

TERMS AND CONDITIONS FOR PARTICIPATION IN THE BALANCE PROGRAM

VERSION DATED: JULY 2020

PREAMBLE

These Terms and Conditions for Participation in the Balance Program supplement the Lyconet Agreement for Independent Lyconet Marketers ("Lyconet Agreement"), in the version applicable to the Lyconet Marketer ("Marketer") at the moment in which he fulfills the requirements for participating in the Balance Program for the first time, by defining the rights and obligations of the Marketer with regard to the participation in the Balance Program.

The definitions in the Lyconet Agreement apply to these Terms and Conditions for Participation.

An essential part of the Lyconet Marketing Program is the Lyconet Agreement which enables self-employed entrepreneurs to promote their own customer loyalty program. Having entered into the Lyconet Agreement, participants acquire the status of Independent Lyconet Marketers.

The provisions of the Lyconet Agreement, the accompanying Lyconet Compensation Plan and, in case of acceptance, the General Terms and Conditions for Members of the Cashback World Program remain valid unless other provisions are set out in these Terms and Conditions for Participation.

The implementation of the Balance Program falls to Lyconet.

PREREQUISITES FOR PARTICIPATION

Marketers who have generated at least 50 Shopping Points for the Balance Program together with their customers* are entitled to participate in the Balance Program.

FUNCTIONALITY

Shopping Points** for the Balance Program come from the Marketer's entire shopping network; this means from his entire Lifeline and also from his own purchases and orders. These Shopping Points will be converted into Units based on the respective calculation period*** and booked to his Balance Program. Furthermore, the Marketer may also be credited with Bonus Units and Transfer Units. The booked Units can generate the following Compensation****:

• BALANCE COMMISSION

• BALANCE BONUS

• COACH & SENIOR COACH BONUS

The booked Units in the Balance Program enable the Marketer to receive the Compensation as described below.

TYPES OF UNITS

The various types of Units are based on the Shopping Points evaluated for the Balance Program.

50 SP = 1 UNIT IN BALANCE CATEGORY 1

150 SP = 1 UNIT IN BALANCE CATEGORY 2

400 SP = 1 UNIT IN BALANCE CATEGORY 3

1,200 SP = 1 UNIT IN BALANCE CATEGORY 4

4,000 SP = 1 UNIT IN BALANCE CATEGORY 5

* A Marketer's customer is any Member of the Cashback World registered under the Marketer, but only as far as the next Marketer in his Lifeline. A customer has not signed the Lyconet Agreement and therefore is not a Marketer himself.

** The Marketer can view the Shopping Points evaluated in the Balance Program after logging in to www.lyconet.com.

*** Both the Compensation Eligibility and Payout Eligibility, as stipulated in the Lyconet Compensation Plan, are prerequisites for receiving all Compensation from the Balance Program.

**** Compensation is calculated within a Production Week or a Production Month. The dates are defined annually in advance and can be viewed in the Download Area after logging in to www.lyconet.com.



Personal Units are generated using Shopping Points for the Balance Program that were accumulated by the Marketer.



Bonus Units credited to the Balance Program are generated if a booked Unit (of any type) has the pre-defined number of booked Units following it (left / right)*. Bonus Units are generated in Balance Categories 1 - 5 and will be made available to the Marketer for the duration of the Lyconet Agreement (see page 5 and 6).

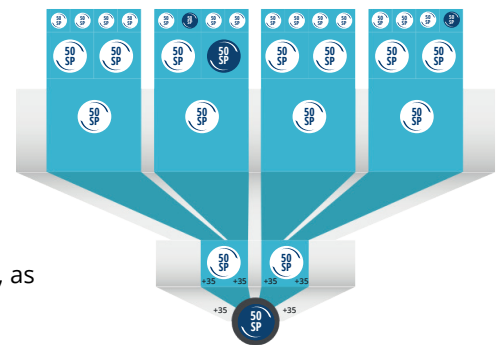


Transfer Units credited to the Balance Program are generated if they have the pre-defined number of booked Units following them (left / right). Transfer Units are generated in Balance Categories 1 - 4 and will be made available to the Marketer in the next level of the Balance Category for the duration of the Lyconet Agreement (see page 7 and 8).

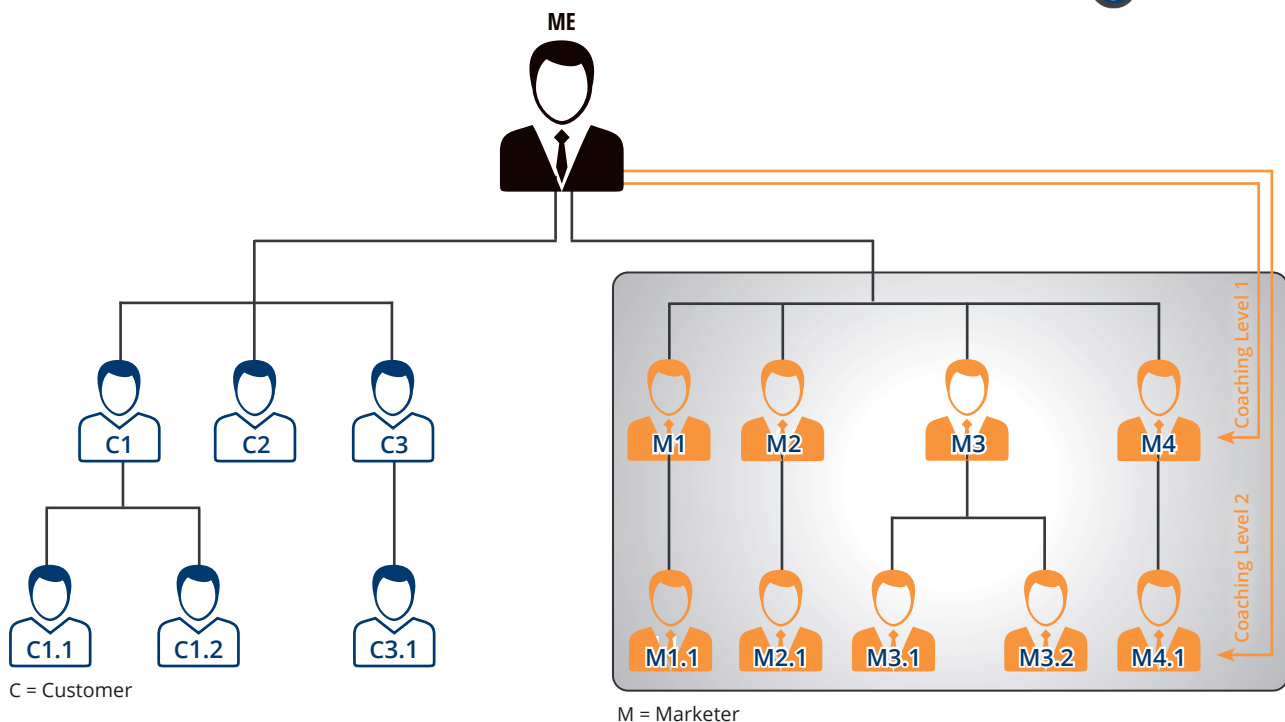


Customer Units are generated through the accumulation of Shopping Points from purchases and orders made by Cashback World Customers in the Marketer's Lifeline (but only as far as the next Marketer in his Lifeline).

For the duration of the Lyconet Agreement, the **FIRST** and **ELEVENTH CUSTOMER UNITS** and every **TENTH CUSTOMER UNIT** thereafter will be granted to the Marketer and will carry the same right to Compensation as his Personal Units.



Units of a Marketer in Coaching Level 1 (i.e. for whom the Marketer "ME" is the Coach) are generated from Shopping Points for the Balance Program accumulated by the Marketer in Coaching Level 1, as well as by his customers.



Units of a Marketer in Coaching Level 2 (i.e. for whom the Marketer "ME" is a Senior Coach) or lower are generated from Shopping Points for the Balance Program accumulated by the Marketer in Coaching Level 2 or lower, as well as by his customers.



Units of a Marketer outside the Marketer's Lifeline are generated from Shopping Points for the Balance Program accumulated by the Marketer outside the Lifeline, as well as by his customers.

* The types of units that may be booked into a Marketer's relevant Balance Category, to follow his existing units, include Personal Units, Customer Units, Units from all Coaching Levels, Bonus Units, and Transfer Units.

BOOKING AND COMPENSATION IN THE BALANCE PROGRAM

The Marketer's first Unit to be booked in the Personal Balance will be booked on a booked Unit of the Coach or Senior Coach, or rather Upline, in each Balance Category (1-5). This Unit is the starting point in every Balance Category from which all of the Marketer's Units, as well as the Units from his Lifeline, will be booked.

All credited Units are booked based on the respective calculation period. Units in the Personal Balance will be dual-booked, this means that two further Units can be booked on each booked Unit. Units are always booked in a row in the National, Continental and International Balance.

➔ BALANCE CATEGORIES AND THE PERSONAL, NATIONAL, CONTINENTAL AND INTERNATIONAL BALANCE

The Balance Program is broken down into Balance Categories 1 - 5, as well as into the Personal, National, Continental, and International Balance.

PERSONAL BALANCE:

Personal Units, Customer Units, Units from all of the Marketer's Coaching Levels from the Lifeline and Transfer Units are booked under the Personal Balance.

NATIONAL BALANCE:

The National Bonus Units of all the Marketers from one country as well as the Transfer Units will be booked here. Through national collaboration, Marketers can benefit from all of the shopping volume in their country.

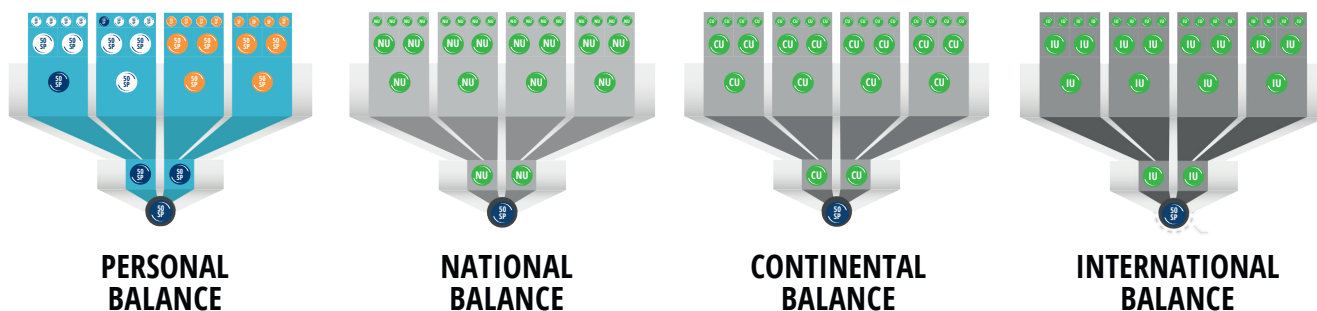
CONTINENTAL BALANCE:

The Continental Bonus Units of all Marketers from one continent as well as Transfer Units will be booked here. Through continental collaboration, Marketers can benefit from all of the continental shopping volume.

INTERNATIONAL BALANCE:

The International Bonus Units of all Marketers from every country as well as Transfer Units will be booked here. Through international collaboration, Marketers can benefit from all of the international shopping volume.

BALANCE CATEGORY 1-5



→ BALANCE COMMISSION

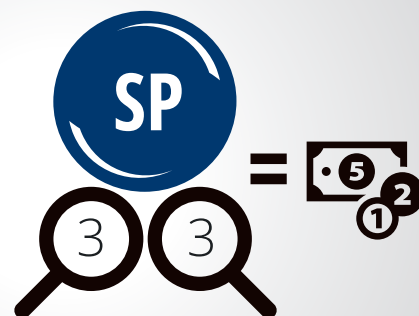
The calculation of the Balance Commission is based on the Units booked within the calculation period. The Marketer can receive Balance Commission resulting from the following types of Units:

	Balance Commission
Personal Unit	✓
Bonus Unit	✓
Transfer Unit	✓

BALANCE COMMISSION

Calculation based on:
Booked Units

Prerequisite:
Compensation Eligibility



The eligibility for Balance Commission applies if a Marketer's booked Personal Unit, Bonus Unit or Transfer Unit has the pre-defined number of booked Units following it (left / right). The table provides an overview of the required number of following Units for each Balance Category (BC) and the resulting Balance Commission:

	3 / 3 Left / Right	5 / 5 Left / Right	10 / 10 Left / Right	15 / 15 Left / Right	20 / 20 Left / Right	25 / 25 Left / Right
BC 1	\$9	\$15	\$21	\$33	\$39	\$48
BC 2	\$27	\$45	\$63	\$99	\$117	\$144
BC 3	\$90	\$150	\$210	\$330	\$390	\$480
BC 4	\$270	\$450	\$630	\$990	\$1,170	\$1,440
BC 5	\$900	\$1,500	\$2,100	\$3,300	\$3,900	\$4,800

→ BALANCE BONUS

The calculation of the Balance Bonus is based on the Units booked within the calculation period. The Marketer can receive the Balance Bonus for the following types of Units:

	Balance Bonus
Personal Unit	✓
Bonus Unit	✗
Transfer Unit	✗

BALANCE BONUS

Calculation based on:
Booked Units

Prerequisite:
Compensation Eligibility

Benefits in the form of:
Vouchers



A Marketer is eligible for the Balance Bonus if his booked Personal Unit has the pre-defined number of booked Units following it (left / right). The table provides an overview of the number of required number of following Units in each Balance Category (BC) and the resulting Balance Bonus:

	25 / 25 Left / Right	30 / 30 Left / Right	35 / 35 Left / Right
BC 1	-	-	\$600
BC 2	-	\$1,275	-
BC 3	\$2,400	-	-
BC 4	\$7,200	-	-
BC 5	\$24,000	-	-

➔ BONUS UNITS

Bonus Units will be calculated based on the Units booked within the calculation period and will be made available to the Marketer for the duration of the Lyconet Agreement. The Marketer can receive Bonus Units resulting from the following types of Units:

	Bonus Unit
Personal Unit	✓
Bonus Unit	✓
Transfer Unit	✓

Calculation based on:
Booked Units

Prerequisite:
Compensation Eligibility

Booking:
National Balance
Continental Balance
International Balance

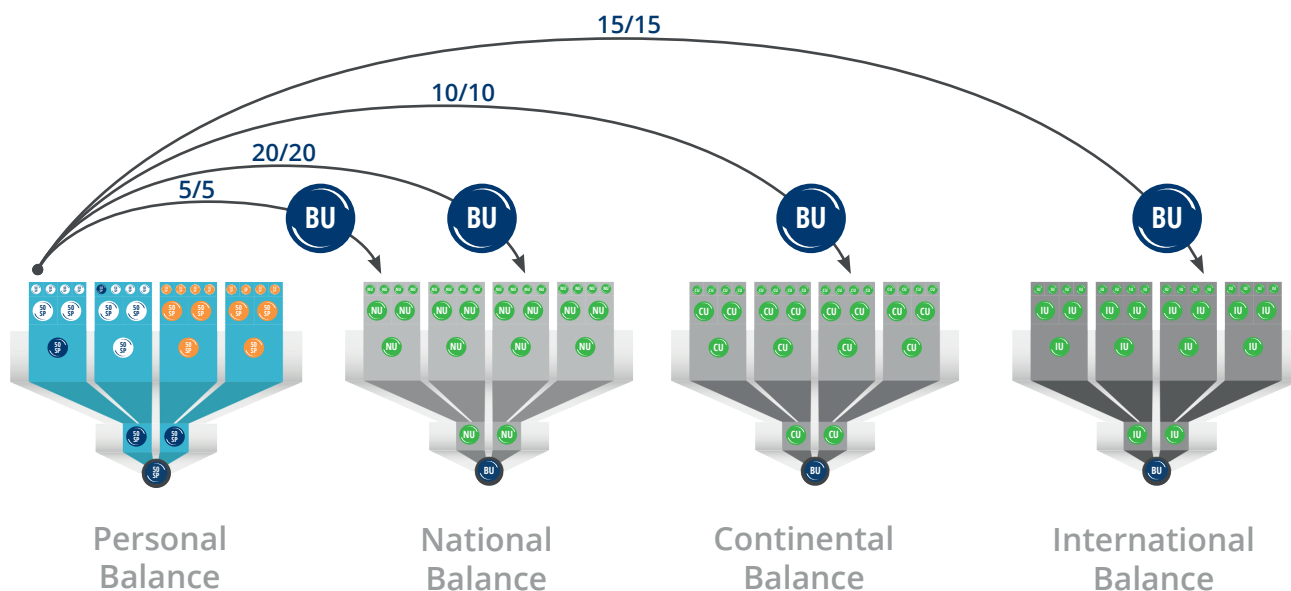
BONUS UNITS



A Marketer is eligible for Bonus Units if his booked Personal Unit, Bonus Unit, or Transfer Unit has the pre-defined number of booked Units following it (left / right). The following table and graphics provide an overview of the number of required following Units, which is identical in each Balance Category, as well as the resulting Bonus Units and their booking:

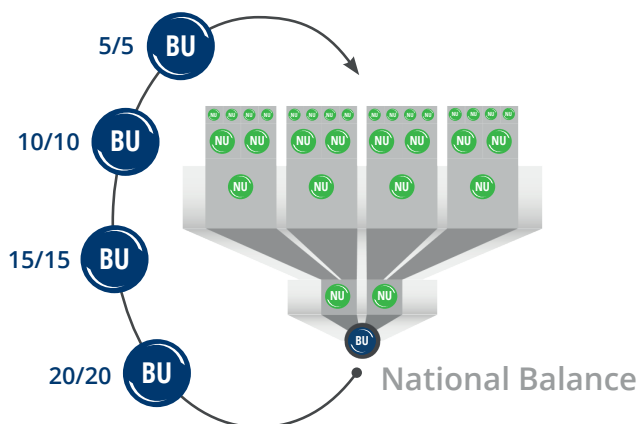
BOOKING OF BONUS UNITS GENERATED FROM UNITS BOOKED IN THE PERSONAL BALANCE

Every booked Unit in the Personal Balance with the pre-defined number of following Units (left / right).	5 / 5 Left / Right	10 / 10 Left / Right	15 / 15 Left / Right	20 / 20 Left / Right
	Bonus Unit: National Balance	Bonus Unit: Continental Balance	Bonus Unit: International Balance	Bonus Unit: National Balance



BOOKING OF BONUS UNITS GENERATED FROM UNITS BOOKED IN THE NATIONAL BALANCE

Every Unit booked in the National Balance with the pre-defined number of following Units (left / right).	5 / 5 Left / Right	10 / 10 Left / Right	15 / 15 Left / Right	20 / 20 Left / Right
	Bonus Unit: National Balance	Bonus Unit: National Balance	Bonus Unit: National Balance	Bonus Unit: National Balance

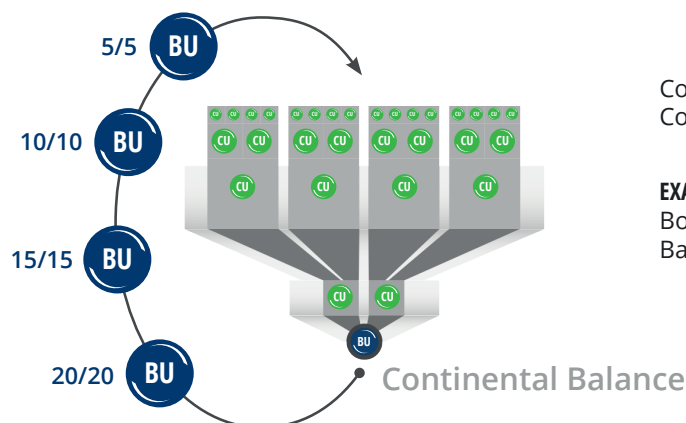


National Bonus Units will be booked into the relevant National Balance from left to right.

EXAMPLE: If the Lyconet Marketer has a US ID, his Bonus Units will be booked in the US Balance.

BOOKING OF BONUS UNITS GENERATED FROM UNITS BOOKED IN THE CONTINENTAL BALANCE

Every booked Unit in the Continental Balance with the pre-defined number of following Units (left / right).	5 / 5 Left / Right	10 / 10 Left / Right	15 / 15 Left / Right	20 / 20 Left / Right
	Bonus Unit: Continental Balance	Bonus Unit: Continental Balance	Bonus Unit: Continental Balance	Bonus Unit: Continental Balance

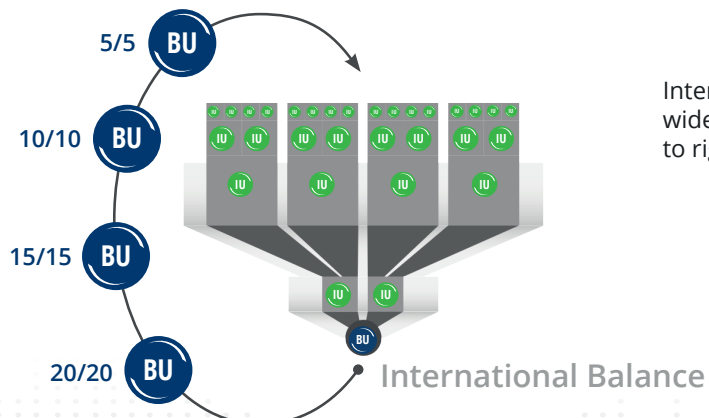


Continental Bonus Units will be booked into the relevant Continental Balance from left to right.

EXAMPLE: If the Lyconet Marketer has a US ID, his continental Bonus Units will be booked in the Continental American Balance.

BOOKING OF BONUS UNITS GENERATED FROM UNITS BOOKED IN THE INTERNATIONAL BALANCE

Every booked Unit in the International Balance with the pre-defined number of following Units (left / right).	5 / 5 Left / Right	10 / 10 Left / Right	15 / 15 Left / Right	20 / 20 Left / Right
	Bonus Unit: International Balance	Bonus Unit: International Balance	Bonus Unit: International Balance	Bonus Unit: International Balance



International Bonus Units for all Lyconet Marketers world-wide will be booked into the International Balance from left to right.

A Marketer is eligible for Balance Commission if his booked Bonus Unit has the pre-defined number of booked Units following it (left / right). The table provides an overview of the required number of following Units for each Balance Category (BC) and the resulting Balance Commission for Bonus Units:

	3 / 3 Left / Right	5 / 5 Left / Right	10 / 10 Left / Right	15 / 15 Left / Right	20 / 20 Left / Right	25 / 25 Left / Right
BC 1	\$9	\$15	\$21	\$33	\$39	\$48
BC 2	\$27	\$45	\$63	\$99	\$117	\$144
BC 3	\$90	\$150	\$210	\$330	\$390	\$480
BC 4	\$270	\$450	\$630	\$990	\$1,170	\$1,440
BC 5	\$900	\$1,500	\$2,100	\$3,300	\$3,900	\$4,800

Bonus Units can also generate Transfer Units and Bonus Units. Bonus Units do not generate Balance Bonus.

➔ TRANSFER UNITS

Transfer Units will be calculated based on the Units booked within the calculation period and will be made available to the Marketer for the duration of the Lyconet Agreement. The Marketer can receive Transfer Units resulting from the following types of Units:

	Transfer Unit
Personal Unit	✓
Bonus Unit	✓
Transfer Unit	✓

Calculation based on:
Booked Units

Prerequisite:
Compensation Eligibility

Booking:
in the next
Balance Category

TRANSFER UNITS

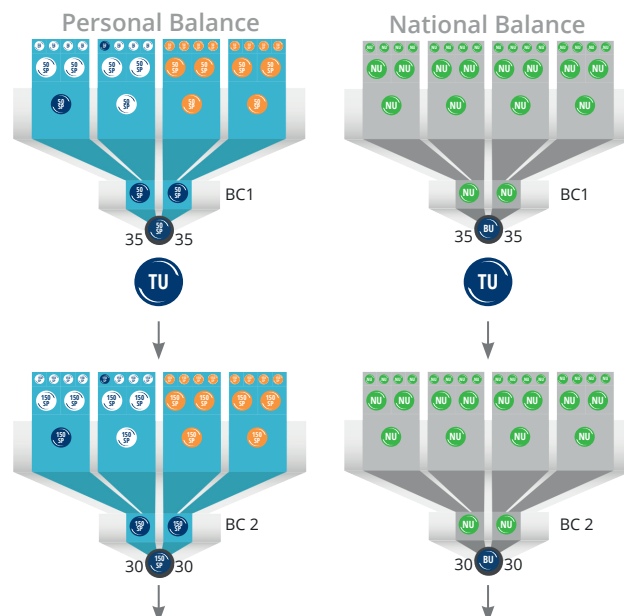


A Marketer is eligible for Transfer Units if his booked Personal Unit, Bonus Unit, or Transfer Unit has the predefined number of booked Units following it (left / right). The following table and graphics provide an overview of the number of required following Units, as well as the resulting Transfer Units and their booking:

	25 / 25 Left / Right	30 / 30 Left / Right	35 / 35 Left / Right
BC 1	-	-	Transfer Unit in BC 2
BC 2	-	Transfer Unit in BC 3	-
BC 3	Transfer Unit in BC 4	-	-
BC 4	Transfer Unit in BC 5	-	-
BC 5	-	-	-

BOOKING OF TRANSFER UNITS

- Transfer Units that are generated in the Personal Balance will be booked in the next Category in the Personal Balance.
- Transfer Units that are generated in the National Balance will be booked in the next Category in the National Balance.
- Transfer Units that are generated in the Continental Balance will be booked in the next Category in the Continental Balance.
- Transfer Units that are generated in the International Balance will be booked in the next Category in the International Balance.



A Marketer is eligible for Balance Commission if his booked Transfer Unit has the pre-defined number of booked Units following it (left / right). The table provides an overview of the required number of following Units for each Balance Category (BC) and the resulting Balance Commission for Transfer Units:

	3 / 3 Left / Right	5 / 5 Left / Right	10 / 10 Left / Right	15 / 15 Left / Right	20 / 20 Left / Right	25 / 25 Left / Right
BC 1	–	–	–	–	–	–
BC 2	\$27	\$45	\$63	\$99	\$117	\$144
BC 3	\$90	\$150	\$210	\$330	\$390	\$480
BC 4	\$270	\$450	\$630	\$990	\$1,170	\$1,440
BC 5	\$900	\$1,500	\$2,100	\$3,300	\$3,900	\$4,800

Transfer Units can also generate Bonus Units and additional Transfer Units. Transfer Units do not generate a Balance Bonus.

➔ COACH & SENIOR COACH BONUS

The Coach and Senior Coach Bonus will be calculated based on the Units booked within the calculation period and the resulting Balance Commissions. The Marketer can receive the Coach and/or Senior Coach Bonus for the following Compensation from the Marketers in Coaching Level 1 and Coaching Level 2:

	Coach & Senior Coach Bonus
Balance Commission	✓
Balance Bonus	✗

COACH & SENIOR COACH BONUS

Calculation based on:
Balance Commission for
Coaching Levels 1 + 2

Prerequisite:
Compensation Eligibility



In order for the Marketer to be eligible to receive the Coach Bonus, his Direct Marketers (Coaching Level 1) must receive Balance Commissions. To receive the Senior Coach Bonus, his Indirect Marketers (Coaching Level 2) must receive Balance Commissions.

CALCULATING THE COACH AND SENIOR COACH BONUS:

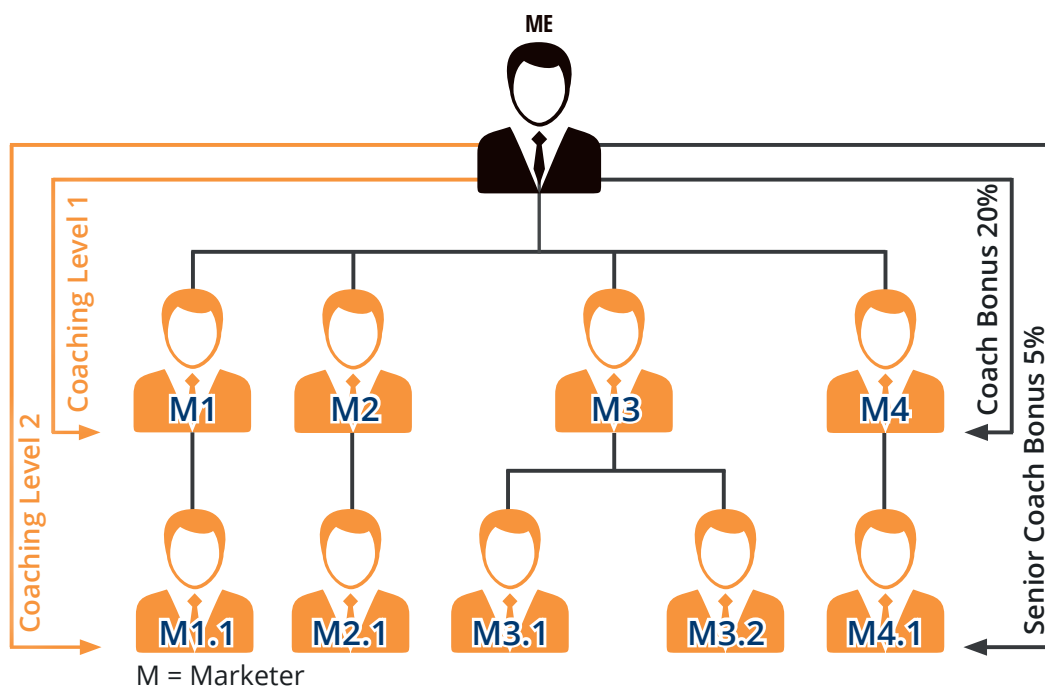
The calculation for the Coach Bonus is based on the total of the Balance Commissions received by all Direct Marketers (Coaching Level 1).

Based on this calculation, Lyconet credits the Marketer an additional 20% Coach Bonus.

The calculation for the Senior Coach Bonus is based on the total of the Balance Commissions received by all Indirect Marketers (Coaching Level 2). Based on this calculation, Lyconet credits the Marketer an additional 5% Senior Coach Bonus.

EXAMPLE:

Your Direct Marketers (Coaching Line 1) receive a total of \$1,500 Balance Commission. You receive an additional 20% Coach Bonus from Lyconet of \$300.



Your Indirect Marketers (Coaching Level 2) receive a total of \$7,500 Balance Commission. You receive an additional 5% Senior Coach Bonus from Lyconet of \$375.

Coach and Senior Coach Bonuses do not apply for any other types of Compensation within the Marketer's Lifeline (for example Balance Bonus).

RIGHT OF WITHDRAWAL

The granting of participation in the Balance Program is at the sole discretion of Lyconet and may therefore be withdrawn. Lyconet reserves the right to change the requirements for participation in the Balance Program, or to withdraw this additional benefit in the future at any time and without stating a reason.