account. If at any point a terminated Consultant wishes to re-engage as a Consultant of Paparazzi in good standing, the individual may reapply and, pending approval, may be reenrolled into the organization. Reapplying Consultants will not be placed in previous locations within the commission tree or gain any of their former privileges associated with their former position.

3.8 Qualifications for Inclusion in Consultant Search

In order for a Consultant to be included in the Consultant Search function on the corporate website, that Consultant must have been active the prior month. To be considered active is to have accumulated or purchased at least 50 PV of inventory within that month. Eligible Consultants are chosen at random in the search results and will not be listed in any particular order even if they meet the qualifications.

7.1 Bonuses and Commissions

A Consultant must be active (accumulate and/or purchase a minimum of 50 PV within a commission period) in good standing, and in compliance with the Agreement to qualify for bonuses and commissions. So long as the Consultant complies with the terms of the Agreement, Paparazzi shall pay commissions to qualified Consultants in accordance with the Compensation Plan and their qualifications. If at any time during a month a Consultant account is suspended for compliance or policy issues, their commission check for that month will be

held until the Compliance Department determines a resolution to the issue. If it is found that there was no violation, the check will be issued at that time. If the account is terminated as a result of proven violations, the commission will not be paid.

The minimum amount for which Paparazzi will issue a check or direct deposit is \$20.00 (after a \$2.50 processing fee for printed checks). If a Consultant's earnings for the month total less than the aforementioned amount, those funds will be placed on their Paparazzi account to be added to the next commission payout cycle. Once the minimum amount has accumulated, the standard payout process will be triggered.

In the event that a check must be reissued due to misinformation out of the control of Paparazzi, an additional \$2.50 will be charged and taken from the check amount.