



Frequently Asked Questions

April 16, 2001

What is TPEGsm?

TPEGsm is the acronym for The People's Empowerment Group, LLC. Our goal is to help people realize a more abundant lifestyle by empowering them to earn a continuous stream of income. Our prayer is that people will enjoy financial freedom, more time with their families, more time serving others, and in so doing, achieve the American Dream. Their commitment to you is to share this idea with people around the globe.

Is TPEGsm a Pyramid Scheme?

TPEGsm does not in any way fall into the category of a pyramid. First of all, a pyramid is illegal, and we do not, and would not introduce a program that would jeopardize you or even ourselves, just for the money. Any program that is illegal is against the law. Any program that is against the law is a criminal act, and must be dealt with accordingly. TPEGsm is a faith-based organization that has God at the helm. We fully operate within the realms of the law, both God's and the government.

Below is a comparison of how the government defines a pyramid and how TPEGsm is different:

The Government: A pyramid is an investment scheme in which a participant primarily makes money by recruiting members who, in turn, make money primarily by enticing others to join.

TPEGsm: In TPEGsm, no money is made by recruiting. All money is made by commissions paid from certificate sales. There is only one way money comes into our organization: **Certificate Sales!**

The Government: The focus is on recruiting participants, not on selling a product. Products that are sold are overpriced or nearly worthless. There generally is not a value-added product for the money.

TPEGsm: Our product is of **GREAT Value**, especially for the money. We like to think of it as a great benefit for the money. When anyone can stay in a quality hotel and never pay more than the taxes on the room, it's a fantastic deal. **You are Saving Money.**

The Government: If you, the consumer, are considering aligning yourself with a company that offers a product-selling investment, be cautious. If the opportunity for income is primarily derived by recruiting more



investors or salespersons rather than by selling a product, then the plan probably is illegal.

TPEGsm: We want to make this perfectly clear that we only make money by Certificate Sales. There is no recruiting of new members. All Associates are paid from the first 2 sales from all of their new associates and any sales they personally make. The difference with TPEG is that the person purchasing our product is automatically placed into the strategic position of an Associate. This entitles them to the option of working the TPEG opportunity.

Does the Guy's at the Top Make All the Money?

NO, ASOLUTELY NOT!!!

Please be reminded that our pay structure is totally different. It is not the standard downline structure common to most MLM's and network marketing companies where you get paid off of everyone in your downline on a continuous basis. In these types of structures, only those at the top reap the glory and major benefits while others struggle to make it.

Our pay structure is simple. Once an Associate makes three qualifying sales, he/she is now a Director; and all Directors are equal. The amount of money you make totally depends upon how you grow your business.

Let us re-emphasis: We are a Faith Based Community Organization that has God at the Steering Wheel. Our focus is on Helping Others, Serving Others, and Showing God in Action. So let us state it here very clearly that each Associate makes \$10.00 per sale, and we only make \$4.00 per sale. We are not and will not defer from what God has led us to do. If you have questions or comments about this subject, feel free to contact Jackie Brown or Laurence Young.

How Do I Become an Associate or Member of TPEGsm?

You become an Associate or member by adopting a like-minded attitude that allows you to see the vision of helping yourself and others. You then submit an application via the web-site (fee is \$36.50) or mail the application in via the Postal Service (fee is \$35.00). The web application includes a processing fee of \$1.50 for using the PayPal system. You will then receive an information package that includes your vacation certificate, your bonus gift and your distributor's manual.



What is Your Product?

When you join, you receive a vacation certificate that entitles you to three exciting days and two fun-filled nights hotel accommodations at your choice in one of 20 cities. You will also receive a bonus gift from us that has been valued up to \$175.00. Additionally, you become a business center that will generate thousands of dollars for you from the comfort of your home. Owning a home based business is also an awesome tax advantage, and we will identify the steps you need to take advantage of legitimate IRS approved deductions. Plus, we will show you how to restore your credit to good health.

How Do I Get Paid?

You are paid a \$10 referral fee for each new certificate sold by you or someone in your group, which represents a new Associate placement(s) from these sales. This includes pass-ups. The first two Associates referred into your business center always pass up to the next level and in turn, you will receive pass ups from your referrals, and pass ups from their referrals, over, and over. Each pass-up represents a \$10 referral fee from the fees paid for certificate sales. It means each member will constantly receive referral income and that income will constantly grow.

Why Do I Want to Pass-Up Two Good People?

We don't want people to bring in some of their other experiences into this new opportunity. We are using a pay plan that isn't like traditional MLM. Please make sure that the people you bring in are like-minded, O.K. We are seeking people that share our vision. Not Just A Body Count. **FENCE SITTING IS NOT ALLOWED!** THIS IS NOT MLM. We have got to support our groups so we can help them receive more and more pass-ups. That is also creating more pass-ups for **YOU**. **Support is the Key.**

Can I Just Sell the Vacation Package?

We cannot tell you, not to just sell the vacation package. But this is **NOT** our policy. We don't want our associates just selling the vacation package because this will create a dead business center and won't benefit the person that receives it as a pass-up. If you run into a situation like this where someone expresses the desire to just purchase the vacation package, but isn't interested in working the program, please try to redirect their thought process by promoting the entire vision, not just the vacation package.

How Often Do We Get Paid?

Our plan is to pay every other Monday. This will take effect after our Pre-Launch is over, which is targeted for 4/1/2001. During the Pre-Launch, we will pay monthly. Our Pre- Launch is also our Beta-Test period. We want to make sure the functionality of everything is working so we can serve you in a fast, automated, timely, and professional manner.



Do We Pay Our Own Taxes?

Yes! We have hired an accountant to help us with this matter. We have been informed that when you earn over \$600.00 you are then required to receive a form 1099 from us. Remember, as this process goes forward, we will have training and information posted on the web-site to keep you informed of way's to save on your taxes. Please keep your receipts and record your activities!

What is a Business Center?

When you join and TPEGsm has received your \$35.00 you start a business center. This is an entity that represents a means for doing business. Your business will be introducing our product (the vacation package) to others, and as such, you will get paid for your services. The referred person now becomes part of your business center, after you satisfy your two pass-up requirement. Your business center will grow by both volume and dollars. You may purchase more than one business center. This allows you to receive multiple paychecks. It is important to understand that multiple centers is a great thing, but you are responsible for getting each started. Each one represents a unique entity that must be worked, in order for it to grow.

What is a Group?

A **Group** is defined as twenty or more people that are coming into TPEGsm for the purpose of **Fund Raising**. The Group must be an organization recognized by the government (IRS). This is not twenty friends that decide join as a unit, simply to make money. We want to set specific guidelines for Groups in hopes of stopping any type of abuse by people that are not ethical.

If I Refer a Group, How Do I Get Paid?

The purpose of a Group is to raise money for that specific Group. However, we realize that the Associate should be compensated for referring a Group (something more than just the first two pass-ups). Therefore, we are leaving it up to the Associate to negotiate with the Group to determine the percentage of pass-ups that will be received by the Associate. For example, let's say that an Associate refers a Group ABC and they agree pass-up rule of 10%. If Group ABC grows to 100 people, an agreement of 10% would mean that the Associate would receive 10 pass-ups. They would immediately receive the first two, and then, as the members are added to Group ABC, the Associate would receive 1 pass-up for every ten people that join Group ABC. No matter how large Group ABC grows, the 10% rule will be in effect. Thus, the Associate will continue to be rewarded as the Group ABC continues to grow.

It should also be noted, however, that an Associate may choose not to receive any pass-ups or only the first two pass-ups in a sincere effort to help the group raise funds. TPEGsm Corporate is the only one that can approve and setup groups. Therefore, please contact TPEGsm Corporate if you are working on a group referral.