

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	<i>Sending Entity.</i>

	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.	<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.
	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.). Reimbursements are only allowed with receipts proving the expenses were incurred.	<i>HE should make sure its contracts cover possible financial penalties, provided that such penalties are permitted under local applicable laws.</i>
HE Fails to deliver Visa documents in two (2) weeks from Approval date	Cancellation of Approval	Hosting Entity.
	Reimburses any EP expenses he/she had so far (EP Fee, Travel expenses if allowed by HE to purchase before visa etc.).	
	If the OP decides to cancel the contract with AIESEC, HE pays OP expenses expressed in the contract. Reimbursements are only allowed with receipts proving the expenses were incurred.	
	If EP and HE agree on still RE, HE pays for any compensation for tickets rescheduling, documents etc. Reimbursements are only allowed with receipts proving the expenses were incurred.	
Approval Cancellation by HE/OP	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. If cancelled by HE, HE is liable to reimburse OP with the expenses expressed in the contract. Reimbursements are only allowed with receipts proving the expenses were incurred.	By OP: OP, if not provided, Hosting Entity is the final responsible. By HE: Hosting Entity.
Approval Cancellation by SE/EP	Family emergency, Health issues, Legal Issues: No liability if proof provided.	Sending Entity.

	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.	
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Realization to Completion

Violation	Action	Responsible
<i>Criteria to qualify as an Exchange Participant</i>	Cancellation of Realization	<i>Sending Entity.</i>
	SE pays OP expenses expressed in OP contract with HE.	<i>SE should make sure its contracts cover possible financial penalties, provided that such penalties are permitted under local applicable laws.</i>
	It's recommended SE also to find a replacement EP within one (1) week.	
<i>Criteria to qualify as an Opportunity Provider</i>	Cancellation of Realization	<i>Hosting Entity.</i>
	HE finds a replacement OP with the same job description within one (1) week or pays all the EP Travel Expenses.	<i>HE should make sure its contracts cover possible financial penalties, provided that such penalties are permitted under local applicable laws.</i>
	Reimbursements are only allowed with receipts proving the expenses were incurred.	
<i>EP Applied for different Visa</i>	If as a result of EP/SE choice, error or negligence: No reimbursement from HE	<i>Depending on the case.</i>
	If as a result of HE error or negligence: All Travel expenses, Migration fines and possible other penalties EP receives.	<i>SE, HE & EP should define if the RE has to be cancelled, or if the legal status can be fixed. If EP can stay, HE should cover all costs with the visa correction.</i>
	Reimbursements are only allowed with receipts proving the expenses were incurred.	
	If the OP decides to cancel the contract with AIESEC, HE pays OP expenses expressed in the contract.	
<i>EP Visa is against HE country/territory laws</i>	EP Mistake: AIESEC is not Liable, if EP received written formal instructions.	<i>Depending on the case.</i>
	HE choice or its error or negligence: EP can request full reimbursement of expenses.	
	Reimbursements are only allowed with receipts proving the expenses were incurred.	

	If the OP decides to cancel the contract with AIESEC, HE pays OP expenses expressed in the contract.	
<i>EP gets Deported</i> [Case can be applied as Urgency Protocol]	EP error or negligence, Government issues AIESEC not Liable or responsible.	Depending on the case.
	HE error or negligence in documents: Full reimbursement of expenses.	
	Reimbursements are only allowed with receipts proving the expenses were incurred.	
	If the OP decides to cancel the contract with AIESEC, HE pays OP expenses expressed in the contract.	
<i>EP is not getting the Salary</i> [Case can be applied as Urgency Protocol]	From seven to thirty (7 to 30) days late: Payment of the salary immediately.	OP. If not provided by the OP, the final responsible is the Hosting Entity.
	Over thirty (30) days late: Payment of the salary + 2% (two) of its amount as fine per delayed day.	HE should make sure its contracts cover possible financial penalties , provided that such penalties are permitted under local applicable laws.
<i>EP salary is different from the agreed</i>	EP is receiving more by OP error or negligence: EP pays back HE, that shall reimburse OP.	OP. If not provided by the OP, the final responsible is the Hosting Entity.
	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.	HE should make sure its contracts cover possible financial penalties , provided that such penalties are permitted under local applicable laws.
<i>In case of one (or more) of the items below was not provided in the format agreed: Accommodation Food Transportation</i>	During RE:	Hosting Entity.
	EP provides invoices of the expenses had incurred up to that date. Reimbursements are only allowed with receipts proving the expenses were incurred.	
	HE Provides full reimbursement for expenses, and fixes the issue for the remaining period of RE. Reimbursements only based on the receipts provided proving the expenses were incurred.	
	After RE Break:	

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

	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. 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. 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. Reimbursements only based on the receipts provided proving the expenses were incurred.	
<i>EP ends RE earlier</i>	Family emergency, health issues, legal Issues: No liability or responsibility if proof provided.	<i>Sending Entity.</i>
	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.	