



Campaigns Summary for Birch Communications  
Lifeline and Pre-Paid Campaigns

# Background on Birch Communications (Lifeline Client Referred to as Tempo Wireless)

## **Background on Birch Communications—A Fortune 1000 Company**

Birch is a leading nationwide provider of communications, network, cloud and IT services celebrating 20 years in business (1996-2016). We meet the needs of small, mid-sized, enterprise and wholesale businesses and residential customers by offering a diverse portfolio of integrated technology solutions coupled with a relentless focus on customer service.

Our industry-leading product portfolio includes Metro-Fiber, Metro-Ethernet, unified communications (UC), hosted phone systems, hosted data centers and hosted file storage services. By shifting their technology management to Birch, our customers save valuable time, money and resources.

Our mission is to provide the highest quality service at the best possible value while giving each of our customers the personal attention they deserve.

***Birch Communication’s Annual Revenue is \$591.2 million in 2015 and Birch’s revenue has grown by 251% over the past 3 years.***

### **Our Reach**

- Service spans 50 U.S. states, Washington D.C., Canada and Puerto Rico
- Nationwide IP-Network with 600 POPs in 22 states
- 400,000 Metro-Fiber Lit Buildings, Ethernet over Copper, MPLS, VPN
- 31,000 Fiber Route Miles and 4 Data Centers
- Business-class products tailored to the needs of our business customers
- Enterprise-grade SOC2/SOC3 Cloud solutions that are PCI & HIPAA ready
- Best-in-class Customer Care – award-winning, 24/7/365, U.S. based
- Diverse, efficient sales channels designed to serve each business segment

## **Birch IMMERGE Campaign Territories**

Birch currently services the following markets. IBO’s who would like to work in these markets must notify IMMERGE for approval:

<b>Available Markets</b>					
Colorado	Georgia	Hawai’i	Indiana	Iowa	Kansas
Kentucky	Maryland	Michigan	Minnesota	Missouri	Nebraska
North Dakota	Ohio	Rhode Island	South Carolina	Utah	West Virginia
Wisconsin	Wyoming				
<b>Markets Expected to Launch in 2017 Pending FCC Approval</b>					
Alabama	Connecticut	District of Columbia	Delaware	Florida	Maine
New Hampshire	New York	North Carolina	Texas	Tennessee	Virginia

## IBO Onboarding

All IBOs must be vetted and approved by IMMERGE prior to being able to onboard agents. Birch does not have to approve IBO subcontractors. Here is the process:

1. IBOs must complete:
  - a. Agency/Subcontractor Information Form
  - b. A vetting call to determine the launch date, agent headcount, training plan and past experience.
2. IBO must provide and/or have:
  - a. Physical office with a video
  - b. Proof of good standing for entity
  - c. Government issued ID for Principal
  - d. W9
  - e. Business bank account
  - f. Business logo
  - g. Website
3. IBO Principal must complete background check

## Agent Onboarding

IMMERGE works with Birch to facilitate the onboarding process for our IBOs. Below are the requirements for onboarding new sales representatives and the respective costs for the processes. The IBOs are responsible for covering these costs. Agents will not be onboarded without completing these steps. There will be no exceptions.

1. National Criminal Check, Sex Offender Registry, SSN Trace, and Terrorist Watch List check - \$3
2. A five panel mouth swab drug test. A picture of the test will be uploaded to IMMERGE with the agent's completed background consent form. IMMERGE will internally validate the results and approve the agent. Each drug test costs \$5 and can be purchased in packs of 5 for \$25 total from the IMMERGE store.
3. IMMERGE will submit agents to Birch for approval once the agents complete the onboarding steps above AND they've completed all required training documents.
4. IMMERGE will submit each agents that passes the onboarding process to Birch. Birch will assign them an agent ID and IMMERGE will then send them a temporary then hard badge upon approval. Agent IDs and badges will be issued 24 hours (business days only) after IMMERGE submits them to Birch.

# Inventory Costs

*This campaign requires that you pay upfront for the live handsets:*

**Goal:** Allow all IBO's access to sell live phones while reducing IMG risk and maximizing revenue and IBO growth potential.

## **Policy:**

- 100% Down Payment required as default – paid upfront via a payment method below.
  - Credit/Debit Card (3% processing fee added)
  - Bank Wire/ACH (no processing fee)
  - Business or Cashier's Check (will hold until cleared)
  - Cash payment
- IBO's can qualify for lesser down payment escrow account through 2 tiers:
  - 6 weeks of consistent DSR sales **600 sales/wk = 50% deposit** (\$20/phone, held in escrow) with a 1,000 phone order max
  - 6 weeks of consistent DSR sales **>400 sales<600 sales per week**
- **Sales per week = 65% deposit** (\$26/phone, held in escrow) with a 500 phone order max

*\*\*You can only order up to the phone maximum per tier based on current inventory - anything above the max requires 100% down payment. EX: if an IBO has 700 phones in stock, they can only order 300 at the 50% rate –anything above is 100% paid\*\**

## **Assumptions:**

- Phones cost \$25
- Phones must be sold within 90 days of receiving
- Live phones = increase in IBO sales volume
- Phones take 8 calendar days to arrive after order date.
- IMG has order tracking managed to phone and IBO level specific to financing plans
- IBO places order in IMG Store and they will receive EchoSign Document with T&Cs, Liability, escrow deposit terms, etc.
- IMG has order approval process – need to be able to quickly pull IBO Sales compared to IBO live phone inventory to approve phone orders daily
- IBO must purchase barcode scanning equipment and physical office to support live phone inventory tracking management. Barcode scanner and adapter can be purchased on the IMG Store for \$20.

## Materials

The following materials will be available for the IBOs to purchase in the IMMERGE Store:

1. Tablets starter kit with accessories--\$90 through 3/3/2017 (free data, charger, battery pack, stylus, charger and car charger, and tablet case)
2. Tablet without accessories and data--\$80
3. BYOD tablets are acceptable on this campaign as long as they are Android devices. They will required a MobiLock lockdown.
4. T-Shirts
  - o \$6 for short sleeve S-XL, \$7 XXL, \$8 XXXL, \$9 XXXXL
  - o \$8 for long sleeve S-XL, \$9 XXL, \$10 XXXL, \$11 XXXXL
5. Winter Apparel:
  - o Jacket--\$50.00
  - o Gloves--\$2.50
  - o Beanie--\$4.00
6. Tent--\$90 Tents Top Only--\$35
7. Kiosk--\$30.00
8. Pop Up Banners--\$9
9. White Banner--\$7
10. Green Banner--\$5

## Training

1. IMMERGE hosts all of Birch's training modules on a website.
2. All agents are required to complete the training modules prior to be approved for onboarding.

## Pre-Paid Product Details

### Market Availability

Birch's pre-paid product is available in all 50 states where at least 50% of the zip code is covered by T-Mobile. To confirm coverage in your area you can go to T-Mobile's coverage website: <https://www.t-mobile.com/coverage-map.html>

*Further details on the pre-paid product will be updated upon client approval.*

## **Lifeline Product Details and Sales Process (Lifeline product branded as Tempo Wireless)**

***(Enrollment activity can take place Monday-Saturday 8am-8pm Eastern Time NO SALES ON SUNDAY)***

Customers must be present at time of enrollment. Agents must follow Tempo's protocol for qualifying customers.

All enrollments must be conducted on IMG provided tablets using Tempo's application. Any enrollments placed on a phone will immediately place agent at risk for deactivation from program.

Agents will follow the process below to make Tempo enrollments.

1. Agents must get a government issued photo ID for the applicant.
2. The agent must then determine the applicant's eligibility through one of two ways:
  - a. Applicants must participate in one of the eligible programs below:
    - i. SNAP
    - ii. Section 8 or FPHA
    - iii. Supplemental Security Income
    - iv. Medicaid
    - v. Federal Veterans and Survivors pension
  - b. Applicant must prove that their household income is at or below 135% of the federal poverty line through current income statements, their prior year's tax returns, or proof of retirement or veteran's benefits.
3. The applicant must then fill out the application on the tablet with the applicant present, which is submitted to Tempo upon completion. The agent will see the activation approval in the Tempo app.
4. Once the applicant is approved the agent will activate the device with the approved applicant as per the instructions in Tempo's training overview.
5. The approved applicant must make a call to a friend or the agent in order for the sale to be considered complete and payable.

# Compensation and Payment Terms

Payment	
XX per activation	
XX additional compensation for BYOD customers	

Top-Up Compensation	
<b>IMMERGE will get XX% of the revenue if a customer Tops Up with an IMMERGE agent with one of the plans below</b>	
Top-Up 60 Minutes	\$5.95
Top-Up 100 Minutes	\$9.95
Top-Up 200 Minutes	\$14.95

**Payment Timeline:**

Week 1	Week 2
IBO Sells – Acquires new customer enrollments. Birch reviews all customer enrollments and issues Accept/Reject decision.	IMMERGE issues Weekly Sales Report and makes payment for all commissions due for Enrolled Customers acquired in Week 1.

**Payment Terms:**

1. Commission will be paid for Enrolled Customers the previous week (the “Payable Period”).
2. IMG will provide a Weekly Sales Reports by end of day Tuesday showing Enrolled Customers completed from the Payable Period, showing order date and Sales Commission payable.
3. IMG will transmit via electronic transfer any funds due, to IBO by COB each Wednesday for Sales Commissions payable for Enrolled Customers listed on the Weekly Sales Report.

**Chargeback Qualifications**

1. Any fraudulent sales will be chargedback.
2. Customers that have been with Birch/Tempo within the last 90 days are not payable. The Tempo app will identify and screen out these customers at the beginning of the enrollment process.