

Binary MLM Signup & Level Income System Report

1. System Foundation

Two core chains exist in the system:

- Sponsor Chain (sponsor_id): Defines direct relationship.
- Placement Chain (placement_id): Defines binary tree structure and level income flow.

2. Signup System Flow

Signup requires sponsor_id and position (L/R).

If selected side is filled, spillover logic applies recursively.

Sponsor defines relationship; placement defines structure.

3. Binary Structure Rules

Each user can have maximum two children (L and R).

Database must enforce UNIQUE(placement_id, position).

4. Direct vs Indirect ID

Direct ID: sponsor_id equals your ID.

Indirect ID: deeper downline in placement chain.

5. Level Income Engine

Level income flows strictly upward via placement chain only.

Sponsor chain is not used for level income calculation.

6. Active Check Model

Recommended: Only active users receive income.

Inactive uplines should be skipped.

7. Level Repeat Protection

Must enforce UNIQUE(user_id, from_user_id, level).

Prevents duplicate income generation.

8. Double Approval Safety

System must prevent duplicate income on repeated approval.

Use database constraints and transaction handling.

9. Wallet Rules

Every level_income entry must generate one wallet transaction.

Wallet balance must equal sum of income records.

10. Common Mistakes to Avoid

Do not mix sponsor and placement chains.

Do not allow duplicate placement entries.

Do not allow double approval income.

Final Summary

Signup builds structure.

Purchase approval generates income.

Sponsor defines relationship.

Placement defines income flow.

Unique constraints are mandatory for production safety.