

Marketing & Profit Plan for Success



AUSTRALIA • NEW ZEALAND • CANADA • USA • PAPUA NEW GUINEA

The Pro-Ma Systems Mission...

is to provide a genuine, independent business opportunity, without partiality to creed or race, that is unlimited in its ability to reward effort, marketing quality, highly consumable and reserviceable products for men and women.

Furthermore, we will provide significant inspiration, encouragement and knowledge in all areas of business and personal development through regular Company sponsored training Programs, the support of Company appointed Management and the provision of Company produced training aids.

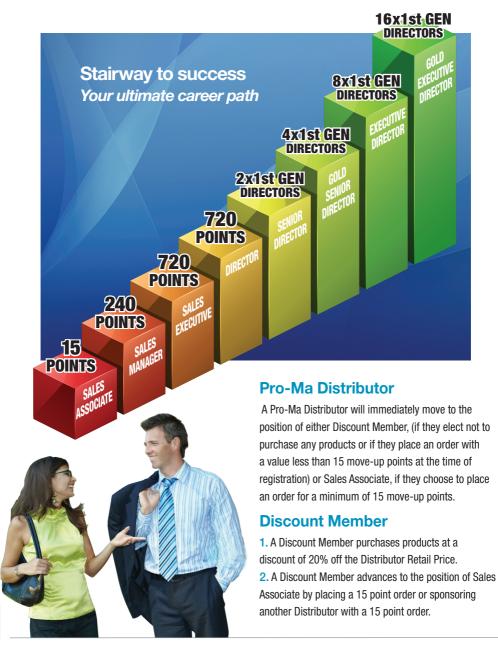
We will facilitate this mission by providing a highly professional service to every Distributor and by assisting every function of their independent business.

The Pro-Ma Systems Opportunity

There are many different businesses within the Pro-Ma Systems Business Opportunity. The diverse markets within the Pro-Ma Systems product ranges allow people with many different backgrounds and experiences to find their niche with this Company, marketing the products that most appeal to them. The Pro-Ma Systems Independent Distributor has an almost unlimited business opportunity. The markets to which our many diverse product ranges penetrate have an unlimited potential to create wealth. Distributors profit directly on the sales of these product ranges through social marketing, without the conventional burden of start-up capital and overhead costs, including employees or buildings in which to operate. There is a choice of market that will appeal to almost everyone; making this opportunity available for people from all walks of life.

The Pro-Ma Systems Marketing & Profit Plan rewards personal effort and pays a series of bonuses (profit) based upon the efforts of other Distributors in a Distributor's downline organisation. This creates a dynamic income and earning effect – as the income being earned is not solely relying upon the efforts of one or two individuals but on multiplied numbers. This is the opportunity that creates ongoing income. The Independent Distributor with Pro-Ma Systems has control over the success of their own business – with the flexibility, freedom and opportunity to be their own boss and earn in direct proportion to their own efforts and the efforts of others.

Marketing & Profit Plan The Benefits



Marketing & Profit Plan The Benefits

Sales Associate

- A Sales Associate purchases product at a discount of 25% off the Distributor Retail Price and will qualify for a further discount of 5% of the B.V. value, provided a minimum of 15 personal <u>qualifying points</u> is achieved in the current month.
- 2. A Sales Associate will earn a bonus of 5% of the bonus volume on the personal orders of their personally sponsored Sales Associates and 5% of the bonus volume of their personally sponsored Discount Members. To earn these bonus payments, a Sales Associate must achieve a total of 15 <u>qualifying points</u> personally each month.
- 3. A Sales Associate advances to the position of Sales Manager by achieving a total of 240 move-up points personally or through their total organisation during any 1 to 3 consecutive calendar month period.

Sales Manager



1. A Sales Manager purchases

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- product at a discount of 30% off the Distributor Retail Price and will qualify for a further discount of 5% of the B.V. value, provided a minimum of 15 personal <u>qualifying points</u> is achieved in the current month.
- 2. A Sales Manager will earn a bonus of 5% of the bonus volume of the personal orders of their personally sponsored Sales Associates and their organisations and 10% of the bonus volume on the personal orders of their personally sponsored Discount Members. To earn these bonus payments, a Sales Manager must achieve a total of 15 qualifying points personally each month.

3. A Sales Manager advances to the position of Sales Executive by achieving a total of 720 move-up points personally or through their total organisation during any 3 consecutive calendar month period, with a minimum of 240 move-up points per month.

Sales Executive



- 1. A Sales Executive purchases
 - product at a discount of 30% off the Distributor Retail Price and will qualify for a further discount of 10% of the B.V. value, provided a minimum of 15 personal <u>qualifying points</u> is achieved in the current month.
- 2. A Sales Executive will earn a bonus of 5% of the bonus volume on the personal orders of their personally sponsored Sales Managers and their organisations, 10% of the bonus volume on the personal orders of their personally sponsored Sales Associates, 5% of the bonus volume of the personal orders of the organisations of their personally sponsored Sales Associates and 15% of the bonus volume on the personal orders of their personal orders of their personal orders of the personal orders of the personal orders of the organisations of their personally sponsored Sales Associates and 15% of the bonus volume on the personal orders of their personally sponsored Discount Members. To earn this bonus, a Sales Executive must achieve a total of 15 qualifying points personally each month.
- 3. A Sales Executive advances to the position of Director by achieving a total of 720 moveup points personally or through their total organisation during any 3 consecutive calendar month period, with a minimum of 240 move-up points per month.

The Benefits

1. A Director purchases

Director



product at a discount of 30% off the Distributor Retail Price and a discount of 15% of the B.V. value, provided a minimum of 15 personal <u>qualifying points</u> is achieved in the current month. The Director has the potential to earn a further 5% discount of the B.V. value on personal orders, which will be rebated at month end, provided the Director places orders during the month with a combined Customer Retail value of a \$1,000.00 or more, (PNG K1,000.00), (CAN \$1,000.00), (NZ \$1,000.00)

 A Director will earn a bonus of 5% of the bonus volume on the personal orders of their personally sponsored Sales Executives and their organisations, 10% of the bonus volume on the personal orders of their personally sponsored

Sales Managers and their organisations, 15% of the bonus volume on the personal orders of their personally sponsored Sales Associates, 10% of the bonus volume of the organisations of their personally sponsored Sales Associates and 20% of the bonus volume on the personal orders of their personally sponsored Discount Members.

- To earn this bonus, a Director must achieve a total of 15 personal <u>qualifying points</u> each month.
- 4. By developing other Directors from within their own downline organisation, Directors may qualify for Organisational Training Bonus, (O.T.B.) and also for appointment as Senior, Gold Senior, Executive or Gold Executive Director and be entitled to the further bonuses paid under the Extended Leadership Development Program (E.L.B.)

ORGANISATIONAL TRAINING BONUS TRAINING (O.T.B.)

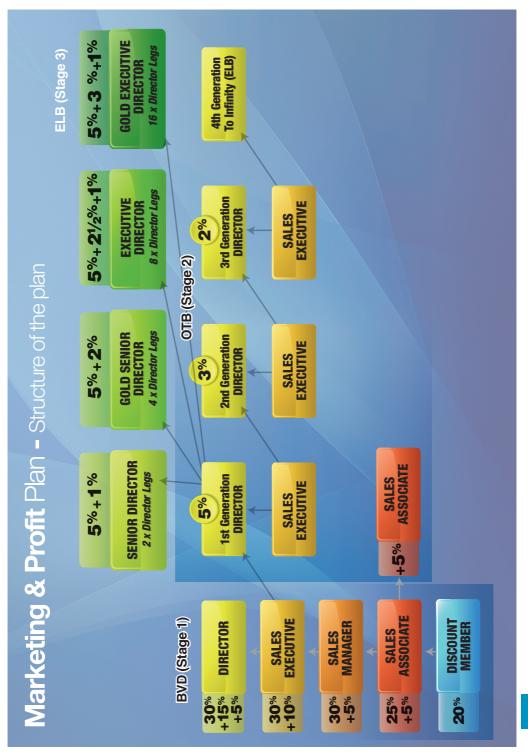
This is a further bonus payable to Directors for developing other Directors from within their own downline organisations.

1. When a personally sponsored Sales Executive in an upline Director's organisation achieves the position of Director, they become a First Generation Director to their upline sponsor. The upline Director will then earn OTB at the rate of 5% on the total Bonus Volume of that First Generation Director and their downline organisation.

2. When a Director's First Generation Director develops a personally sponsored Director from within their downline organisation, that new Director will become a Second Generation Director to the original Director. The original Director will earn OTB at the rate of 3% on the total Bonus Volume of that Second Generation Director, and their downline organisation.

3. When a Second Generation Director develops a personally sponsored Director from within their downline organisation, that new Director becomes a Third Generation Director to the original upline Director. The upline Director will earn OTB at the rate of 2% on the total Bonus Volume of that Third Generation Director and their downline organisation.

4. To qualify to receive payment of OTB a Director must produce orders of not less than 120 <u>qualifying</u> <u>points</u> from their total personal organisation each calendar month, of which not less than 15 <u>qualifying</u> <u>points</u> must be personal orders.



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Extended (OTB and ELB)

EXTENDED LEADERSHIP BONUS (E.L.B.)

The E.L.B. is designed to reward Independent Distributors who progress beyond the position of Director. There is a financial incentive to encourage Directors to achieve higher income levels and build larger, wider and deeper organisations within the Company's Marketing & Profit Plan. The E.L.B. bonus is payable to Senior, Gold Senior, Executive and Gold Executive Directors.

This achievement is recognised in two ways:-

1. The award of a gold and diamond lapel pin.

2. A reduction in the qualification required to earn Organisation Training Bonus (0.T.B.).

How E.L.B. Operates

1. The E.L.B. operates separately from the Company's regular Marketing & Profit Plan. It is designed to reward Diamond Directors beyond their Third Generation Director to infinity.

2. A separate cheque and earnings summary is issued to those Directors who qualify for an E.L.B. payment. (They will also receive a cheque and earnings summary in respect of the regular Marketing & Profit Plan.)

3. The E.L.B. is payable on the current month's sales volume.

4. Payment of E.L.B. to a qualifying Director is based on the Bonus Volume of all their downline Directors, irrespective of generation.

5. All points referred to under the E.L.B. program are qualifying points.

SENIOR DIRECTOR 1%

This position is achieved when a Director and two personally sponsored Directors all qualify for 0.T.B. during the same month.

1. The Senior Director will enjoy a reduction in the required 0.T.B. qualification, in the regular Marketing & Profit Plan.

2. 0.T.B. qualification will be reduced from 120 points to 90 points per month. The reduced <u>points</u> must include not less than 15 <u>points</u> from personal orders. This reduction in qualification will last for two months, (refer important note page 10).

3. A qualifying Senior Director will receive an E.L.B. payment equal to 1% of the Bonus Volume of all their downline Directors' organisational volume, irrespective of generation.

4. The calculation of E.L.B. will continue until a downline Senior Director is found.

5. The qualifying Senior Director will receive 1% E.L.B. on the Bonus Volume of that Senior Director but no further E.L.B. benefit thereafter.

The downline Senior Director is now entitled to be paid E.L.B. thereafter.

GOLD SENIOR DIRECTOR 2%



This position is achieved when a Director and four personally sponsored Directors all qualify for 0.T.B in the same two month period. However, Gold Senior Directors are eligible for compensation under the E.L.B Programme from the first month they and their four first generation Directors all qualify for 0.T.B.

1. A Gold Senior Director will enjoy a reduction in the required 0.T.B. qualification.

 0.T.B. qualification will be reduced from 90 points to 60 points per month. The reduced <u>points</u> must include not less than 15 <u>points</u> from personal orders. This reduction in qualification will last for two months, (refer important note page 10).

3. A qualifying Gold Senior Director will receive an E.L.B. payment equal to 2% of the Bonus Volume of all their downline Directors' organisational volume, irrespective of generation.

Marketing & Profit Plan Extended (OTB and ELB)

4. The calculation of E.L.B. will continue until a downline Senior Director is found.

5. The qualifying Gold Senior Director will receive 2% E.L.B. on the Bonus Volume of that Senior Director and, thereafter an E.L.B. of 1% until a Gold Senior Director is found.

6. The qualifying Gold Senior Director will receive 1% E.L.B. on the Bonus Volume of that Gold Senior Director but no further benefit thereafter.

Note: The appointment of Gold Senior Directors and all recognition pertaining to this position, is only made by the company after a Director and all four first generation Directors all qualify for O.T.B. in both months of a consecutive two calendar month period.

EXECUTIVE DIRECTOR 2.5%



This position is achieved when a Director and eight first generation Directors all qualify for 0.T.B. in each month of a three consecutive calendar month period. However, Executive Directors are eligible for compensation under the E.L.B. programme from the first month they and their eight first generation Directors all qualify for 0.T.B.

1. An Executive Director will enjoy a reduction in the required 0.T.B. qualification.

2. 0.T.B. qualification will be reduced from 60 points to 30 points per month. The reduced <u>points</u> must include not less than 15 <u>points</u> from personal orders. This reduction in qualification will last for two months, (refer important note page 10).

3. A qualifying Executive Director will receive an E.L.B. payment equal to 2.5% of the Bonus Volume of all their downline Directors' organisational volume, irrespective of generation.

4. The calculation of E.L.B. will continue until a downline Senior Director is found.

5. The qualifying Executive Director will receive 2.5% E.L.B. on the Bonus Volume of that Senior Director and, thereafter an E.L.B. of 1.5% until a Gold Senior Director is found.

6. The qualifying Executive Director will receive 1.5% E.L.B. on the Bonus Volume of that Gold Senior Director and, thereafter an E.L.B. of 0.5% until an Executive Director is found.

7. The qualifying Executive Director will receive 0.5% E.L.B. on the Bonus Volume of that Executive Director.

Note: The appointment of Executive Directors and all recognition pertaining to this position is only made by the company after a Director and all eight first generation Directors all qualify for 0.T.B. in each month of a three consecutive calendar month period.

EXTENDED EXECUTIVE DIRECTOR BONUS 1%

1. In addition to the E.L.B. benefits payable to Executive Directors, a further benefit is payable to Executive Directors who have developed an Executive Director from within their downline organisation.

2. The qualifying Executive Director will receive an additional E.L.B. payment of 1% on the Directors, Senior Directors and Gold Senior Directors of their downline Executive Director, until a second downline Executive Director is found.

3. The qualifying Executive Director will receive 1% E.L.B. on the Bonus Volume of that second Executive Director but no E.L.B. benefit thereafter.

GOLD EXECUTIVE DIRECTOR 3%

This position is achieved

when a Director and sixteen first generation Directors all qualify for 0.T.B. in each month of a three consecutive calendar month period. However, Gold Executive Directors are eligible for compensation under the E.L.B. programme from the first month they and their sixteen first generation Directors all qualify for 0.T.B.

1. A Gold Executive Director will enjoy a reduction in the required 0.T.B. qualification.

 O.T.B. qualification will be 30 points per month. The reduced <u>points</u> must include not less than 15 <u>points</u> from personal orders. This reduced qualification will last for two months, (refer important note page 10).

Extended (OTB and ELB)

3. A qualifying Gold Executive Director will receive an E.L.B. payment equal to 3% of the Bonus Volume of all their downline Directors' organisational volume, irrespective of generation.

4. The calculation of E.L.B. will continue until a downline Senior Director is found.

5. The qualifying Gold Executive Director will receive 3% E.L.B. on the Bonus Volume of that Senior Director and, thereafter an E.L.B. of 2% until a Gold Senior Director is found.

6. The qualifying Gold Executive Director will receive 2% E.L.B. on the Bonus Volume of the Gold Senior Director and, thereafter an E.L.B. of 1% until an Executive Director is found.

7. The qualifying Gold Executive Director will receive 1% E.L.B. on the Bonus Volume of that Executive Director and a further .5% E.L.B. benefit thereafter, until another Executive or Gold Executive Director is found.

Note: The appointment of Gold Executive Directors and all recognition pertaining to this position is only made by the company after a Director and all sixteen first generation Directors all qualify for 0.T.B. in each month of a three consecutive calendar month period.

Important Note:

The reduction in O.T.B. qualification for all Diamond Directors is valid for two calendar months starting after the month this position is achieved. The reduced qualification is extended for a further two months whenever the Director and the required number of personally sponsored Directors all requalify for O.T.B. in the same month.

Important Information:

1. A significant benefit of the Pro-Ma Systems Marketing & Profit Plan is that once a Distributor has attained a higher level within the Marketing & Profit Plan that position is never lost nor is the downline organisation that the Distributor has introduced to the Company provided the Distributor continues to pay the Annual Distributorship Renewal Fee.

2. In addition to the monetary rewards available to Distributors from the Marketing & Profit Plan, the Company offers a number of incentive and award Programs, including the International Leadership Travel Program.

3. A point value is assigned to each product, based upon its retail value. These are called qualification points. Qualification points are used to determine whether or not a Distributor has qualified to receive a commission payment on their downline organisation and/or to obtain B.V. discounts or rebates on personal orders.

The Company offers additional bonus points from time to time on certain products, (mostly product specials). These points are added to qualification points to assist Distributors to advance through the Company's Marketing & Profit Plan to the next position. These points are known as move-up points, however these points cannot be used for qualification purposes.

4. Each product, as well as being allocated a point value, is also allocated a B.V. value. The B.V. value is calculated as a percentage of the retail price of the product and will vary from product to product and from product range to product range.

5. The Company reserves the right to alter or amend the Marketing & Profit Plan from time to time at its absolute discretion.

Benefits and Definitions

AGREEMENT:

The legally binding Independent Distributor Agreement between the Company and each Pro-Ma Systems Distributor.

POLICY & PROCEDURES:

This document outlines and defines policies and procedures directly connected to the Independent Distributor Agreement.

Distributor PURCHASING DISCOUNTS:

A Distributor's buying discount is determined by their position in the Marketing & Profit Plan. Providing qualification is met, a Distributor can benefit from their maximum buying power by deducting their allowed discount at the time they place their order.

MARKETING PLAN POSITION:

When a Distributor achieves a specific position in the Marketing & Profit Plan, they will always retain that position. Providing a Distributor renews their Distributor Registration annually, they will always enjoy the buying discounts assigned to that position and always retain their Distributor Network.

<u>NOTE</u>: To enjoy bonus profit in the Marketing & Profit Plan, a Distributor must meet the qualifications relative to that position.

B.V.D. - O.T.B. - E.L.B. BONUSES:

Bonuses paid under the above categories are calculated on a specific B.V. (Bonus Volume) to retail ratio. This ratio varies from product to product under each product division and from country to country.

RECOGNITION, AWARDS AND INCENTIVES:

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In addition to the monetary rewards available to a Distributor in the Marketing & Profit Plan, the company offers a number of recognition incentives and award Programs. These include, Leadership Development and the International Leadership Travel Summit.

Distributor RETAIL PRICE:

This is the retail price of the product, excluding any sales and marketing aid inclusions and excluding freight and customer GST.

CUSTOMER RETAIL PRICE:

The customer retail price is the suggested retail price, inclusive of GST.

QUALIFYING POINTS:

Qualifying points (QP) are the points allocated to each product. Only qualifying points qualify a Distributor for bonus and discount payments.

MOVE-UP POINTS:

These points are connected to various specials and marketing Programs and are used to advance a Distributor to various positions within the Marketing & Profit Plan. They do not count towards bonus qualification.

CALENDAR MONTH:

All business transactions and bonus payments under the B.V.D.; O.T.B. and E.L.B. Programs are paid on a monthly basis.

The Pro-Ma Systems Marketing & Profit Plan contains statements referring to incentive and profit percentages assigned to relevant positions within the Marketing & Profit Plan. There are no guarantees regarding income and the level of success of each Pro-Ma Systems Independent Distributor. Like any other independent business, this depends upon each Independent Distributor's own skills and personal effort. Pro-Ma Systems is a strong, product-driven company and encourages the sale and personal use of products through its Independent Distributor Network.



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