

Annex 2: Compensation Policies

1. Objectives

- 1.1. The Compensation Policies are the official policies that describe possible situations that would entitle Opportunity Providers (OP) and/or Exchange Participants (EP) to receive compensation in the event an exchange is not approved, realized or completed.
- 1.2. These policies have the following objectives:
 - 1.2.1. Ensure the Opportunity Providers will be compensated in case AIESEC fails with any obligation stated in the contract signed and or in AEPP.
 - 1.2.2. Ensure the Exchange Participant will be compensated in case AIESEC fails with any obligation stated in the contract signed and or in AEPP.
 - 1.2.3. Clarification of responsables to proceed with the reimbursements.

2. Definitions

- 2.1. Throughout this document, several terms will be used to refer to different aspects of the AIESEC exchange, included but not limited to: AIESEC Programs, AIESEC procedures, AIESEC protocols, AIESEC stakeholder names. Refer to **Annex 3** for a glossary of defined terms used in these policies.

3.Compensation Tables

Approval Phase

Violation	Action	Responsible
Criteria to qualify as an Exchange Participant	Cancellation of Approval. SE finds a replacement EP within two (2) weeks of the APD Break date, and gets that EP Realized maximum one (1) month after the original RE date; or pays OP expenses expressed in OP's contract with HE. Reimbursements are only allowed with receipts proving the expenses were incurred.	Sending Entity <i>SE should make sure its contracts cover possible financial penalties, provided that such penalties are permitted under local applicable laws.</i>

Criteria to qualify as an Opportunity Provider	Cancellation of Approval.	Hosting Entity <i>HE should make sure its contracts cover possible financial penalties, provided that such penalties are permitted under local applicable laws.</i>
	<p>HE finds a replacement OP with the same job description within two (2) weeks in suitable time for the same RE date or pays all EP expenses he/she had so far (EP Fee, Visa, Travel expenses etc.).</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p>	
HE fails To deliver Visa documents in two (2) weeks from Approval date	Cancellation of Approval.	Hosting Entity
	<p>Reimburses any EP expenses he/she had so far (EP Fee, Travel expenses if allowed by HE to purchase before visa etc.)</p> <p>If the OP decides to cancel the contract with AIESEC, HE pays OP expenses expressed in the contract.</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p> <p>If EP and HE agree on still RE, HE pays for any compensation for tickets rescheduling, documents etc.</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p>	
Approval Cancellation by HE/OP	<p>HE finds a replacement OP with the same job description within two (2) weeks from EP notification date, in suitable time for the same RE date or pays all EP expenses he/she had so far (EP Fee, Visa, Travel expenses etc.), breaking the APD.</p>	<i>By OP, if not provided, Hosting Entity is the final responsible.</i>
	<p>If cancelled by HE, HE is liable to reimburse OP with the expenses expressed in the contract.</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p>	By HE: Hosting Entity

	<p>Due factors AIESEC has no control*</p> <p>*Please refer to clause 1.4.2.7 in AEPP for examples of what are considered external factors that AIESEC has no control.*</p>	<i>AIESEC not liable</i>
Approval Cancellation by SE/EP	<p>Family emergency, Health issues, Legal Issues: No liability if proof provided.</p>	Sending Entity
	<p>SE finds a replacement EP within two (2) weeks of the APD Break date, and gets that EP Realized maximum one (1) month after the original RE date; or pays OP expenses expressed in OP's contract with HE.</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p>	

Realization to Completion

Violation	Action	Responsible
Criteria to qualify as an Exchange Participant	<p>Cancellation of Realization.</p> <p>SE pays OP expenses expressed in OP contract with HE.</p> <p>It's recommended SE also to find a replacement EP within one (1) week.</p>	<p>Sending Entity</p> <p><i>SE should make sure its contracts cover possible financial penalties, provided that such penalties are permitted under local applicable laws.</i></p>
Criteria to qualify as an Opportunity Provider	<p>Cancellation of Realization.</p> <p>HE finds a replacement OP with the same job description within one (1) week or pays all the EP Travel Expenses.</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p>	<p>Hosting Entity</p> <p><i>HE should make sure its contracts cover possible financial penalties, provided that such penalties are permitted under local applicable laws.</i></p>

EP applied for a different Visa	<p>If as a result of EP/SE choice, error or negligence: No reimbursement from HE</p>	<p><i>Depending on the case</i></p> <p><i>SE, HE & EP should define if the RE has to be canceled, or if the legal status can be fixed.</i></p> <p><i>If EP can stay, HE should cover all costs with the visa correction.</i></p>
	<p>If as a result of HE error or negligence: All Travel expenses, Migration fines and possible other penalties EP receives.</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p> <p>If the OP decides to cancel the contract with AIESEC, HE pays OP expenses expressed in the contract.</p>	
EP Visa is against HE country / territory laws	<p>EP Mistake: AIESEC is not Liable, if EP received written formal instructions.</p>	<i>Depending on the case</i>
	<p>HE choice or its error or negligence: EP can request full reimbursement of expenses.</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p> <p>If the OP decides to cancel the contract with AIESEC, HE pays OP expenses expressed in the contract.</p>	
EP gets deported <i>[Case can be applied as Urgency Protocol]</i>	<p>EP error or negligence, Government issues: AIESEC not Liable or responsible.</p>	<i>Depending on the case</i>
	<p>HE error or negligence in documents: Full reimbursement of expenses.</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p> <p>If the OP decides to cancel the contract with AIESEC, HE pays OP expenses expressed in the contract.</p>	

<p>EP is not getting the Salary</p> <p><i>[Case can be applied as Urgency Protocol]</i></p>	<p>From seven to thirty (7 to 30) days late: Payment of the salary immediately.</p>	<p>OP. If not provided by the OP, the final responsible is the Hosting Entity</p> <p><i>HE should make sure its contracts cover possible financial penalties, provided that such penalties are permitted under local applicable laws.</i></p>
	<p>Over thirty (30) days late: Payment of the salary + 2% (two) of its amount as fine per delayed day.</p>	
<p>EP salary is different from the agreed</p>	<p>EP is receiving more by OP error or negligence: EP pays back HE, that shall reimburse OP.</p>	<p>OP. If not provided by the OP, the final responsible is the Hosting Entity</p> <p><i>HE should make sure its contracts cover possible financial penalties, provided that such penalties are permitted under local applicable laws.</i></p>
	<p>EP is receiving less: 1st & 2nd salary: HE pays immediately. 3rd salary - last: Payment of the salary + 2% (two) of its amount as fine per delayed day.</p>	
<p>In case of one (or more) of the items below was not provided in the format agreed:</p> <p>Accommodation Food Transportation</p>	<p><u>During RE:</u></p> <p>EP provides invoices of the expenses had incurred up to that date.</p> <p>Reimbursements are only allowed with receipts proving the expenses were incurred.</p> <p>HE Provides full reimbursement for expenses, and fixes the issue for the remaining period of RE.</p> <p>Reimbursements only based on the receipts provided proving the expenses were incurred.</p>	<p>Hosting Entity</p>
	<p><u>After RE break:</u></p> <p>If HE was only communicated after RE Break: HE not liable.</p> <p>If SE/EP tried to solve during RE: HE provides full reimbursement of the expenses EP provides invoices for.</p> <p>Reimbursements based on receipts provided proving the expenses were incurred.</p>	

	<p>HE reimburses EP Fee paid to SE, and OP Fee EP paid to HE (if there is any).</p> <p>Reimbursements based on receipts provided proving the expenses were incurred.</p>	
<p>The job description does not fit the description in more than 50% (fifty)</p>	<p>If SE/EP tried to solve during RE: Full reimbursement of EP expenses.</p> <p>Reimbursements only based on the receipts provided proving the expenses were incurred.</p>	<p>OP. If not provided by the OP, the final responsible is the <i>Hosting Entity</i></p>
	<p>If HE was only communicated after RE Break: HE not liable.</p>	
<p>Global Volunteer exchange duration shorter than the agreed</p>	<p>Due factors AIESEC has no control: AIESEC is not liable.</p>	<p>OP. If not provided by the OP, the final responsible is the <i>Hosting Entity</i></p>
	<p>HE problems: Full reimbursement of EP and OP expenses.</p> <p>OP problems: Full reimbursement of EP expenses.</p> <p>Reimbursements only based on the receipts provided proving the expenses were incurred.</p>	
<p>GTa or GTe shorter than the agreed</p>	<p>Due factors AIESEC has no control: AIESEC is not liable.</p>	<p><i>Depending on the case</i></p> <p>Hosting Entity or OP</p> <p><i>If not provided by the OP, the final responsible is the Hosting Entity</i></p>
	<p>HE problems: Full reimbursement of EP and OP expenses.</p> <p>OP problems: Full reimbursement of EP expenses.</p> <p>Reimbursements only based on the receipts provided proving the expenses were incurred.</p>	

	<p>EP dismissed with cause & proofs (also of the prior notification if it applies): Proportional salary/stipend of the days they worked that are missing, before dismissal.</p> <p>EP was dismissed before completing 70% of the internship, without valid and provable reason: Full reimbursement of flight tickets, visa fees, and any expenses paid by the ep to be paid to the ep.</p> <p>EP was dismissed after completing 70% of the internship, without valid and provable reason: EP should be compensated with the remaining salary of the internship (the remaining 30% of the internship duration.) and return tickets. Further claims can be made.</p> <p>Reimbursements only based on the receipts provided proving the expenses were incurred.</p>	
<i>EP ends RE earlier</i>	<p>Family emergency, health issues, legal Issues: No liability or responsibility if proof provided.</p>	Sending Entity
	<p>Other issues: It is suggested that also SE finds a replacement EP. If not possible, SE shall cover OP costs covered by OP contract with HE.</p>	