



INCENTIVE PLAN



shkply



INCENTIVE PLAN

The SHOPLY incentive plan is designed to bring together Customers, Affiliates, Influencers and Vendors globally.





Status

A Status is a goal achieved by Affiliate Members based on their Marketplace Connections, to show their progress within the Shoply Incentive Plan.

- Paid Status - Active Affiliate Members can qualify for one of the statuses in the Incentive plan and earn commission in that period according to their Status.
- Highest Status - The Highest Status ever achieved by the Affiliate Member for all closed monthly commissionable periods.

QUALIFIED CUSTOMERS COUNT - This requirement counts qualified Customers referred by you and those referred by your PRM "Affiliates". For example, if you have 2 qualified customers and 1 personally enrolled Affiliate who referred 10 customers, your Qualified Customer Count would be 12 Customers.

MAX OV PER TEAM - Out of the OV requirement to achieve a Status, no more than the indicated percentage per Status can come from a single team. For example, if the goal for OV is 100,000 and the Max OV per team is 60%, it means each of your marketplace connections teams can contribute up to 60,000 OV toward your goal. Your own PQV will count as an extra team.



shoply

Status

Leadership Group			Team Influencer			Micro Influencer			Macro Influencer			Diamond Influencer			Global Influencer		
	Qualified	Catalyst	T1	T2	T3	MIC 1	MIC 2	MIC 3	MAC 1	MAC 2	MAC 3	D1	D2	D3	G1	G2	G3
Status Name																	
PQV	100	100	100	100	100	200	200	200	300	300	300	400	400	400	500	500	500
Qualified Customers Count	0	1	3	4	5	6	8	10	15	15	15	20	20	20	25	25	25
OV	100	500	1000	2000	4000	7000	10000	15000	25000	50000	100000	150000	250000	500000	1000000	1500000	2000000
Max OV per Team	100	100%	100%	100%	100%	75%	75%	75%	60%	60%	60%	50%	50%	50%	40%	40%	40%
Marketplace Teams with someone paid as T1 or higher						3	3	3	3	4	5	5	5	5	5	5	5
												3 are Mac 1	3 are Mac 1	3 are Mac 1	3 are D 1	3 are D 1	3 are D 1

**Must be qualified to participate.*





GETTING STARTED

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FIRST, CHOOSE YOUR AFFILIATE MEMBER LICENSE AND LEARN HOW YOU CAN EARN.



The License is a one-time purchase, which creates the respective Subscription to renew monthly. The first Subscription is not charged until the next calendar month on the same calendar day you purchased the License. For example, if you purchased your Influencer PRO license on September 7th, your first monthly Subscription will run on October 7th.

License Benefits When Eligible	Affiliate	Influencer	Influencer PRO
Can earn Direct Bonus	✓	✓	✓
Can earn License Bonus		✓ 15%	✓ 20%
Can earn Community Bonus		✓ Limited*	✓ Unlimited*
Can earn Community Check Match		✓	✓
Can earn Marketplace Commission		✓	✓
Can earn Vendor Development Bonus			✓
Can earn Vendor Development Check Match			✓
Can earn Global Marketplace Pool			✓
One-Time License	FREE	\$499	\$799
Monthly Subscription	\$9.99	\$29.99	\$39.99

* For eligibility and to learn more how each bonus works, please visit the commission page

No refunds are issued on licenses or subscriptions. To change from any license type to another, must purchase the new license in full. There are also vendor licenses for vendors selling their products on Shoply. These licenses are also part of the License Bonuses. If a vendor wants to perform both roles, selling products and being any kind of Affiliate Member, they must purchase both respective licenses and subsequent monthly subscriptions. Both roles are attributed to the same Shoply ID.





UP TO 8 WAYS TO EARN

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1 - DIRECT BONUS

Vendors decide their product price, the amount to be paid to the person who directly referred it to a customer (aka "Direct Bonus amount").

Eligibility: For Qualified Customers*, Affiliates, Influencers and Influencer PROs

Earned on the sale of: Products purchased by Direct Customers.

Paid: Weekly

Connections: Enrollment Connections

How it works: Earn 100% of the Direct Bonus amount assigned by the vendor of the product.

*Customers get paid in Referral points, usable within the Shoply store to pay towards products, not for shipping or taxes.



Vendors set the price and Direct Bonus for each product.

For example, let's say they assign a Direct Bonus: \$10



Person who referred the customer who purchased the product gets the \$10



2 - LICENSE BONUS

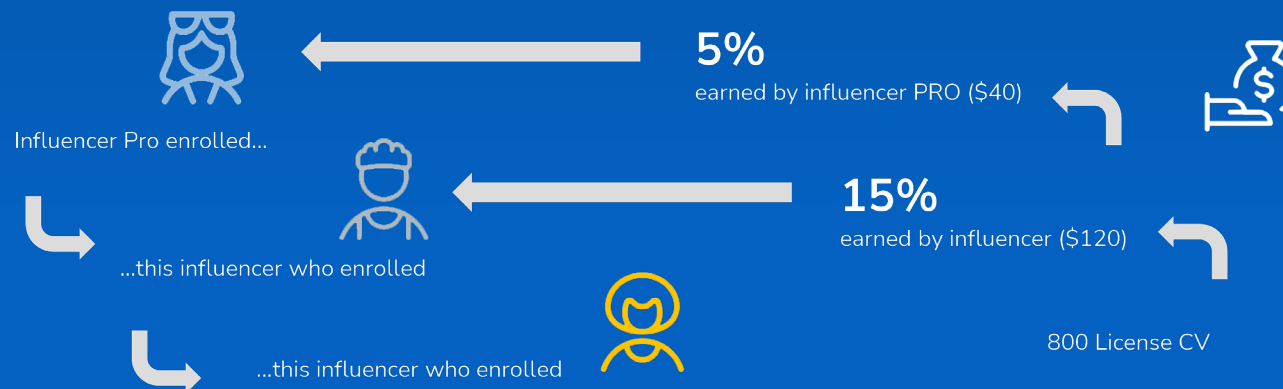
How it works: When any type of License is acquired, Shoply will always payout 20% of the License CV on this specific bonus. Influencers earn 15% of the License CV, and Influencer PROs earn 20% of the License CV. In addition, Influencer PROs can pick up the remaining 5% left on the table by Influencers when they're the first eligible Influencer PRO found in the upline.

Eligibility: For Qualified Influencer and Influencer PROs

Earned on sales of: Licenses for the Shoply SAAS digital product. On the License CV from PRM (Personally Referred Members)

Paid: Weekly

Connections: Enrollment Connections



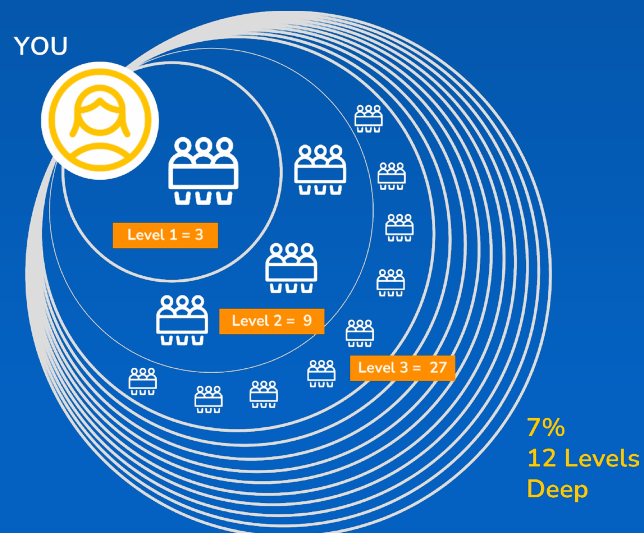
3 - COMMUNITY BONUS

Your community connections can grow quickly with Influencers and Influencer PROs you and your organization refer, waterfalling from your upline. The community connections create a node for each Influencer and Influencer Pro, with a limit of 3 direct nodes per node. There is no limit to how many influencers you can enroll, some will be placed under others, known as “spill over.”

Twice a month, the Community Bonus is calculated using the Total Community Bonus CV (TCBCV) from subscriptions and 30% of license sales. You can earn 7% on each node for up to 12 levels in this connections, allowing for nearly a million people.

Depending on your paid Status (whichever is highest in the current or previous calendar month), you can earn a community bonus up to a specific amount per Status shown on the chart below.

Leadership Tier	1	Team Influencer			Micro Influencer			Macro Influencer			Diamond Influencer			Global Influencer		
Status Name	Catalyst	T1	T2	T3	MIC 1	MIC 2	MIC 3	MAC 1	MAC 2	MAC 3	D1	D2	D3	G1	G2	G3
Bi-Monthly Community Bonus Cap	Up to \$500	Up to \$1,000	Up to \$2,000	Up to \$4,000	Up to \$7,000	Up to \$10,000	Up to \$15,000	Up to \$25,000	Up to \$50,000	Up to \$100,000	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit



4 - COMMUNITY CHECK MATCH

Once the Community Bonus has been calculated, the “1st level 10% match” of each Community Bonus earner will be paid to the first upline Mic2 or higher. This works with a dynamic compression, which means, once a Community Bonus is paid to an earner, Shoply will look upwards in the enrollment connections until we can find the first eligible Mic2 or higher to pay the “1st level 10% match”

Then, the Infinity Differential match will be paid to the first Mic3 or higher using the percentage for the Status, and will continue looking upwards until we pay up to 15% infinity check match starting on the next eligible upline after paying the 1st level 10% match, using a differential method. Let's explain this with an example after this table:

Eligibility: For Qualified Influencer and Influencer PROs Status Mic2 or higher.

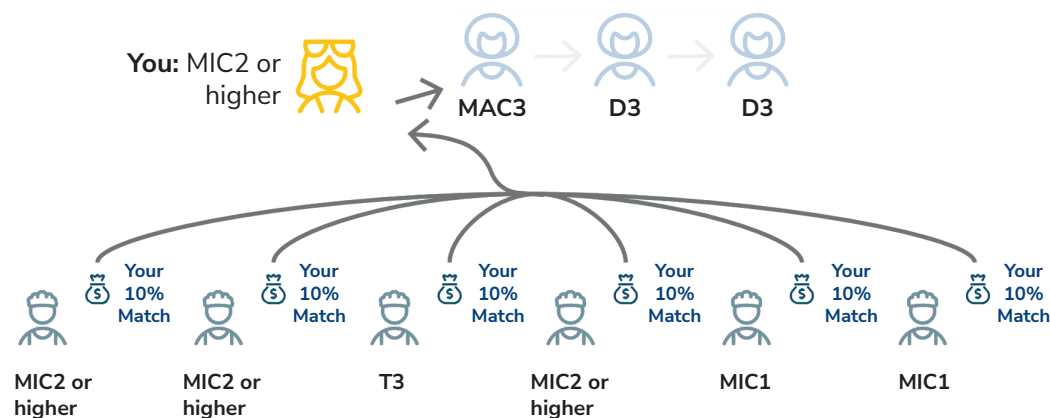
Earned on sales of: Licenses and Subscriptions for the Shoply SAAS digital product. Calculated on Community Bonus amount earned by all your PRM in your enrollment connections. Dynamically compresses to the first Mic2 or higher.

Paid: Bi-Monthly

Connections: Enrollment Connections

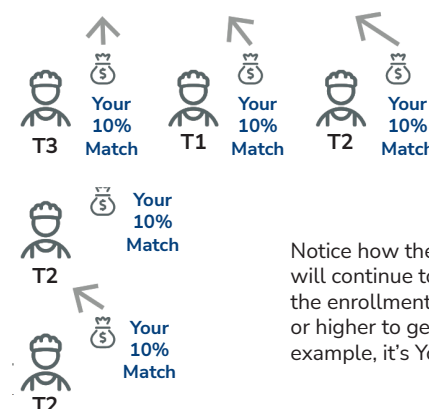
Leadership Tier	Micro Influencer		Macro Influencer			Diamond Influencer			Global Influencer		
Status Name	MIC 2	MIC 3	MAC 1	MAC 2	MAC 3	D1	D2	D3	G1	G2	G3
Wave 1	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Infinity (starts after 1st Wave is paid)		1%	2%	3%	4%	5%	6%	7%	10%	13%	15%

For example: Let's say you're paid as Microinfluencer 2 or higher and let's also say you directly enrolled 6 Influencers and Influencer PROs earning Community Bonuses. For sure you'll be getting the 1st-level 10% match on all of them, but... maybe also from Influencers THEY enrolled if you're the first Mic2 found from their position up-wards in the connections (aka upline).



But we're not done yet...

Now, for the 2nd level match, let's say we're looking up-wards on the enrollment connections and the first eligible person we find above "you" is a Mac3, they'll get 4% on all of them, but we want to pay a total of 15% so we keep looking upwards... Let's say the next person is a D3, their number is 7% minus what has already been paid (7% - 4% = 3%). The D3 would get a 3%, and we'll continue to find the next upline, let's say it's a G3, who will get 8% check match on all of those community bonuses. (15% - 7% = 8%)



Notice how these Community Bonuses will continue to look for the upline in the enrollment tree to find the first Mic2 or higher to get the 10% match! In this example, it's You.

5 - MARKETPLACE COMMISSIONS

Depending on the paid Status you achieve in a calendar month, the marketplace commissions will earn you up to 5 waves (compressed to the next qualified Influencer or Influencer PRO) and then an Infinity Bonus using the same differential method explained above, this time on the Marketplace Connections.

Vendors also decide the Commissionable Volume (CV) to be paid to the marketplace.

Each wave and generation is paid on PCV, which means, not only on the CV from products purchased by the person on the node, but also the CV from products purchased by all of their customers.

Leadership Tier			Team Influencer			Micro Influencer			Macro Influencer			Diamond Influencer			Global Influencer			
	Paid Status	Qualified	Catalyst	T1	T2	T3	MIC 1	MIC 2	MIC 3	MAC 1	MAC 2	MAC 3	D1	D2	D3	G1	G2	G3
Wave 1		10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Wave 2			5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Wave 3				5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Wave 4							5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Wave 5										5%	5%	5%	5%	5%	5%	5%	5%	5%
Infinity Differentials						2%	3%	4%	5%	7%	8%	9%	10%	11%	12%	13%	14%	15%

Eligibility: For Qualified Influencers and Influencer PROs.

Earned on sales of: Products. Calculated on PCV assigned by the vendor of the product. Dynamically compresses to the first Qualified Influencer or Influencer Pro.

Paid: Monthly

Connections: Marketplace Connections



6 - VENDOR DEVELOPMENT BONUS

When an Influencer PRO brings a Vendor to sell their products in Shoply, they can be eligible to earn 3% of the CV on the sales of this vendor's products company-wide! No compression applies.

Eligibility: Exclusively for Influencer PRO.

Earned on sales of: Products. Calculated on CV assigned by the vendor of the product from sales company-wide

Paid: Monthly

Connections: Enrollment Connections

7 - VENDOR DEVELOPMENT CHECK MATCH

A two-waves dynamically compressed check match. No differentials here. When a Vendor Development Bonus is paid, Shoply will look upwards on the payee's enrollement connections to find the first eligible Influencer PRO paid as Mac1 or higher and will assign the match in the amount shown on the table below. Then, Shoply will continue to find the next eligible Influencer PRO paid as Mac1 or higher, to pay the Wave 2 match. This means, you could earn a match on the Vendor Development Bonuses of Influencers deep below in your organization.

Eligibility: Exclusively for Influencer PRO.

Earned on sales of: Products. Calculated on Vendor Development Bonus.

Paid: Monthly

Connections: Enrollment Connections

Leadership Tier	Macro Influencer			Diamond Influencer			Global Influencer		
	MAC 1	MAC 2	MAC 3	D1	D2	D3	G1	G2	G3
Paid Status									
Wave 1 (Dynamically Compressed)	35%	38%	39%	40%	41%	42%	43%	44%	45%
Wave 2 (Dynamically Compressed)	17%	18%	19%	20%	21%	22%	23%	24%	25%

8 - GLOBAL MARKETPLACE POOL

When a vendor makes a sale, they get charged a “transfer fee” by Shoply. Shoply makes you part of this form of revenue by taking 10% of these transfer fees and adding them to a pool.

Every month that you achieve a paid Status of D1 or higher, you can earn a number of shares.

Once all the shares have been issued, Shoply will divide the pool amount by the number of shares issued. For example, let’s say the pool amount is \$100,000 and there’s a total of 10 shares issued. $\$100,000/10 = \$10,000$ is the value for 1 share.

Let’s say that you accrued 2 shares. In this example the value for all of your shares would be \$20,000

Leadership Tier	Diamond Influencer			Global Influencer			
	Paid Status	D1	D2	D3	G1	G2	G3
Shares Accrued		1 Share	2 Shares	3 Shares	4 Shares	5 Shares	6 Shares

Eligibility: Exclusively for Influencer PRO.
Earned on sales of: Products. Calculated on number of shares earned.
Paid: Yearly
Connections: Enrollment Connections





THE BASICS

Before we begin, let's get familiar with some of our company's language

ACTIVE: An "Active Affiliate Member" or "Active Vendor" means they're in good standing with the company and have successfully processed the order for their License or Subscription within the current calendar month. If their Subscription is scheduled to run later in the current calendar month, the one processed for the previous month makes them ACTIVE until the date their Subscription is scheduled to run for the current month.

AFFILIATE MEMBER: This is a person or business entity who has created a Shoply account to purchase and/or promote products and services from different vendors within the Shoply platform. First, an Affiliate Member must choose and purchase the kind of License that fits best for their activity. The options are:

1. **Affiliate:** They get access to the "Direct Bonus", which is the dollar amount established by a vendor to be paid to the referrer of the customer who purchased a product. Ideal for social media content creators and anyone who enjoys referring customers to specific products and services.
2. **Influencer:** They get all the perks Affiliates have, plus access to 4 additional earning centers described previously in this document. Ideal for people with an entrepreneurial mind and passion for teaching and leading others who share their interests and enjoy networking as a team.

3. **Influencer PRO:** Having access to all the perks for Influencers, an Influencer PRO gets additional and exclusive perks and opportunities. For example, the possibility of bringing new vendors into the platform and earning every time these vendors sell a product within Shoply, regardless of who referred the customer. Ideal for people committed to their success and who enjoy the power of networking, not only with the combined activity of other influencers and affiliates but also with vendors.

COMMISSIONABLE PERIOD: For Affiliate Members, while their qualification requirements are based on the monthly period, some earning centers can be paid as per "weekly", "bi-monthly", or "monthly" commissionable periods.

- **Weekly:** Goes from Wednesdays through Tuesdays 11:59 pm CT.
- **Bi-Monthly:** Goes from the 1st through the 15th day of the month, and then from the 16th through the last day of the month 11:59 pm CT.
- **Monthly:** Goes from the 1st day through the last day of the calendar month 11:59 pm CT.

COMMISSIONS TRANSFER DAY: Once a commissionable period is closed, commissions are paid on the second Thursday after the closing day.

COMMISSIONABLE VOLUME (CV): This is the amount used for calculating and paying the percentages shown in the different earning centers within the incentive plan. For example, different earning centers may refer to paying on:

- **CV = Products CV:** The CV for products assigned by the vendor towards the "Shoply marketplace". For products fulfilled by Shoply, CV is credited right away. For products fulfilled by a third-party vendor, CV is credited as per delivery confirmation.
- **SCV = Subscriptions CV:** The CV coming from subscriptions.
- **LCV = Licenses CV:** The CV coming from Licenses.
- **TCBCV = Total Community Bonus CV:** Includes SCV and 30% of LCV. From your purchases and those from your PRM "Affiliates".

COMMUNITY CONNECTIONS: Only Influencer and Influencer PRO members can occupy a node in this connections. The structure is limited to 3 direct nodes per person, which means your 4th PRM Influencer or Influencer PRO may end up underneath one of your first three, and so forth. This also means you're likely to get "spill-over" from those referred by your upline. Each node on the community connections shows the "Total Community Bonus CV" as defined in the CV paragraph in this glossary.

INCENTIVE PLAN The description of requirements and rewards that Affiliate Members receive in return for their results generating sales within the Shoply platform.

CUSTOMER: A person who has created a Shoply account to buy products and services from different vendors at Shoply. There is no License or Subscription fee to be a customer, but there are great benefits for buying products and recommending the products they like to other customers.

ENROLLMENT CONNECTIONS: This genealogy keeps track of who referred each Customer, Affiliate Member, or Vendor. Your referrer is also known as your "enroller".

- **Downline:** Anyone within your Enrollment Connections is part of your "Downline".
- **Upline:** The person who invited you is your Enroller, and they have an enroller too. Everyone has an enroller. We call this your "Upline" and these are not part of your Enrollment Connections per-se, but you are part of theirs.

MARKETPLACE CONNECTIONS: This connections structure includes only Affiliates, Influencers and Influencer Pros, each of those nodes will include the CV from their respective customers. By default, it'll look the same compared to the enrollment connections unless you choose to place a PRM underneath someone else within the Marketplace Connections. This may help create synergistic efforts between two or more people. When you place a PRM, you're giving up at least

one (or more) pay waves of the Marketplace Commission, as the beneficiary will now be the first upline for payout. It will also help the beneficiary count your PRM's OV as a Team for status qualification. Marketplace Connections placements may be done within the same calendar month of your PRM's enrollment.

MONTHLY RECURRING ORDER (MRO): Regardless of our role in Shoply, we are all also Customers buying products, and we all can use a convenient way to ensure the products and services we love are scheduled to automatically process or renew every month. As a perk, we get a 5% discount! This is an optional service you can opt-in for eligible products. You can edit or cancel up to 48 hours before the day it's scheduled to be charged.

OV (Organizational Volume): This is the sum of QV from the whole Marketplace Connections, including your own.

PCV (Personal Commissionable Volume): This is the sum of the CV from your personal orders and orders from your personally enrolled Customers purchased within the calendar month. For example, let's say you purchased a product for which the vendor assigned to the "Shoply marketplace" the amount that becomes 50CV, and 3 of your personally referred customers purchased products with 30CV each, then your PCV would be 140.



PQV (Personal Qualifying Volume): This is the sum of the QV from your personal orders and orders from your personally enrolled Customers purchased within the calendar month. For example, let's say you purchased a product with 50QV, and 3 of your personally referred Customers purchased products for 50QV each, then your PQV would be 200.

PRM (Personally Referred Member): Any Customer, Affiliate Member, or Vendor personally referred by you.

QUALIFIED AFFILIATE MEMBER: An Affiliate Member that is "Active" as defined in this glossary, and has a PQV of 100 or more in the calendar month.

QUALIFIED CUSTOMER: A Customer with an order for at least \$1 in the calendar month processed with a credit card or payment method that hasn't been used by another member.

QV (Qualifying Volume) - Each product or service, including the Shoply SAAS platform as a product itself, is linked to a QV amount. QV is used for meeting requirements for qualification to the different earning centers in the incentive plan within a calendar month. For products shipped by Vendors, all QV is credited for qualification at the date of purchase.

SHOPLY FAST PASS: This fast pass "reserves" the best available node for an invited person, under the referrer's Community Connections in case they decide to become an Influencer or Influencer PRO. When they purchase their License before the next fast pass deadline, they'll be able to take over that node. If they miss the deadline and didn't purchase the License, their node in the community connections will be taken by someone else. The person will continue to be in the fast pass, this time reserving the new best available node until the next fast pass deadline. Each fast pass deadline happens weekly.

TCBCV (Total Community Bonus CV): The Community Connections are populated with the sum of a portion of Licenses CV (30%), Subscriptions CV (50% of subscriptions sale price), the sum of Subscriptions CV coming from all the direct

Affiliates under an Influencer or Influencer PRO. Don't worry! Let Shoply do this math. Simply put, the "Total Community Bonus CV" is the commissionable amount you'll see for each node in the Community connections from which you can earn 7% when eligible.

TEAM: Each PRM (Personally Referred Member) is a Team on the Enrollment Connections, and the organization they develop will be part of each respective Team. This term also applies to the Marketplace Connections, where each person shown as 1st wave (also known as "direct") to you, along with their respective Marketplace Connections, is considered a Team.

VENDOR: This is a person or business entity who has products they want to sell within the Shoply platform. By meeting some requirements and acquiring the type of license that fits them best, a Vendor can enjoy the Shoply SAAS platform to bring attention to their product, as every Customer and Affiliate Member can also become their best referrer. The Vendor has the freedom to establish the amount they want to pay to the referrer of a Customer and to the Shoply Influencer Community (marketplace), helping create virality for their product or service. They can choose to be:

1. **Vendor Domestic:** To sell their products within their home country.
2. **Vendor International:** To sell their products internationally where available.

WATERFALL: This term refers to the Community Connections, where there's a limit of 3 nodes direct to each node. However, there's no limit to how many Influencers you can enroll, so some of them will end up underneath others, which we refer to as "Waterfall". For example, when your upline enrolls more Influencers, they may waterfall under your node, added to your Community Connections.



How do Refunds and Returns affect the Comp Plan?

When a return or refund occurs, any commissions paid to the upline by the incentive plan must also be reversed. This may also affect Status qualifications. To learn more about refunds and returns please consult the Return Policy document located at your back office.

Income Disclosure Statement

The Shoply Incentive plan is an exciting opportunity that rewards you for selling products and services and sponsoring other participants who do the same. Although the opportunity is unlimited, individual results will vary depending on commitment waves and sales skills of each participant. Since Shoply has just started, there is insufficient statistical data to prepare a reliable income disclosures at this time. There will be certain participants who will earn less while others will earn much more. We're excited about the Shoply Incentive plan and we're confident it will provide you a solid foundation to help you achieve your financial goals. As with all endeavors, hard work and the time you dedicate impacts outcomes.

If income projections were presented to you prior to your enrollment, such projections are not necessarily representative of the income, if any, that you can earn through your participation in the Incentive plan. These income projections should not be considered as guarantees or projections of your actual earnings or profits. Success with Shoply results only from hard work, dedication, and leadership.



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