

New Direct Profit Plan for Independent Business Owners

All products will be sold at Retail Price effective <u>1st August 2011</u>

All products will be sold at Retail Price, except for Rewards Products (category R), which you can buy at a discounted price using Rewards Points (RPs). RPs cannot be used to get discounts on eCosway products.

We are excited to introduce a new type of profit called Direct Profit (DP) which will be **added** to our current Profit Plan.

- You will be awarded a Direct Profit (DP) of up to 15% for retail sales (net GST) made by your direct VIP Shoppers and Independent Independent Business Owners (IBOs) according to the following table:

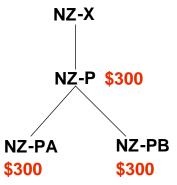
Category	DP
A	15%
В	10%
С	5%
P (Promotion)	-
R (Rewards Product)	-

Table 1 : Direct Profit % by Product Category

a) Direct Profit calculated on main account

All accounts with 3 profit centres will be treated as 1 account for Direct Profit calculation.

Example : NZ-X will enjoy Direct Profit on the total of \$900 made by NZ-P, NZ-PA and NZ-PB.



b) Table 2: Qualification Table for Independent Business Owners who jo	in on
<u>1st August 2011 onwards</u>	

30 days		31 – 90 days	91 – 180 days	Branch Overrides	Direct Profit	BPI/EI	Profit Centre(s)
< 100eV				✓	-	-	1
100eV				✓	✓	-	1
100eV	+	200eV		✓	✓	1	1
100eV	+	200eV +	200eV	✓	✓	3	1
100eV	+	400eV		✓	✓	3	1
100eV	+	200eV +	500eV	✓	✓	Unlimited	1
100eV	+	400eV +	200eV	✓	1	Unlimited	1
100eV	+	600eV		✓	✓	Unlimited	1
100eV	+	400eV +	500eV	✓	✓	Unlimited	3
100eV	+	900eV		✓	✓	Unlimited	3
500eV				✓	✓	Unlimited	3
1000eV				✓	~	Unlimited	7
8 branches month	, 20,0	000eV each branc	h in any	✓	1	Unlimited	7

c) What Existing Independent Business Owners need to do to Qualify for Direct Profit

All existing BOs will be required to make a purchase of 50eV by 31st August 2011 to qualify for Direct Profit. This is a one-time qualification requirement.

- If you have 3 profit centres, you will need to purchase a 50eV set under the main account, and this will qualify all 3 profit centres for Direct Profit.
- Existing IBOs who want to upgrade their account from 1 to 3 profit centres or 3 to 7 profit centres, can do so in August 2011. Upgrade options are indicated in red in the table below.

 Table 3 : Qualification Requirements for Existing IBOs to Upgrade

Existing status	By 31/8/11 (Qualify for DP	By 31/10/11	Branch Overide	Direct Profit	BPI/EI	Profit center
Unlimited	50eV		1	✓	U	3
Unlimited	200eV		✓	*	U	7
3 BPI/EI	50eV		√	✓	3	1
3 BPI/EI	200eV		 ✓ 	✓	U	3
1 BPI/EI	50eV		✓	✓	1	1
1 BPI/EI	50eV +	500eV	 ✓ 	~	U	3
0 BPI/EI	50eV		 ✓ 	✓	-	1
0 BPI/EI	50eV +	500eV	✓	>	U	3

d) JUNE/JULY SPECIAL

- IBOs who join in the month of June and July, and fulfil the 1000eV requirement in June or July will:
 - enjoy the 1000eV at a discounted price
 - be automatically qualified for the Direct Profit, AND
 - be entitled to 7 Profit Centres effective 1st August 2011

Table 4 : IBOs who join in June and July and fulfil 1000eV by 31st July 2011

Status as of	August (DP qualification)	Branch	Direct		Profit
31 st July		Overrides	Profit BPI/EI		Centres
1000eV	Auto qualify	1	*	Unlimited	7

 IBOs who achieve less than 1,000eV as at 31st July 2011, will be able to upgrade their qualifications via similar options given to existing IBOs (please refer to 'Table 3 : Qualification Requirements for Existing IBOs to Upgrade').

e) Direct Profit awarded for Local Sales only

- The Direct Profit will be awarded for sales made by your direct VIP Shoppers and IBOs in the same country of your registration (overseas sales will not be taken into account).

f) Monthly Qualification for Profit Payout including Direct Profit

- You will need to achieve the minimum 15eV and QU requirements to qualify for profit payout every month, including Branch Overrides and Direct Profit.
- The eV and QU requirement applies to each profit centre under your account, but you will need to make the purchases via your main account only.
 Example: If you have 3 Profit Centres which each qualifies for over e\$1,000 profit, you will need to purchase a minimum of 45eV + 90 QUs under your main account to qualify for the profits from the 3 profit centres.
- If you fail to meet the monthly qualification, the DP and branch overrides will be passed up to your immediate upline IBO.

g) Restructuring downlines

- IBOs who join from 1 August 2011 onwards will not receive A and B profit centres upon registration. Instead, the additional profit centres (3 or 7), will only be given upon qualification.
- Existing IBOs who purchase additional 200eV/500eV to upgrade to 3/7 profit centres, and new IBOs who qualify for 3/7 profit centres will be given up to 6 months from the qualifying month to perform restructuring of their direct downlines.
- Restructuring can only be performed ONCE.
- The monthly placement of newly recruited IBOs from 1st to 10th of the month will be as usual.

h) VIP Shoppers recruited directly under you

 You can now recruit VIP Shoppers to join or renew their membership with either option below:

Option 1: Pay \$25 to join/renew VIP Shopper membership and subscribe for 1 year of product catalogues.

(They will receive a special joining/renewal discount of 30% for purchases of Category A,B,C products up to \$400 within 30 days from their joining/renewal date. eV will not be awarded.)

Option 2 : Purchase products (category A,B,C) \$50 or more at retail price in a single receipt, and receive FREE VIP Shopper membership and catalogue subscription for 1 year. (eV will not be awarded.)

Direct Profit (DP) on product price (net of GST) will be awarded to the introducer for purchases made under both options.

- VIP Shoppers can now get Discount Points (DPs) up to 15% from monthly purchases (based on the net price excluding GST) made by their directly introduced VIP Shoppers.
- VIP Shoppers can use the Discount Points (DPs) to purchase products for FREE. (Please refer to corresponding VIP Shopper announcement for more details.)
- For Store Operators, the store sales handling charge will be calculated based on product Selling Price (net of GST). For example, a VIP Shopper uses 150 DPs + \$50 to purchase products worth \$200. The store sales handling charge will be calculated based on \$173.91 (\$200 minus GST).

If you have any questions, please contact your upline IBO or send your inquiry to our Customer Service Department at <u>customerserviceau@ecosway.com</u>.

To view the announcement in Traditional Chinese, please click here To view the announcement in Simplified Chinese, please click here