

Freedom Equity Group ESP2 Plan

Effective: 07/01/2023

Freedom Equity Group (“FEG”) has established the Equity Share Points 2 (“ESP2”) Plan. FEG will share one-half of the net proceeds of a future sale of FEG equity with Eligible Dedicated Agents. The ESP2 Plan is NOT a Stock or Stock Option Plan or offer. This is not an offer to sell, or the solicitation of an offer to sell a security. In November 2021, FEG sold 30% of the equity in the company and paid out ESP1. There remains 70% equity in FEG available for sale.

FEG does not guarantee the sale of the company, and FEG is under no obligation to pursue or finalize a sale of the company or equity. FEG does not speculate as to the value of the sale price. FEG reserves the right to change the rules for eligibility, dedicated agent definition and point accumulation at any time .

Agents become Eligible for ESP2 once they have achieved \$100,000 in income from FEG in a rolling 52-week period. Only income earned on grid and tracked in FEG’s back office qualifies.

Agents must be Dedicated Agents to receive an ESP2 payout. Dedicated Agent status must be maintained from the time an agent first qualifies for ESP2 until it pays out. **An agent that is not Dedicated at any time after qualifying for ESP2 forfeits all accumulated ESP2 points. An agent forfeiting their points after first qualifying, that becomes Dedicated again, may requalify for ESP2 by applying to FEG to be reinstated. Once approved by FEG, the agent will begin receiving new ESP2 points only after they have \$100,000 in income rolling 52. Any forfeited points are not returned.**

A Dedicated Agent must meet all of these:

1. Captive to FEG for all Life Insurance and Annuity sales. **This applies to an agent’s spouse, domestic partner, bonafide business partner or any agent receiving pay from the agent.**
2. Does not participate with any network marketing company other than FEG.
3. Actively provides leadership to their downline team on a weekly basis.
4. Is in good standing with FEG and not suspended. Maintains a minimum of 70% personal policy persistency at 13 months.
5. Attends all FEG Conventions and Leadership Summits. Absences must be approved in advance of events.

6. **Has not had debt rolled to their upline after December 2020.**

ESP2 will be paid pro-rata to all Eligible Dedicated Agents based on accumulated points. Agents begin accumulating points in the month they first qualify for ESP2. Agents who qualified prior to December 2020 will begin accumulating points in December 2020.

Points are awarded by FEG monthly and reported on the FEG back office. It is the agent's responsibility to monitor accumulated ESP2 points. Agents must alert FEG to any discrepancy within 30 days of points being awarded. No changes will be made after 30 days past the date points are awarded.

No ESP2 will be paid to agents with a negative balance when the ESP2 payout is made. Growth points are not awarded in the first month an agent qualifies for ESP2 or in the first month of the ESP2 program.

ESP2 Points Qualifications:

Prior to December 31, 2021:

- One ESP2 point for each dollar of income paid on-grid. This does not include prior ESP payouts.
- One ESP2 point for each Infinity AV Production point on the FEG grid. AV Production is defined in the FEG Policies and Procedures.
- Two bonus points for Infinity AV Production Growth. Growth is the increase in any month's Infinity AV Production over an agent's previous monthly high Infinity AV Production **starting December 2021**. Agents must have earned \$100,000 income on-grid in the prior 52-weeks when points are awarded to qualify for collecting ESP2 Production Growth points.

After January 1, 2022:

- One point for each dollar of income paid on-grid. This does not include prior ESP payouts.
- One point for each Infinity AV Production point on F&G life products. One point for each Infinity AV Production point on ANICO term, GUL, GIUL and Whole Life products. One-half point for each Infinity AV Production point on other American National and all National Life Group life products. AV Production is defined in the FEG Policies and Procedures. One point for all Infinity AV Production on Annuities. **The total points awarded are called "ESP2 Production Points"**

- Two bonus points for ESP2 Production Growth. Growth is the increase in any month's ESP2 Production Points over an agent's previous monthly high ESP2 Production Points **starting December 2021**. Agents must have earned \$100,000 income on-grid in the prior 52-weeks when points are awarded to qualify for collecting ESP2 Production Growth points.

After July 1, 2023:

- One point for each dollar of income paid on-grid. This does not include prior ESP payouts.
- **Two bonus points for Income Growth. Income Growth is the increase in any month's income over an agent's previous monthly high income starting June 2023. Agents must have earned \$100,000 income on-grid in the prior 52-weeks when points are awarded to qualify for collecting ESP2 Income Growth points.**
- One point for each Infinity AV Production point on all F&G Life products. One point for each Infinity AV Production point on **certain Corebridge Final Expense** and ANICO Term, GUL, GIUL and Whole Life products. One-half point for each Infinity AV Production point on American National IUL and **National Life Group Term**. One point for all Infinity AV Production on Annuities. AV Production is defined in the FEG Policies and Procedures. **The total points awarded are called "ESP2 Production Points"**
- Two bonus points for "ESP2 Production Point" Growth. Growth is the increase in any month's ESP2 Production Points over an agent's previous monthly high ESP2 Production Points **starting December 2021**. Agents must have earned \$100,000 income on-grid in the prior 52-weeks when points are awarded to qualify for collecting ESP2 Production Growth points.