



The Dream Builder Plan

Turning Your Dreams Into A Reality

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AUGUST 2013



Dear Friend

Certain good things have become rare these days...For one thing, it's rare to see a company whose business is built around relationships and friendships. It's rare to see a company where craftsmanship is still prized and honored. And it's certainly rare to find a company where you can be your own boss and shape your own business in a way that makes sense for you and your family. At Longaberger, those things are at the heart of who we are.

Five generations of my family have been in this business of bringing fine craftsmanship to millions of customers. I literally grew up in the company that my father started nearly 40 years ago. It's my great joy and honor to carry on my family's tradition. It has stood the test of time and our future is brighter than ever.

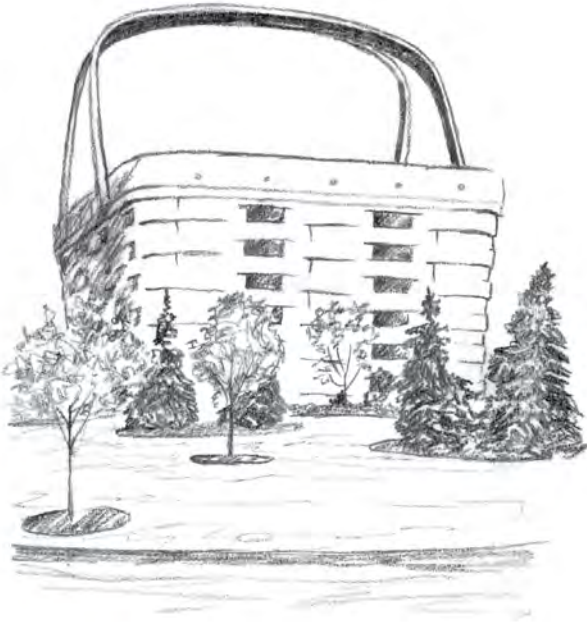
Longaberger baskets are much more than baskets. They're "living art" which become part of the families who own them.

I believe that this wonderful combination of tradition, craftsmanship, relationships, family and pride are the essence of what makes Longaberger great. It's why we care so passionately about sharing Longaberger products and the Longaberger opportunity with as many people as we possibly can.

I think you will find that our values and our opportunity will fit well in your life. You'll also find great tools to grow your business. Everything we do is for the purpose of supporting you in your Longaberger business. Please accept my warmest welcome. I am so glad that you have joined our Longaberger family!

With Best Wishes,

Tami Longaberger



Living the Dream

At Longaberger, your purpose is our purpose. And, helping you fulfill your dreams – whatever they may be – is one of our greatest purposes. The Dream Builder Plan is a roadmap to you as you aspire to lead a team and join our team of Longaberger Leaders and for those of you currently enjoying the benefits of a Leader position. The Dream Builder Plan provides you a comprehensive overview of the qualifications needed to promote into leadership as well as the expectations for consistent performance. And, more importantly, clearly outlines the compensation for each leadership level.

The Longaberger Company's mission statement is to "Stimulate A Better Quality of Life.™" The Dream Builder Plan provides an opportunity that enables you to define your personal dream, go after it and realise it is one way we fulfill our mission. So dream big and enjoy the journey!

Building Your Dreams

The Longaberger Company offers all Home Consultants the opportunity to qualify for and promote to a Leadership position. Longaberger Leaders have demonstrated the ability to excel in personal sales, sponsoring, teaching, organising and encouraging others toward successful business development. Through dedication, enthusiasm and consistent performance, qualified Home Consultants can advance to a Leadership level and continue building their teams and dreams to the ultimate level of Leadership, Executive Director.

The Longaberger Company values the experience and dedication of our Sales Field Leaders. While each Leader maintains the autonomy and rewards of being an Independent sales person, they, like every Home Consultant in our business, are supported by Company guidelines and educational opportunities. This provides the qualified Home Consultant the opportunity to gain professional growth and financial success. In the Dream Builder Plan, your financial rewards increase significantly as your level of Leadership is achieved.

Longaberger Leaders provide inspiration and guidance for Home Consultants in their groups. As a role model, it is the responsibility of the Leader to maintain consistent performance at each level. It is equally important for Home Consultants to understand the qualifications necessary to advance to the position they desire. To provide consistency of performance among Leaders, the Dream Builder Plan structure is designed to:

- Establish minimum levels to qualify for advancement to Leader positions and
- Establish performance expectations for the retention of Leader titles and benefits

It is important to note that successful Leaders do more than meet minimum requirements. We, at The Longaberger Company, have seen greater success achieved by all Leaders whose groups exist with more than the minimum requirements set forth in the Plan.



Building Blocks— The Beginning

Home Consultant

Benefits:

- Earn up to 25% commission on your personal sales credit
- Opportunity to earn incentive rewards and trips
- Earn samples up to 50% discount based on your monthly sales credit *(See complete sample program on myLongaberger.com, Just For You or your Campaign Guide) *Effective April 2014*
- Eligible for Star Performer’s Circle Award Program for sales and sponsoring
- Eligible for Longaberger Leads, our customer referral program *(See the complete Leads program and eligibility criteria on myLongaberger.com, Reports & Tools, Sales Programs, Longaberger Leads) *Effective April 2014*
- Free personalised website **Effective April 2014*
- Free customer newsletter service **Effective April 2014*

Senior Home Consultant

When you extend your opportunity to others to become an Independent Longaberger Home Consultant and they sign a Home Consultant Agreement, you become a sponsor. Sponsoring is one of the best ways to grow your business, earn additional income and develop your leadership skills. When you begin sponsoring, you will enjoy the same benefits as a Home Consultant, plus:

- The opportunity to Bank* a monthly sponsoring override
- Recognition and a new title
- Building relationships with your new Home Consultants
- Growth in your business
- The reward of helping others grow their sales and discover their potential

*When you sponsor and maintain 1–2 direct qualified recruits, you will be eligible to “bank” a 1% override on your direct recruits’ override sales and .5% on Showroom Sales. You must be qualified and have \$350 or more in personal sales credit or one direct qualified recruit per month to bank this override. The “Bank” will be paid out when the promotion of Management Bound Executive Home Consultant occurs. The “Bank” (payout) will expire within a rolling two-year period if the Senior Home Consultant or Executive Home Consultant does not promote to a Management Bound Executive Home Consultant.

STRUCTURE



REQUIREMENTS TO BANK

PERSONAL REQUIREMENT	STRUCTURE
\$350 personal sales credit or 1 direct qualified recruit monthly	Self + 1 to 2 direct qualified recruits

Executive Home Consultant

When you continue sponsoring and maintain 3 direct qualified recruits, you will continue to enjoy all the benefits of a Home Consultant and will be eligible to “bank” a 2% override on your personal and direct recruits’ override sales and 1% on Showroom Sales. You must be qualified and have \$350 or more in personal sales credit or one direct qualified recruit per month to bank this override. The “Bank” will be paid out when the promotion of Management Bound Executive Home Consultant occurs. The “Bank” (payout) will expire within a rolling two-year period if the Senior Home Consultant or Executive Home Consultant does not promote to a Management Bound Executive Home Consultant.



Building Your Team—The Journey has Begun

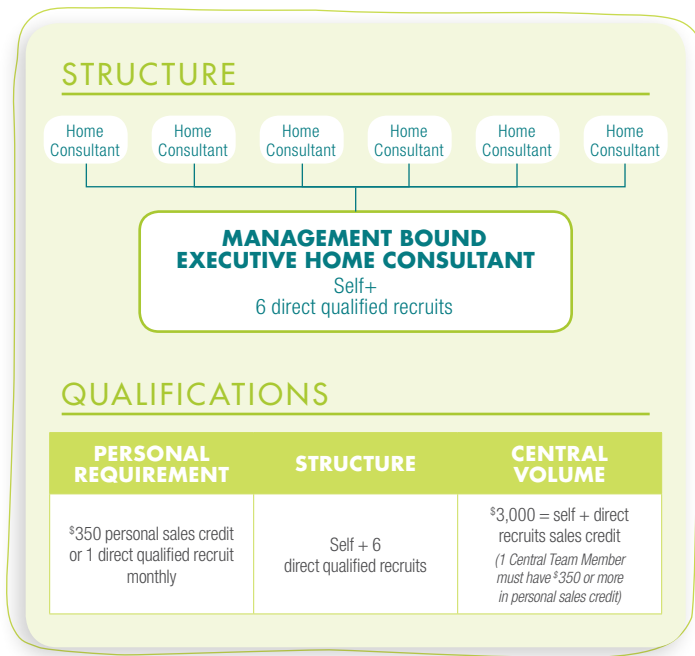
Management Bound Executive Home Consultant



Benefits:

- All the benefits of a Home Consultant, plus...
- Override Bank payout
- Increased income
- Exclusive Management Bound Promotion Gift
- News Release about your promotion to send to your local media
- Invitation to Leader only meetings and events
- Early meeting registration and hotel selection
- On stage march at Buzz and Bee
- Special training class at Buzz and Bee

At Management Bound Executive Home Consultant you will begin your journey into Leadership. The overrides you have “banked” from Senior Home Consultant and Executive Home Consultant, will be paid out and you will have the opportunity to earn a monthly override check which is paid the second Friday of the month.



An Executive Home Consultant must qualify to become a Management Bound Executive Home Consultant by submitting a signed Management Bound Executive Home Consultant agreement, accepted by the Home Office, and meeting two consecutive months of the following qualifications:

- 6 direct qualified recruits
- 1 Central Team Member must have \$350 or more in personal sales credit
- A total of \$3,000 or more sales on your personal and direct recruits' sales credit
- \$350 or more in personal sales credit or one direct qualified recruit per month

Earn additional income through a leadership override when you maintain monthly minimums of 6 direct qualified recruits, 1 Central Team Member must have \$350 or more in personal sales credit, a total of \$3,000 or more with a combination of your personal and direct recruits' sales credit and \$350 or more in personal sales credit or one direct qualified recruit per month.

Financial Rewards:

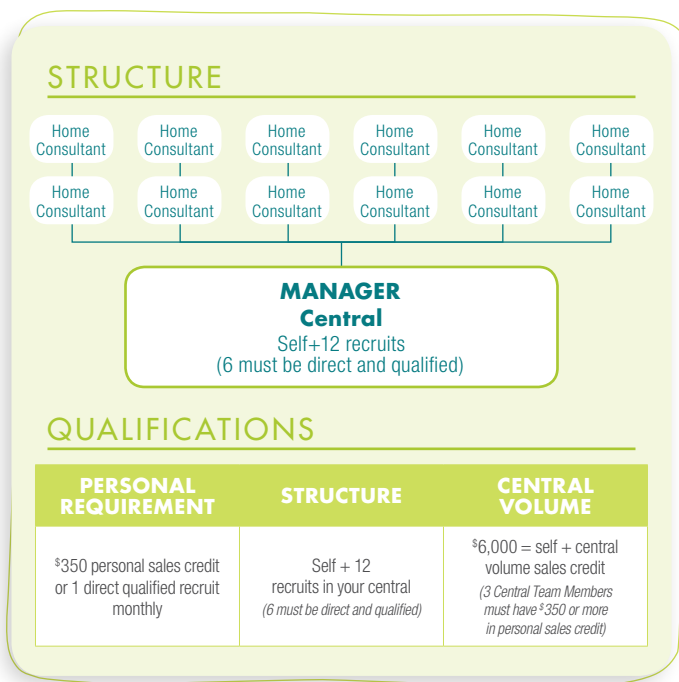
- 4% Override Sales for yourself and your Direct Recruits
- 3% Showroom Sales for yourself and your Direct Recruits

In the event these requirements are not met in any particular month, the Leader will move into rebuild. See page 17 for rebuild details.

Manager

Benefits:

- All the benefits of a Home Consultant, plus...
- Increased income
- Exclusive Longaberger Manager Basket
- News Release about your promotion to send to your local media
- Photo and quote in Your Success Online
- Earn two Samples at up to 50% discount based on month sales credit.
*(See complete program on myLongaberger.com, Just For You or your Campaign Guide) *Effective April 2014*
- Invitation to Leader only meetings and events
- Early meeting registration and hotel selection
- On-stage personal recognition at Buzz and Bee after promotion
- On-stage march at Buzz and Bee



A Management Bound Executive Home Consultant must qualify to become a Manager by submitting a signed Manager agreement, which is accepted at the Home Office, and meeting two consecutive months of qualifications to include:

- 6 direct qualified recruits with a total of 12 recruits in your Central
- 3 Central Team Members must have \$350 or more in personal sales credit
- A total of \$6,000 or more Central volume sales credit
- \$350 or more in personal sales credit or one direct qualified recruit per month

Earn additional income through a leadership override when you maintain monthly minimums of 6 direct qualified recruits with a total of 12 recruits in your Central, 3 Central Team Members must have \$350 or more in personal sales credit, a total of \$6,000 or more Central volume sales credit and \$350 or more in personal sales credit or one direct qualified recruit per month.

Financial Rewards:

- 6% Override Sales on your Central
- 3% Override Sales on Direct Break-Offs
- 4% Showroom Sales on your Central
- 2% Showroom Sales on Direct Break-Offs

In the event these requirements are not met in any particular month, the Leader will move into rebuild. See page 17 for rebuild details.

Manager Leadership Expectations

- Personal selling and sponsoring—“modeling the selling and sponsoring you expect from your team”
- Practice solid business ethics
- Attend all Manager level trainings
- Attend all meetings provided by your up-line leader
- Attend all company sponsored meetings and webinars provided for your level of management
- Be accessible to your team for questions, encouragement and problem solving
- Respond to e-mails and phone calls within 24 hours
- Communicate weekly with your team using a combination of personal phone calls, e-mail, newsletters, conference calls, webinars, mail, etc.
- Hold monthly team meetings and trainings
- Offer monthly training and support to everyone on your team – both direct and indirect
- Establish simple ways to recognise, encourage and motivate your team
- Recognise performance on a monthly basis, as well as annually
- Make ongoing sponsoring a key focus for your team. Work toward overall growth by teaching benefits, and the how-to’s of sponsoring to every Home Consultant
- Identify, encourage and develop new Managers within your team
- Facilitate at Company sponsored events, as requested
- Support all Company sponsored events within the sales field

Senior Manager

Benefits:

- All the benefits of a Home Consultant, plus...
- Increased income
- Exclusive Senior Manager Promotion Gift
- News Release about your promotion to send to your local media
- Photo and quote in Your Success Online
- Earn two Samples at up to 50% discount based on month sales credit.
- (See complete program on myLongaberger.com, Just For You or your Campaign Guide) *Effective April 2014*
- Invitation to Leader only meetings and events
- Early meeting registration and hotel selection
- On-stage personal recognition at Buzz and Bee after promotion
- On-stage march at Buzz and Bee

A Manager must qualify to become a Senior Manager by submitting a signed Senior Manager agreement, which is accepted at the Home office, and meeting two consecutive months of qualifications to include:

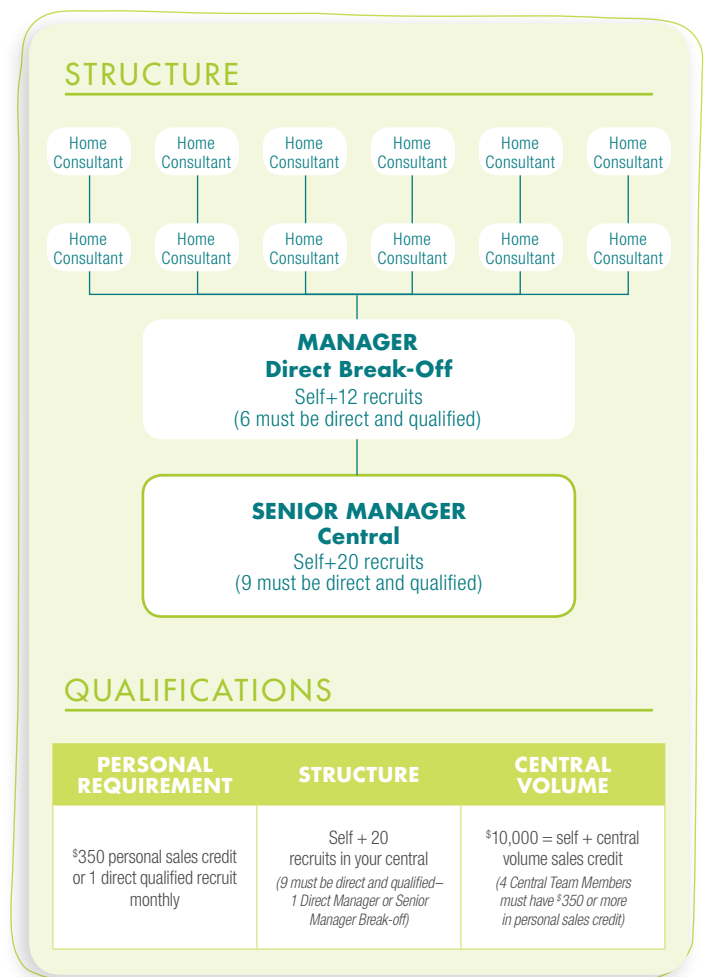
- 9 direct qualified recruits with a total of 20 recruits in your Central
- 4 Central Team Members must have \$350 or more in personal sales credit
- 1 direct Manager or Senior Manager break-off
- A total of \$10,000 or more Central volume sales credit
- \$350 or more in personal sales credit or one direct qualified recruit per month

Earn additional income through a leadership override when you maintain monthly minimums of 9 direct qualified recruits with a total of 20 recruits in your Central, 4 Central Team Members must have \$350 or more in personal sales credit, 1 direct Manager or Senior Manager break-off, a total of \$10,000 or more Central volume sales credit and \$350 or more in personal sales credit or one direct qualified recruit per month.

Financial Reward:

- 7% Override Sales on your Central
- 4% Override Sales on Direct Break-Offs
- 1% Override Sales on Indirect Break-Offs*
- 4% Showroom Sales on your Central
- 2% Showroom Sales on Direct Break-Offs
- 1% Showroom Sales on Indirect Break-Offs*

*Note: Pay one level down on indirect Break-Offs.



In the event these requirements are not met in any particular month, the Leader will move into rebuild. See page 17 for rebuild details.

Senior Manager Leadership Expectations

- Personal selling and sponsoring—“modeling the selling and sponsoring you expect from your team”
- Practice solid business ethics
- Attend all Manager level trainings
- Attend all meetings provided by your up-line leader
- Attend all company sponsored meetings and webinars provided for your level of management
- Be accessible to your team for questions, encouragement and problem solving
- Respond to e-mails and phone calls within 24 hours
- Communicate weekly with your team using a combination of personal phone calls, e-mail, newsletters, conference calls, webinars, mail, etc.
- Hold monthly team meetings and trainings
- Offer monthly training and support to everyone on your team—both direct and indirect
- Establish simple ways to recognise, encourage and motivate your team
- Recognise performance on a monthly basis, as well as annually
- Make ongoing sponsoring a key focus for your team. Work toward overall growth by teaching benefits, and the how-to's of sponsoring to every Home Consultant
- Identify, encourage and develop new Managers within your team
- Facilitate at Company sponsored events, as requested
- Support all Company sponsored events within the sales field
- Train all new Managers on On-Line Reporting, how to track their teams progress and proper budgeting
- Support Managers with monthly training and leadership opportunities
- Provide leadership, encouragement and recognition to your break-offs, both direct and indirect

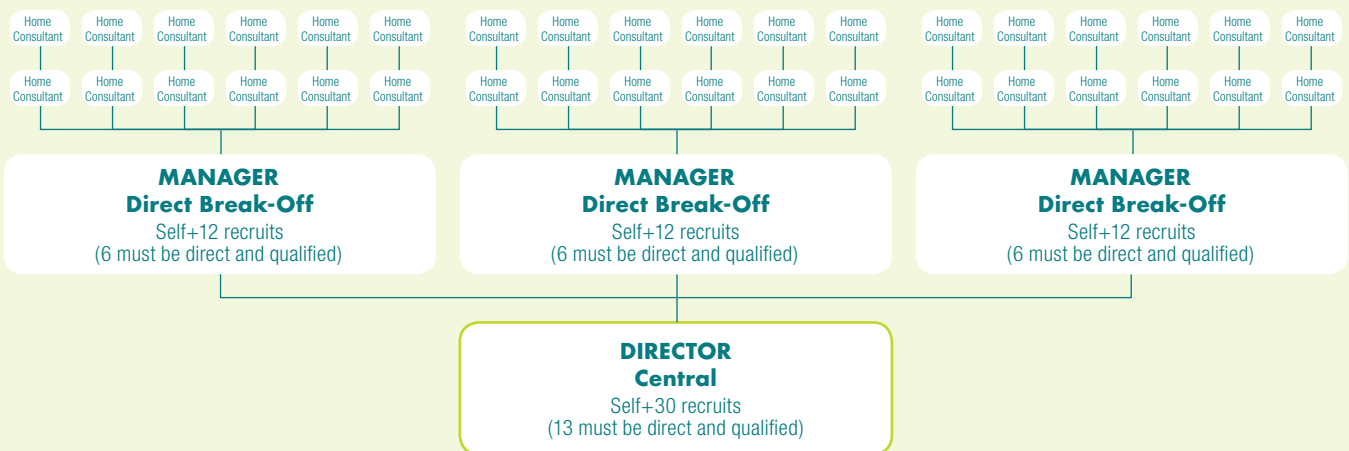
Building for Your Future—Your Dream Lives Here

Director

Benefits:

- All the benefits of a Home Consultant, plus...
- Increased income
- Exclusive Director Promotion Basket
- Life Insurance
- News Release sent from the company
- An article and photo in Your Success Online
- Earn two Samples at up to 50% discount based on month sales credit.
*(See complete program on myLongaberger.com, Just For You or your Campaign Guide) *Effective April 2014*
- Free one-way shipping on Product by Request
- Invitation to Leader only meetings and events
- Invitation to April meeting/retreat
- Early meeting registration and hotel selection
- On stage personalised recognition at Buzz and Bee after promotion
- Reserved seating during General Session and the Gala at Buzz and Bee
- Fast lane check-out at the Company Store at Buzz and Bee

STRUCTURE



QUALIFICATIONS

PERSONAL REQUIREMENT	STRUCTURE	CENTRAL VOLUME
*\$350 personal sales credit or 1 direct qualified recruit monthly	Self + 30 recruits in your central <i>(13 must be direct and qualified—3 direct Manager, Senior Manager or Director Break-Offs)</i>	*\$15,000 = self + central volume sales credit <i>(6 Central Team Members must have \$350 or more in personal sales credit)</i>

A Senior Manager must qualify to become a Director by submitting a Director Agreement, which is accepted at the Home Office, and meeting two consecutive months of qualifications to include:

- 13 direct qualified recruits with a total of 30 recruits in your Central
- 6 Central Team Members must have \$350 or more in personal sales credit
- 3 direct Manager, Senior Manager or Director break-offs
- A total of \$15,000 or more Central volume sales credit
- \$350 or more in personal sales credit or one direct qualified recruit per month.

Earn additional income through a leadership override when you maintain monthly minimums of 13 direct qualified recruits with a total of 30 recruits in your Central, 6 Central Team Members must have \$350 or more in personal sales credit, 3 direct Manager, Senior Manager or Director break-offs, a total of \$15,000 or more Central volume sales credit and \$350 or more in personal sales credit or one direct qualified recruit per month.

Financial Reward:

- 8% Override Sales on your Central
- 5% Override Sales on Direct Break-Offs
- 2% Override Sales on Indirect Break-Offs*
- 6% Showroom Sales on your Central
- 4% Showroom Sales on Direct Break-Offs
- 1% Showroom Sales on Indirect Break-Offs*

**Note: Pay two levels down on indirect break-offs.*

In the event these requirements are not met in any particular month, the Leader will move into rebuild. See page 17 for rebuild details.

Director Leadership Expectations

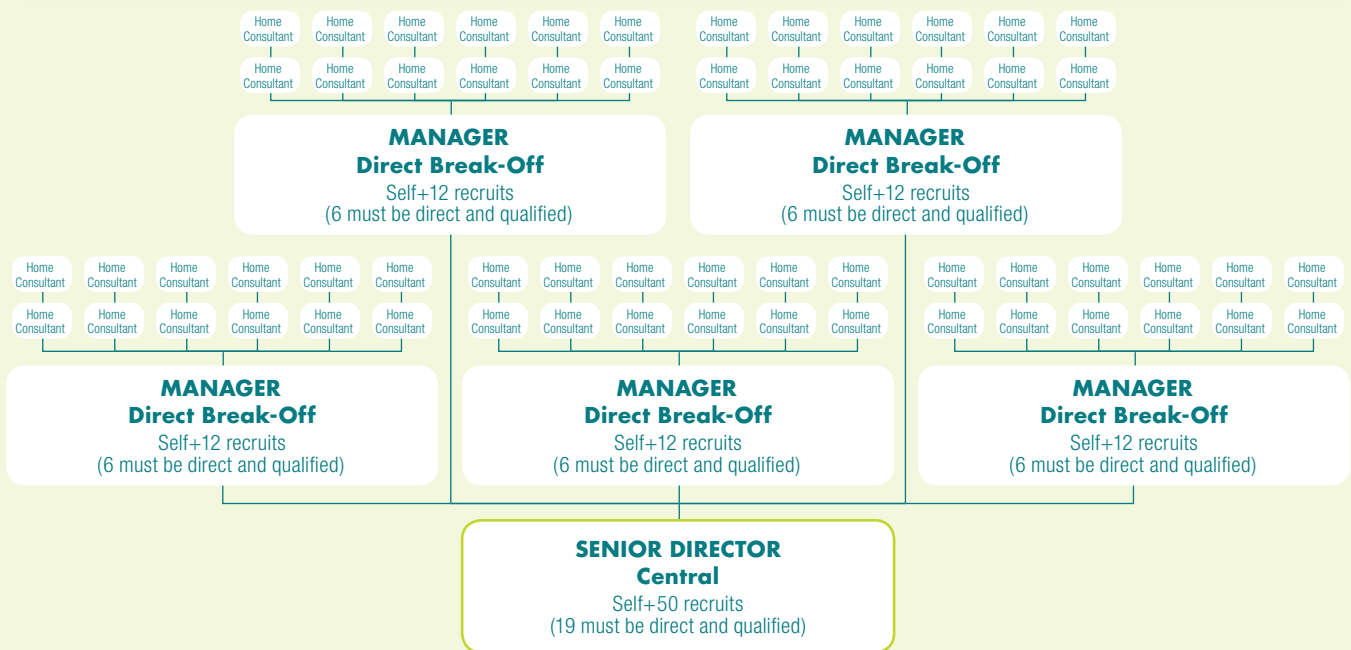
- Personal selling and sponsoring—“modeling the selling and sponsoring you expect from your team”
- Practice solid business ethics
- Attend all Manager level trainings
- Attend all meetings provided by your up-line leader
- Attend all company sponsored meetings and webinars provided for your level of management
- Be accessible to your team for questions, encouragement and problem solving
- Respond to e-mails and phone calls within 24 hours
- Communicate weekly with your team using a combination of personal phone calls, e-mail, newsletters, conference calls, webinars, mail, etc.
- Hold monthly team meetings and trainings
- Offer monthly training and support to everyone on your team—both direct and indirect
- Establish simple ways to recognise, encourage and motivate your team
- Recognise performance on a monthly basis, as well as annually
- Make ongoing sponsoring a key focus for your team. Work toward overall growth by teaching benefits, and the how-to's of sponsoring to every Home Consultant
- Identify, encourage and develop new Managers within your team
- Facilitate at Company sponsored events, as requested
- Support all Company sponsored events within the sales field
- Train all new Managers on On-Line Reporting, how to track their teams progress and proper budgeting
- Support Managers with monthly training and leadership opportunities
- Provide leadership, encouragement and recognition to your break-offs, both direct and indirect
- Establish scheduled office hours
- Maintain consistent communication with the Home Office and provide sales field input
- Create and enforce development plans with down line leaders who are either in rebuild or at risk of going into rebuild

Senior Director

Benefits:

- All the benefits of a Home Consultant, plus...
- Increased income
- Exclusive Senior Director Promotion Tote
- Life Insurance
- News Release sent from the company
- An article and photo in Your Success Online
- Professional photo
- Earn unlimited Samples up to 50% discount based on month sales credit.
*(See complete program on myLongaberger.com, Just For You or your Campaign Guide) *Effective April 2014*
- Free one-way shipping on Product by Request
- Invitation to Leader only meetings and events
- Invitation to April meeting/retreat
- Early meeting registration and hotel selection
- On stage personalised recognition at Buzz and Bee after promotion
- Reserved seating during General Session and the Gala at Buzz and Bee
- Fast lane check-out at the Company Store at Buzz and Bee

STRUCTURE



QUALIFICATIONS

PERSONAL REQUIREMENT	STRUCTURE	CENTRAL VOLUME
*\$350 personal sales credit or 1 direct qualified recruit monthly	Self + 50 recruits in your central <i>(19 must be direct and qualified—5 Direct Manager, Senior Manager, Director or Senior Director Break-offs)</i>	*\$25,000 = self + central volume sales credit <i>(9 Central Team Members must have \$350 or more in personal sales credit)</i>

A Director must qualify to become a Senior Director by submitting a signed Senior Director agreement, which is accepted at the Home Office, and meeting two consecutive months of qualifications to include:

- 19 direct qualified recruits with a total of 50 recruits in your Central
- 9 Central Team Members must have \$350 or more in personal sales credit
- 5 direct Manager, Senior Manager, Director or Senior Director break-offs
- A total of \$25,000 or more Central volume sales credit
- \$350 or more in personal sales credit or one direct qualified recruit per month.

Earn additional income through a leadership override when you maintain monthly minimums of 19 direct qualified recruits with a total of 50 recruits in your Central, 9 Central Team Members must have \$350 or more in personal sales credit, 5 direct Manager, Senior Manager, Director or Senior Director break-offs, a total of \$25,000 or more Central volume sales credit and \$350 or more in personal sales credit or one direct qualified recruit per month.

Financial Reward:

- 9% Override Sales on your Central
- 5.5% Override Sales on Direct Break-Offs
- 2% Override Sales on Indirect Break-Offs*
- 6% Showroom Sales on your Central
- 4% Showroom Sales on Direct Break-Offs
- 1% Showroom Sales on Indirect Break-Offs*

**Note: Pay two levels down on indirect break-offs.*

In the event these requirements are not met in any particular month, the Leader will move into rebuild. See page 17 for rebuild details.

Senior Director Leadership Expectations

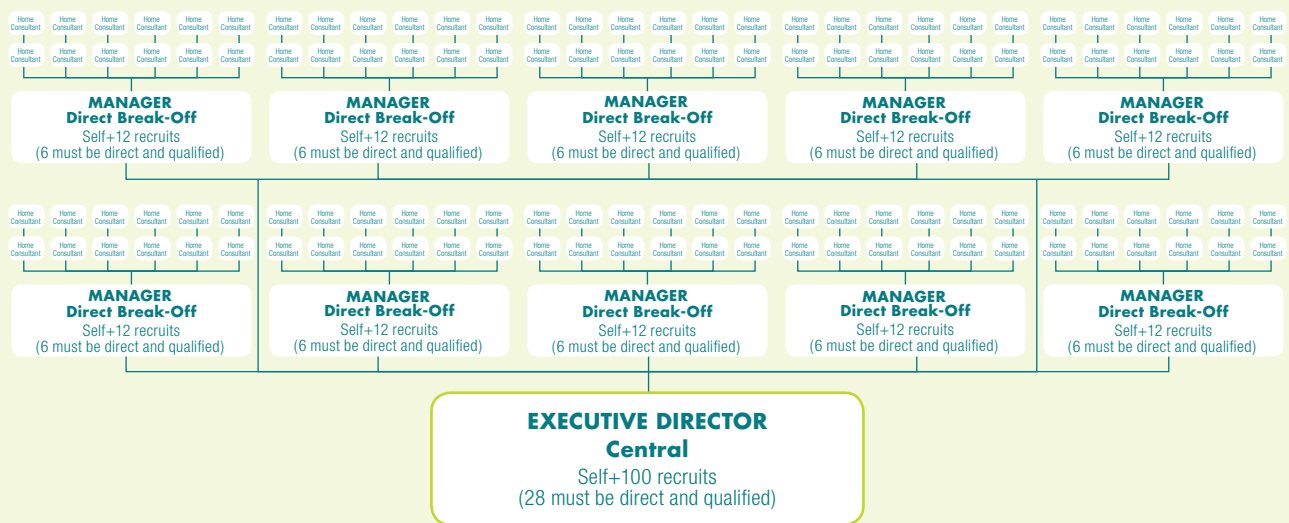
- Personal selling and sponsoring—“modeling the selling and sponsoring you expect from your team”
- Practice solid business ethics
- Attend all Manager level trainings
- Attend all meetings provided by your up-line leader
- Attend all company sponsored meetings and webinars provided for your level of management
- Be accessible to your team for questions, encouragement and problem solving
- Respond to e-mails and phone calls within 24 hours
- Communicate weekly with your team using a combination of personal phone calls, e-mail, newsletters, conference calls, webinars, mail, etc.
- Hold monthly team meetings and trainings
- Offer monthly training and support to everyone on your team—both direct and indirect
- Establish simple ways to recognise, encourage and motivate your team
- Recognise performance on a monthly basis, as well as annually
- Make ongoing sponsoring a key focus for your team. Work toward overall growth by teaching benefits, and the how-to's of sponsoring to every Home Consultant
- Identify, encourage and develop new Managers within your team
- Facilitate at Company sponsored events, as requested
- Support all Company sponsored events within the sales field
- Train all new Managers on On-Line Reporting, how to track their teams progress and proper budgeting
- Support Managers with monthly training and leadership opportunities
- Provide leadership, encouragement and recognition to your break-offs, both direct and indirect
- Establish scheduled office hours
- Maintain consistent communication with the Home Office and provide sales field input
- Create and enforce development plans with down line leaders who are either in rebuild or at risk of going into rebuild
- Attend one team meeting per break-off per year

Executive Director

Benefits:

- All the benefits of a Home Consultant, plus...
 - Increased income
 - Exclusive Executive Director Promotion Basket
 - Home Office representative at your "Promotion Party"
 - Life Insurance
 - News Release sent from the company
 - An article and photo in Your Success Online
 - Professional photo
 - Earn unlimited Samples up to 50% discount based on month sales credit.
- (See complete program on myLongaberger.com, Just For You or your Campaign Guide) *Effective April 2014*
- Free one-way shipping on Product by Request
 - Invitation to Leader only meetings and events
 - Invitation to April meeting/retreat
 - Free meeting registration
 - First choice of hotel preference for meetings
 - On stage personalised recognition at Buzz and Bee after promotion
 - Front row reserved seating during General Session and the Gala at Buzz and Bee
 - Fast lane check-out at the Company Store at Buzz and Bee

STRUCTURE



QUALIFICATIONS

PERSONAL REQUIREMENT	STRUCTURE	CENTRAL VOLUME
<p>§350 personal sales credit or 1 direct qualified recruit monthly</p>	<p>Self + 100 recruits in your central (28 must be direct and qualified—10 Direct Manager, Senior Manager, Director or Senior Director Break-Offs)</p>	<p>§50,000 = self + central volume sales credit (14 Central Team Members must have §350 or more in personal sales credit)</p>

A Senior Director must qualify to become a Executive Director by submitting a signed Executive Director agreement, which is accepted at the Home Office, and meeting two consecutive months of qualifications to include:

- 28 direct qualified recruits with a total of 100 recruits in your Central
- 14 Central Team Members must have \$350 or more in personal sales credit
- 10 direct Manager, Senior Manager, Director or Senior Director break-offs
- A total of \$50,000 or more Central volume sales credit
- \$350 or more in personal sales credit or one direct qualified recruit per month.

Earn additional income through a leadership override when you maintain monthly minimums of 28 direct qualified recruits with a total of 100 recruits in your Central, 14 Central Team Members must have \$350 or more in personal sales credit, 10 direct Manager, Senior Manager, Director or Senior Director break-offs, a total of \$50,000 or more Central volume sales credit and \$350 or more in personal sales credit or one direct qualified recruit per month.

Financial Reward:

- 10% Override Sales on your Central
- 6% Override Sales on Direct Break-Offs
- 2% Override Sales on Indirect Break-Offs*
- 6% Showroom Sales on your Central
- 4% Showroom Sales on Direct Break-Offs
- 1% Showroom Sales on Indirect Break-Offs*

**Note: Pay two levels down on indirect break-offs.*

In the event these requirements are not met in any particular month, the Leader will move into rebuild. See page 17 for rebuild details.

Executive Director Leadership Expectations

- Personal selling and sponsoring - “modeling the selling and sponsoring you expect from your team”
- Practice solid business ethics
- Attend all Manager level trainings
- Attend all company sponsored meetings and webinars provided for your level of management
- Be accessible to your team for questions, encouragement and problem solving
- Respond to e-mails and phone calls within 24 hours
- Communicate weekly with your team using a combination of personal phone calls, e-mail, newsletters, conference calls, webinars, mail, etc.
- Hold monthly team meetings and trainings
- Offer monthly training and support to everyone on your team—both direct and indirect
- Establish simple ways to recognise, encourage and motivate your team
- Recognise performance on a monthly basis, as well as annually
- Make ongoing sponsoring a key focus for your team. Work toward overall growth by teaching benefits, and the how-to’s of sponsoring to every Home Consultant
- Identify, encourage and develop new Managers within your team
- Facilitate at Company sponsored events, as requested
- Support all Company sponsored events within the sales field
- Train all new Managers on On-Line Reporting, how to track their teams progress and proper budgeting
- Support Managers with monthly training and leadership opportunities
- Provide leadership, encouragement and recognition to your break-offs, both direct and indirect
- Establish scheduled office hours
- Maintain consistent communication with the Home Office and provide sales field input
- Create and enforce development plans with down line leaders who are either in rebuild or at risk of going into rebuild
- Attend one team meeting per break-off per year
- Participate in continuing educational opportunities for leadership and professional development

Leadership & Promotions

Your Commitment to Longaberger

When you promote to Leadership, you are making a commitment to lead and mentor a team of Longaberger Home Consultants to be the best they can be in their business and take advantage of every opportunity to grow and make money. As you'll soon find out, being a leader requires an additional commitment of your time, in addition to the time you'll spend working and growing your personal business. Therefore, beginning one year after your promotion to Senior Manager and continuing as your career advances, you must agree that with the exception of any Direct Selling Companies under CVSL, Longaberger will be the only direct selling company you will represent. For more information on non-compete, please review the Home Consultant Guidelines on myLongaberger.com.



Promoting and Your Upline

If your career advances at a pace faster than your sponsor, you may promote around your sponsor. You would then be considered directly related to the next upline leader bypassing any direct relation to your sponsor. However, if you and your sponsor both became eligible in the same month and both returned your agreements within the same month after meeting eligibility, you will be simultaneously promoted and the relationship will not be broken.

Promote-Out Bonus

The Dream Builder Plan is designed to reward and recognise you as you promote through the levels of leadership. From Manager through Executive Director, when you promote-out a new Manager, you will receive a Promote-Out Bonus each month while in Promote-Out Grace. You will receive the average of the last 3 months, prior to promotion on the Central of the promoting Manager Leader.

NOTE: When an Executive Director promotes-out a new Executive Director, the Leader will receive a Promote-Out Bonus each month while in Promote-Out Grace. The Leader will receive the average of the last 3 months, prior to promotion on the Central and Break-Offs of the promoting Executive Director Leader, plus a .25% on the entire group override sales for 36 months.

Promote-Out Grace

For Manager through Executive Director, when you promote-out a new Manager, you will receive a 3-month grace for volume and structure requirements, if needed. The grace period begins the month the promotion is effective and continues for 3 consecutive months. Personal requirements must continue to be met.

Rebuilding Your Team

Once you promote to Management Bound Executive Home Consultant and above, you are expected to maintain your requirements for sales volume, structure and personal on a regular monthly basis. However, in situations when that doesn't happen, you have four consecutive months to work with your Upline Leader to return your team to growth and meet these consistent expectations. The four months are calculated beginning with the first month that performance levels are not met.

For example, if you fall below requirements in July, your four month Rebuild period would be July, August, September and October. During this period, you will retain your level status, including all your benefits. In the unlikely event that your performance levels fall below the stated requirements for four consecutive months or in rebuild 6 times during a sales year, you will revert to one level below your current status. (Note: the four consecutive months do not start over in a new sales year.)

From Management Bound Executive Home Consultant through Executive Director, if you revert, your promoted lineage will stay in tact if their level is equal to or below your level. If you revert and any of your promoted lineage is higher than your level, they will be inherited by the Upline Leader and cannot be regained.

If you revert, you are eligible to repromote to the next level by meeting two consecutive months of qualification.

Leader Leaves the Business or Requests to Step Back

If a Executive Director steps back, his/her Home Consultants and Leaders will roll as follows:

- Within three years of his/her promotion, to the Executive Director from which he/she promoted. If the promoting Executive Director is no longer in the leadership role, the group will be reassigned at the discretion of the company.
- After three years, based on the company's policies in effect at that time.
- You will retain your Direct and Indirect Break-Offs, as long as they are the same level or lower.
- If you step back to a Management Bound Executive Home Consultant or below you will retain all Direct and Indirect Home Consultants.

Terminology

Bank – Overrides for Senior Home Consultant and Executive Home Consultants will be put into a “Bank” until they reach and promote to Management Bound Executive Home Consultant. The accumulated override will be paid out to the Leader the month they promote to Management Bound Executive Home Consultant. The “Bank” (payout) will expire within a rolling two-year period if the Senior Home Consultant or Executive Home Consultant does not promote to a Management Bound Executive Home Consultant

Commission – Retained earnings by the Home Consultant on personal sales credit.

Direct – Direct is a term that can apply to a recruit or Break-Off. It indicates you are personally linked to the person or group being described. For example, a direct recruit would be someone you have personally sponsored or inherited; a Direct Central would be a Break-Off led by one of your direct recruits.

Group – A term that refers to a leader's entire group, including the Central, Direct and Indirect Break-Offs (can also be referred to as successline).

Indirect – Indirect is a term that may apply to a recruit or a Break-Off. It indicates that you are associated with the person or group being described, but that you did not personally sponsor them. For example, an Indirect Central is one that is in your group as a result of one of your Direct Leaders sponsoring someone who promotes to a Leadership role. This Break-Off is “related” to you through that person and no other connection.

Inherited – Inherited is a term that may apply to a recruit or Central. This indicates a new connection between yourself and someone in your successline. An example of an inherited recruit could be a Home Consultant whose original sponsor has left the company. This Home Consultant would now be considered an inherited recruit to the original sponsor's upline and is now a direct to that Home Consultant. Inherited Home Consultants or Break-Offs can be used for qualifying purposes. Inherited Home Consultants will count toward personal performance in National Awards Programs if becoming qualified after inheriting.

Leader Agreement – An agreement between a Leader and the Company, which explains the relationship as well as the roles and responsibilities and advantages of each level. The agreement must be signed by the Leader and accepted by the Company within thirty days of the eligibility date or the person must re-qualify in subsequent months. Overrides will be paid for the month in which the agreement is received and accepted.

Leadership Levels – Refers to Leader's Title Level.

Override – Payments made by the company to a leader based on specific requirements. Override payments are paid monthly (2nd Friday) by direct deposit.

Override Sales - Sales that Leader overrides are paid on include show orders, single orders, customer service orders, cash and carry, online sales and design-a-basket.

Promote-Out Bonus – In recognition of having helped others build a successful career through their contribution of time, leadership, inspiration and support.

Promote-Out Grace – The time allotted for restoring your group to its former strength following the promotion of someone within your Central group. Additionally, Leaders who are in Promote-Out Grace period are considered eligible and can be used for promoting out purposes of an upline Leader.

Promoting Out – The upward progression to a new leadership level. For example, a Management Bound Executive Home Consultant promotes to a Manager. Leader promotions are dependent on qualifications and the return and acceptance of the appropriate Leader agreement.

Qualified Recruit – A recruit who has achieved \$1,000 in sales credit.

Rebuild – The time allotted to rebuild when a Leader falls below requirements for sales volume, structure and/or personal requirement. The Leader has four months to work with an Upline Leader to meet expectations. The four months are calculated beginning with the first month that performance levels are not met. For example, if a Leader falls below requirements in July, the four month Rebuild period would be July, August, September and October. During this period, the Leader will retain your Leader status, including all benefits. In the unlikely event that the Leader's performance level falls below the stated requirements for four consecutive months or in rebuild 6 times during a sales year, the Leader will revert one level below their current status. (Note: the four consecutive months do not start over in a new sales year.)

Requirements – The minimum levels of performance necessary to receive benefits for sponsoring or for a particular level of sales field leadership.

Sales Credit – Sales which includes show orders, single orders, customer service orders, cash and carry, fundraising, online sales, Showroom Sales, Design-A-Basket, Samples and Kits. Sales credit is used to calculate sample levels, National Sales Awards and Leader requirements.

Showroom Sales Overrides – Sales that Leader overrides are paid on for Showroom Sales.

Simultaneous Promotion – If you and your sponsor or a direct to you both qualifies for the next level of leadership in the same month, this would be considered a simultaneous promotion.

Successline – A term that refers to a leader's entire group, including the Central Team, Direct and Indirect Break-Offs.