

APPENDIX A

Appendix A: PFA Business Changes

(1) **Retention of Approved Marketing Materials.** PFA² will maintain all approved marketing materials associated with the promotion of the PFA opportunity or the sale of LICS insurance products on a single electronic platform within PFA's possession, custody, and control.

(2) **PFA Associate Compensation Summary.** PFA will create, and once a year will update, an "Associate Compensation Summary" showing, for the prior 12 months, the number of PFA Associates who are appointed by LICS, the percentage of Associates at each PFA commission level, and the average yearly gross earnings paid to an Associate at each commission level. PFA's website and other marketing materials will clearly and conspicuously disclose that (a) there are no guarantees that an Associate will earn money, (b) results will vary among participants, and (c) financial success depends upon an Associate's ambition, skill, talent, hard work, and time. PFA will make available on the home page of both P-Trac and its non-public PFA Community website a clearly marked link to the then-current current Associate Compensation Summary.

(3) **PFA Earnings Claims.** PFA will not, in its marketing, promotional, and training materials, (a) use images of vacation destinations (excluding PFA conference and convention destinations), private planes, high-end luxury cars or homes, or similar images to make or imply claims regarding commissions or other compensation; (b) exhibit actual or facsimile checks or other images of earnings or financial statements; (c) offer or imply any guarantee of success or income; (d) encourage people to quit jobs or school, take out loans, or incur debt; or (e) use any of the following terms or substantially similar terms: "passive income," "unlimited income potential," "get rich," or "get wealthy;" or (e) reshare, retweet, or "like" images or statements that are contrary to the prohibitions in (a)-(d) above. PFA will eliminate the phrase "become a client" and similar references from its marketing, promotional, and training materials. PFA will instruct upline Associates that they are prohibited from advising or encouraging Recruits or downline Associates to purchase a life insurance policy to increase credibility, to improve sales, or for any reason other than the desire of the potential policy owner to obtain a death benefit and other policy attributes.

(4) **Sales Incentive Programs.** In the course of promoting any sales incentive program, PFA will not represent or imply, directly or indirectly, that (a) participation in the incentive program is a prerequisite to success, (b) purchase of an insurance policy is a precondition to or material element of the participant's successful participation in the sales program, or (c) the purchase of an insurance policy by the participant will count towards the program's sales targets. Any participant in a PFA sales incentive program who wishes to purchase an insurance policy for himself or herself, or for a family member, will be required to sign a separate,

² PFA refers to Premier Financial Alliance. "Recruit" refers to an individual who has enrolled with PFA and paid the applicable fee to P-Trac.

standalone disclosure and consent form certifying that (a) the purchaser is not making the purchase at the request of an upline Associate to help meet the program's sales goals and (b) he or she is proceeding with the purchase because of the desire to obtain the insurance product being purchased. PFA will permit only persons properly licensed and appointed to engage in, and to be compensated for, the sale or solicitation of insurance products that it promotes.

(5) **Form and Manner of Disclosures.** PFA's website will clearly state that the nature of the business opportunity is selling insurance and include a link to a written description of the PFA opportunity. PFA will clearly and prominently state in marketing materials that (a) purchase of an insurance policy is not a prerequisite to enrolling with PFA, becoming an Associate, or achieving success at PFA and (b) a license to sell insurance is required before any commission or other compensation may be paid to an Associate.