

2001-2002 North America
Sales Incentive Program



Want to be more profitable? (Did we really need to ask?) Then get with the program – The North America Growth Program, that is!

As always, you can earn cash awards and invitations to business conferences through the Sales Incentive Program (SIP). And this year, we've made some big changes to the SIP, like:

- Alternative Q-12 qualification
- A new way to qualify for an invitation to Peter Island
- A new incentive trip for Diamonds

This is a one-year program only (2001-2002), so now's the time to hit the ground running on your qualification! Keep reading for the details.

Cash Rewards



Independent Business Owners (IBOs) will be eligible for the following pin and cash awards in the 2001-2002 fiscal year.

SIP Pin Qualifications

Gold Producer

A Gold Producer is an IBO below the Platinum level who has attained any three qualified Silver Producer/Platinum months within the fiscal year. Overlap rule applies for first-time qualifiers.

Founders Platinum

A Founders Platinum is an IBO below Sapphire who has attained 12 months of Platinum qualification in a fiscal year.

Founders Ruby

A Founders Ruby is an IBO who has attained 12 months of Ruby qualification at 15,000 Ruby volume in a fiscal year.

Sapphire

A Sapphire is an IBO below Emerald who has 2 qualified North American legs and 2,500 Award Volume on the side or 3 qualified North American legs for 6 months in a fiscal year.

Founders Sapphire

A Founders Sapphire is an IBO below Emerald who maintains Sapphire qualification for 12 months in a fiscal year.

Founders Emerald

A Founders Emerald is an IBO below Diamond who sponsors 3 North American legs each of which qualify for 12 months in a fiscal year.

1. Pin-based OTCA

The following schedule shows the one-time cash awards which IBOs are eligible for when they attain specific pin levels.

| LEVEL | AWARD ¹ |
|-----------------------|--------------------|
| New Gold Producer | \$1,000 |
| New Platinum | \$2,500 |
| New Founders Platinum | \$5,000 |
| New Sapphire | \$7,500 |

¹If multiple achievements of Gold Producer to Sapphire are attained in the same year, all appropriate awards will be paid. An IBO is considered to be at a "new" pin level if they have not previously achieved that level or a higher level.

2. Annual Q-12 Pin and Cash Award

All Platinums and above may be eligible for the Q-12 Pin and Cash Award, which is based on 12 Q-12 months within the fiscal year. A Q-12 month can be attained in any of the following ways:

1. Attain 7,500 Personal Volume², or
2. Attain 4,000 Personal Volume over a qualified 25% Sponsor or Silver Producer leg that does not include a Platinum.
3. Attain 2,500 Personal Volume over two or more qualified 25% Sponsor or Silver Producer legs that do not include a Platinum.

If 12 months cannot be achieved by the qualifications listed above, alternative Q-12 qualification can be attained by reaching 100,000 annualized Personal Volume. Qualifiers that utilize 100,000 annualized Personal Volume will count as 12-month legs for their upline GETFAA, Peter Island, FAA, and Yacht Equivalency Incentive qualifications.

This award can be paid in addition to other one-time cash awards.

²Includes all Personal Group volume and pass-up volume from Silver Producer legs. Does not include pass-up volume from Platinums.

| LEVEL | AWARD |
|-----------------|----------|
| Q-12 Cash Award | \$10,000 |

Not to be used with prospects.

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3. GETFAA-based OTCA

GETFAA is an incentive that was implemented for IBOs on their way toward the Founders Achievement Award. It provides one-time cash payments to Sapphires and above who have strong, consistent leg qualifications. (Please note that FAA qualifiers may not participate in this program.) Leg credits are calculated as follows:

- 6- to 11-month North American qualified leg = .5 leg credit
- 12-month North American qualified leg = 1.0 leg credit

The following GETFAA cash awards are available to IBOs who reach their established GETAA goal.

| LEVEL | AWARD |
|--------------------|----------|
| 1.5 NA leg credits | \$7,500 |
| 2.0 NA leg credits | \$10,000 |
| 2.5 NA leg credits | \$10,000 |
| 3.0 NA leg credits | \$12,500 |
| 3.5 NA leg credits | \$12,500 |
| 4.0 NA leg credits | \$15,000 |
| 4.5 NA leg credits | \$15,000 |
| 5.0 NA leg credits | \$17,500 |
| 5.5 NA leg credits | \$17,500 |
| 6.0 NA leg credits | \$20,000 |
| 6.5 NA leg credits | \$20,000 |
| 7.0 NA leg credits | \$22,500 |
| 7.5 NA leg credits | \$22,500 |

- GETFAA qualifiers are paid at the maximum level their business attains, as long as their goal for the fiscal year is reached.
- Depending on when you qualified for Sapphire or Emerald, a GETFAA base is established for you, and your GETFAA goal is listed on your Monthly Data Sheet. Your goal for 2001-2002 will be reset to reflect .5 leg credit higher than what your business actually achieved in 2000-2001 (minimum of 1.5 leg credits).

If you have any questions about your GETFAA base or goal, please call Business Relations.

Note: Diamonds with fewer than 8 FAA credits are also eligible to participate in the GETFAA program.

4. "Every Dollar Counts" Emerald Growth Promotion

All qualified Emeralds and above are incentivized to grow their business in 2001-2002. Each participant will receive a baseline of their total business volume achieved during 2000-2001 (down to and excluding the next qualified Emerald). For every \$15 BV of growth their business achieves in 2001-2002, they will receive a cash award of \$1 (e.g., an Emerald or above who grows \$200,000 BV above their previous fiscal year's volume will receive a \$13,333 cash award).



Diamond Club 2002 will convene on the beautiful island of Kauai.

IBOs are eligible to receive an invitation to any of the four Business Conferences listed below. The invitations are based on each IBO's business achievements.³

³To be eligible for Business Conference invitations, IBOs must be in good standing and meet all IBO requirements set forth in the Rules of Conduct, *Business Reference Guide* and other publications.

1. Achievers Invitational

To be eligible for an invitation to the Achievers Invitational, an IBO must qualify in one of the following ways:

1. All Platinums and above who attain the Q-12 qualification in fiscal 2001-2002 will be eligible for an Achievers invitation.⁴
2. Qualify as a new Sapphire.
3. Qualify for a GETFAA One-Time Cash Award.⁴
4. Qualify as a new Emerald.
5. Re-qualify as an Emerald with 30,000 annualized Personal Volume* (average 2,500 PV monthly).
6. Qualify as an Executive Diamond or above.

⁴Qualified Diamonds who achieve either of these criteria will be eligible to receive an invitation.

*Includes all Personal Group Volume and Pass-up Volume from Silver Producer legs. Does not include pass-up from Platinum.

2. Diamond Club

Diamond Club continues to be a leadership forum for which IBOs are eligible when they qualify at the Diamond level or above.

3. Executive Diamond Club

Executive Diamond Club continues to be a leadership forum for which IBOs are eligible when they qualify at the Executive Diamond level or above.

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4. Peter Island Program

The *Peter Island Program* continues to be a leadership forum for which IBOs are eligible when they qualify as a new Diamond, and thereafter as they grow their Diamond business. The program recognizes growth on the basis of adding a new leg, strengthening an existing leg to a 12-month qualification, or maintaining Diamond and Emerald legs. Peter Island credits are attained in the following way:

- 6- to 11-month North American qualified leg = .5 leg credit
- 12-month North American qualified leg = 1.0 leg credit

Peter Island invitations are automatically awarded to first-time Diamonds. Subsequent invitations are awarded on the basis of incremental growth.

Your goal for 2001-2002 will be .5 leg credit higher than what your business actually achieved in 2000-2001 (minimum of 4.5 leg credits).

Any qualified Diamond with 9.0 NA leg credits will be eligible for an invitation regardless of growth. If 12.0 credits are attained, the qualified Diamond will be eligible for an invitation and will be allowed one discretionary invitation that could be assigned to a qualified Diamond who did not already qualify under the program rules.

NEW! An alternative way to qualify for a Peter Island invitation is based on North American Diamond, Emerald, Q-12, and 6- to 11-month legs. Alternative Peter Island credits can be earned as follows:

- NA Diamond Bonus leg = 3.0 credits
- NA Emerald Bonus leg = 1.5 credits
- NA 12-month leg = 1.0 credit
- NA 6- to-11-month leg = .5 credit

Qualified Diamonds and above who achieve 12 alternative Peter Island credits will be awarded one trip, and at 18 credits, two trips will be awarded regardless of growth.

This program does not provide for the banking of invitations; however, there is no penalty for overqualification.

5. NEW! Yacht Equivalency Incentive Trip

The Yacht Equivalency Incentive Trip adds a new spice to the Diamond business. The program awards a Peter Island equivalent trip to Diamonds and above that reach 14 FAA credits or more. FAA credits are earned as follows:

| <u>Domestic Legs</u> | | <u>International Legs</u> | |
|----------------------|-------------|---------------------------|-------------|
| Diamond Bonus leg | 3.0 credits | #2 Diamond Bonus leg | 3.0 credits |
| Emerald Bonus leg | 1.5 credits | #2 Emerald Bonus leg | 1.5 credits |
| 12-month leg | 1.0 credit | #2 12-month leg | 1.0 credit |
| | | Other 12-month leg | 0.5 credit |



Peter Island is the ultimate business conference venue.



Not to be used with prospects.