

Velomon, LLC - Office Expense Reimbursement Credits

At Velomon, sales is a team sport. We practice the Lead-Wing mentorship structure. We build teams of agents to not only leverage our built-in override structure, but to accommodate the mass referrals we often get through our various lead generation programs.

But there's a cost to having an office, and we want to share in that cost for those offices that are truly leveraging the Velomon model. Thus - this Office Expense Reimbursement plan.

Determining eligibility

Offices with at least **5 active agents** (including yourself) who are **in good standing** with Velomon, LLC, whether those agents are in your direct downline or not (meaning if you 'house' an agent who is not in your direct downline, that agent's production can count toward your Rent Reimbursement eligibility) are eligible for Office Cost Reimbursement Credits

- "Active" means they are licensed, contracted, and earning commissions of at least \$3,000 per month in commission income (waived for an agent's first 90 days at Velomon).
- "Agents" means they 1) carry your address on their business card, 2) attend your weekly team meetings, 3) hold their recruiting and/or client interviews at your office, and 4) use your office as their primary base of operation.
- "In good standing" with the Velomon, LLC contract means the agent is in compliance with all company policies, free of indebtedness, and is advancing the cause of the company in general.

Calculation of Credits:

- At the end of each calendar quarter (March 31, June 30, September 30, December 31), you'll earn one Rent Reimbursement Credit for each:
 - \$500,000 of paid annuity premium (or portion thereof), and each
 - \$50,000 of paid target life premium (or portion thereof)
- Each credit may be redeemed for \$1,000 of office rent reimbursement or other pre-approved office-related expense (prior approval required). Examples of other expenses considered for reimbursement include:
 - Office Rent
 - Office Supplies/materials
 - Office utilities
 - Office assistant
- Credits are for reimbursement of expenses only. You must incur the expense in order to redeem a credit. Reimbursement requests must be accompanied by sufficient proof of the expense (cancelled check or other acceptable evidence) as well as your list of Qualified Agents.
- Partial credits are awarded, meaning \$75,000 of life premium would result in 1.5 credits.
- Credits are deducted as utilized, and awarded as earned.
- It is the agent's responsibility to submit a reimbursement request. Requests should be accompanied by documentation to validate qualifications.

Example of How the Office Cost Reimbursement Program Works

For the quarter ending March 31, 2016, the Anytown, USA base shop – met the qualifications and became “eligible” for the Office Cost Reimbursement Program. Their Velomon production was:

- \$1,700,000 of Annuity Premium – earning 3.54 Rent Reimbursement Credits, and
- \$220,000 of Target Life Premium – earning 4.4 Rent Reimbursement Credits.
- Total Credits earned by the Anytown office for the quarter = 7.94

The Anytown office rent is \$2,300 per month. They submit a request for reimbursement accompanied by evidence of the expense, evidence that the qualification criteria have been achieved - and receive reimbursement of \$2,300, redeeming 2.3 Credits. Therefore, the balance in their ‘credit’ account would be reduced from 7.94 to 5.64.

The following month, the process would repeat itself, with the Anytown credit account being reduced again by 1 credit for each \$1,000 reimbursed.

Anytown needed to hire a part time administrative assistant to help with application processing, phone work, and other office needs. The cost was \$1,500 per month. They obtained approval from Velomon that the Office Assistant cost qualified for reimbursement under this program, and submitted payroll records, triggering an additional reimbursement of \$1,500 (subject to the availability of credits in their account).

At the end of the following quarter, Anytown produced \$4 million in Annuity premium and \$150,000 in life premium, generating 11 new, additional credits added to their Office Cost Reimbursement account.