## NEW ZEALAND COMPENSATION PLAN

		MP —	MMP	AMB	MB —	MMB —	AMM —	MM		AED —	ED —	SED	
QUALIFICATIONS		MARKET PARTNER	MANAGING MARKET PARTNER	ASSOCIATE MARKET BUILDER	MARKET BUILDER	MANAGING MARKET BUILDER	ASSOCIATE MARKET MENTOR	MARKET MENTOR	MANAGING MARKET MENTOR	ASSOCIATE EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR	SENIOR EXECUTIVE DIRECTOR	
Personal Volume (PV)		200	300	400	500	500	500	500	500	500	500	500	
Active Lines		-	2	3	4	4	4	4	4	5	6	8	
Group Volume (GV)		-	1,200	2,400	4,000	5,000	5,000	7,000	7,000	7,000	7,000	7,000	
Structure Requirement		-	-	-	1 MMP	2 MMP	1 MMP, 1 MMB	2 MMB	1 MMB, 2 AMM	3 MMB, 2 MM	4 MMB, 2 MMM	6 MMB, 2 AED	
Downline Volume (DV)		-	-	-	-	-	-	30,000	60,000	120,000	300,000	800,000	
1st Gen MMB in last 12 months		-	-	-	-	-	-	MOTOR	-	1	1	1	
RETAIL BONUS W		Earn 30% on sales from retail customers   Earn 15% on sales from VIP Customers											
SUPER SELLER BONUS * PV from Customer Sales		<b>3%</b> 50	3% Super Seller				<b>6%</b> 2K Super Seller					uper Seller 10+ PV	
VIP ACQUISITION BONUS M		Enrol 4 new VIP Customers in a calendar month and earn a \$90 bonus; unlimited number of VIP bonuses each month											
UNI-LEVEL BONUS	Level 1	7%	10%	12%	12%	12%	12%	12%	12%	12%	12%	12%	
	Level 2	-	3%	5%	6%	7%	7%	7%	7%	7%	7%	7%	
	Level 3 Level 4	-	_	_	3%	5% 3%	5% 3%	5% 3%	5% 3%	5% 3%	5% 3%	5% 3%	
	Level 4					370	370	370	370	370	1 370	370	
GROUP VOLUME BONUS		Paid from you, down to your next generation MMB or above (Career Rank).				2%	2%	2%	2%	2%	2%	2%	
RANK ADVANCEMENT BONUS		-	\$150 if within enrolment month plus first 3 full months	\$150 if within enrolment month plus first 4 full months	\$225 if within enrolment month plus first 5 full months	\$750	\$750	\$1,500	\$3,750	\$7,500	\$15,000	\$30,000	
RANK ADVANCEMENT MATCHING BONUS		-	\$150	\$150	\$225	\$750	<ul> <li>Matching MMB</li> </ul>	ing MMP, AMB, and MB Bonus will be paid to the sponsor if the sponsor is paid as the same rank (or higher). ing MMB bonus will be paid to the first upline Career Rank MMB+, if paid as MMB+. If not paid as MMB+ the will be forfeited and does not roll up.					
MOTOR CLUB BONUS		To join the MONAT Motor Club, you must be paid as MM or above for 6 consecutive months. SandConditions for details. Effective for new Motor Club enrolments, term renewals or upgrade				re months. See Motor C s or upgrades after June	lub Terms 15, 2022.	\$1,125	\$1,125	\$1,690	\$1,690	\$2,250	
GENERATION	Generation 1	-	-	-	-	-	4%	4%	4%	4%	4%	4%	
	Generation 2	-	-	-	-	-	-	3%	4%	4%	4%	4%	
GENERATION BONUS	Generation 3	-	-	-	-	-	-	-	3%	4%	4%	4%	
	Generation 4	-	-	-	-	-	-	-	-	3%	4%	4%	
M	Generation 5	-	-	-	-	-	-		-	-	3%	4%	

# **SMART Start**

### START STRONG, EARN MORE BONUSES

### What is SMART Start?

SMART Start is the SMARTEST way to jump into your business - everything about it rewards vital behaviors, which are key to building a strong business.

A new Market Partner's SMART Start period is defined as their enrolment month, plus the following two calendar months.

This limited-time bonus program is exclusively available to new Market Partners within their SMART Start Period, giving them at least two full months to "earn while they learn."

### SMART START BONUSES

### **VIP Acquisition Bonus**

Enrol four VIP Customers, earn \$90 NZD



### **Block Bonus**

Build a BLOCK, earn \$225 NZD

A "Block" is comprised of four personally enrolled VIP Customers and one personally enrolled Market Partner with a Product Pack who are collectively enrolled during your SMART Start Period. When you do BOTH activities while in SMART Start, you'll earn a Block Bonus of \$225! There is NO LIMIT to the number of Block Bonuses you can earn while in SMART Start.

### **MONATborhood Bonus**

Build a MONATborhood, earn \$750 NZD

When you successfully complete three Blocks within your SMART Start Period, you will have built what we call a MONATborhood and you'll earn a \$750 bonus! A MONATborhood is comprised of twelve personally enrolled VIP Customers and three personally enrolled Market Partners with a Product Pack.

### MATCHING SMART START BONUS

When your personally enrolled Market Partner earns a Block Bonus while in SMART Start, you'll receive a matching bonus of \$110 NZD (In order to earn the bonus, the sponsor must be paid-as the same rank or higher, as the MP earning the Block Bonus).

# PRODUCT PACK BONUSES \$75 for each MP you enrol with a \$375 Essentials Combo Product Pack (200 PV) \$90 for each MP you enrol with a \$425 Hair Essentials Product Pack (250 PV) There's NO LIMIT to the number of Product Pack Bonuses you can earn. \$90 for each MP you enrol with a \$425 Skin Essentials Product Pack (250 PV) \$180 for each MP you enrol with a \$620 Success Product Pack (350 PV) \$375 for each MP you enrol with a \$1,000 Overachiever Product Pack (500 PV)

**ACTIVE:** You are considered "active" when you have at least 200 Personal Volume (PV) in a calendar month.

**ACTIVE LINE:** Any first level Market Partner and their entire downline, where at least one Market Partner in the line has at least 200 PV.

**BLOCK:** A Block is comprised of four new personally enrolled VIP Customers with a minimum purchase requirement and one new personally enrolled Market Partner with a Product Pack purchase, who are collectively enrolled during your SMART Start Period.

**BLOCK BONUS:** When you build a BLOCK while in SMART Start, you'll earn a Block Bonus! There is NO LIMIT to the number of Block Bonuses you can earn while in SMART Start.

**CAREER RANK:** The title given to a Market Partner that defines the highest rank they have achieved during their career with MONAT. The career rank may be adjusted based on the reclassification policy outlined on this document.

**COMMISSION DETAIL REPORT / COMMISSIONS REPORT:** A report located in your Back Office which provides your commission payout details for weekly and monthly earnings.

**COMMISSIONABLE VOLUME (CV):** The assigned value of each purchased product on which downline commissions are paid, including Uni-Level Bonus, Group Volume Bonus, and Generation Bonus.

**DOWNLINE:** Everyone in your organization below you.

**DOWNLINE VOLUME (DV):** The sum of PV from you and your entire downline, regardless of their rank. Also called organizational volume (OV).

**EMERGING FOUNDERS POOL:** A bonus pool originated in April 2019. This pool pays 1% of the commissionable revenue when quarterly gross revenue for North America exceeds \$75 million USD. Each market has its own criteria for eligibility.

**GENERATION:** A generation begins with a Market Partner in your downline who has a career rank of Managing Market Builder or above and can be anywhere below you. A generation includes everyone below them, down to but not including the next career rank Managing Market Builder or above.

**GENERATION BONUS:** Paid-As Associate Market Mentor (AMM) or higher may receive Generation Bonuses on the Commissionable Volume (CV) from their downline generations. For example, a Generation 1 would pay out on the first downline MMB or higher (career rank) and all the people below them, down to, but not including, the next MMB (career rank) or higher in the line. If an MP has a career rank of AMM+ and drops to a paid-as rank of MMB in a given month, they will be paid a 2% Generation 1 Bonus for that month.

**GROUP VOLUME (GV):** The personal volume from you and your downline, down to, but not including the next Managing Market Builder or above (by career rank). When a Market Partner in your group promotes to career rank Managing Market Builder, their GV will be included in your GV for that month.

**GROUP VOLUME BONUS:** A bonus that pays 2% on the commissionable volume in your personal group. Pays from you, down to, but not including your next generation MMB career rank or above.

**90-DAY GRACE PERIOD FOR PROMOTING AN MMB:** For the 3 calendar months after a Market Partner at the level of Managing Market Builder (MMB) or higher promotes a new MMB in their personal group, they will only be required to fulfill half of their GV requirement to be paid at that rank. If an additional MMB is promoted in their personal group during their grace period, the GV requirement will drop to zero for mutual grace period month(s). If the sponsor of the new MMB is not a career rank MMB or higher, the grace period for the GV applies to all upline MPs up to the next career rank MMB.

For example, if the promoting MMB's sponsor has a career rank of MMB, they will have reduced GV requirement of 2,500 GV to be paid as MMB during the grace period. If the promoting MMB's sponsor promotes two MMB legs, their GV requirement will drop to zero for any rank during the grace period. If the sponsor is not a career rank MMB, the Market Partners in between the promoting MMB and the next MMB or higher (in their career rank) will also enjoy of this benefit.

**LEGACY NORTH AMERICA FOUNDERS POOL:** The Founder's pool is a bonus paid as shares of 1% of the markets' commissionable revenue per quarter. Each market will have their own criteria for eligibility.

**LEVEL:** The position of a Market Partner in your downline in relation to you, regardless of their rank. When you personally enrol a Market Partner, they are considered to be your first level. Market Partners below them are the second level, and so on.

**LINE:** A line begins with a Market Partner on your first level and includes all the Market Partners below them. You can have as many lines as you have personally enrolled Market Partners. (Also called a leg).

**MARKET PARTNER (MP):** Someone who has joined MONAT with the intention of growing a team, building a MONAT business, and generating income.

**MATCHING BLOCK BONUS:** When your personally enrolled Market Partner earns a Block Bonus while in their SMART Start period, you will receive a matching Block Bonus. To earn the bonus, the sponsor must be paid as the same rank or higher as the Market Partner earning the Block Bonus.

**MOMONEY:** When a Market Partner earns commissions, they will be paid through an online wallet. The wallet is created upon your first commission of \$10.00 or more. For details, please reference the MoMoney FAQ.

**MONAT MOTOR CLUB:** This is a bonus that rewards you for achieving success and maintaining consistency. Once achieved, you will be eligible for a monthly bonus based on your paid-as rank. More info may be found in your Back Office.

**MONATBORHOOD BONUS:** When you complete three Blocks within your SMART Start Period, you will earn a MONATborhood Bonus. One Block = four VIP Customers and one Market Partner enrolled with a Product Pack. Building THREE of these within your SMART Start Period means you've built a MONATborhood.

**NEW FIRST-GENERATION MMB IN THE LAST 12 MONTHS:** All Paid-As Directors must have one new first-generation MMB within the last 12 months. The MMB counts the month in which they promote and for the following 11 months regardless of a career rank demotion. The MMB may also re-count for a Director if the MMB has a demotion but ranks back up to MMB after the 12th month period.

**ORGANIZATIONAL COMMISSIONABLE VOLUME (OCV):** The sum of commissionable volume from your entire organization.

**PAID-AS RANK:** The title given upon meeting rank qualifications in a monthly commission period. The paid-as rank may be the same or lower than the career rank and may fluctuate from month to month.

**PERIOD:** The period refers to a specific timeframe in which qualifications and bonuses are calculated. In our compensation plan, there is a weekly period, as well as a monthly period.

**PERSONAL GROUP:** A Market Partner and their entire downline, down to but not including the next Managing Market Builder or above (by career rank).

**SUPER SELLER BONUS:** Market Partners will be qualified to receive an additional percentage on their total Personal Sales Volume from their VIP and Retail Customer purchases when they achieve the required PV from their VIP and Retail Customer purchases to unlock the bonus each month. Personal PV is excluded from the qualification and earnings calculation.

**PERSONAL SALES VOLUME:** The assigned value of each purchased product that is used to calculate the Personal Sales Bonus. On full-price items, the PSV of an item is equal to the PV of that item. On discounted items, the PSV will be reduced or nulled according to the discount that is applied.

**PERSONAL VOLUME (PV):** An assigned value associated with MONAT products. PV is the sum of your personally purchased products as well as products purchased by your personally enrolled VIP and Retail Customers. Every MONAT product has its own value, which is the same in all MONAT global markets.

**PRODUCT PACK (PP):** A collection of products available only to new Market Partners upon enrolment. Product Packs contain personal volume but not commissionable volume.

**PRODUCT PACK BONUS:** Market Partners who enrol a new Market Partner with a Product Pack may be eligible to receive a Product Pack Bonus.

**QUALIFIED LINE (OR STRUCTURE):** To have a qualified line, at least one Market Partner within the line must be paid as a specific rank in the month. For example, to be a Managing Market Builder, you need at least two lines which contain a MP with the paid-as rank of Managing Market Partner or higher. For qualification purposes, you may only count one rank per line.

**RANK ADVANCEMENT:** When a Market Partner meets specific qualifications in a calendar month, she/he may advance to a new rank.

**RANK ADVANCEMENT BONUS:** Market Partners who rank advance for the first time are eligible to receive a Rank Advancement Bonus. Some ranks must be achieved within a specific time period.

**RANK ADVANCEMENT MATCHING BONUS:** A matching MMP, AMB, and MB Bonus will be paid to the sponsor if the sponsor is paid as the same rank (or higher). The Matching MMB Bonus will be paid to the first upline career rank MMB+ if they are paid as MMB+ during that month. If they are not paid-as MMB+, the bonus will be forfeited and does not roll up.

RECLASSIFICATION POLICY: Managing Market Builders who are not paid as their

career rank at least once within 6 calendar months will be reclassified to their highest paid-as rank achieved in the prior 6 calendar months, and their Group Volume (GV) will return to the sponsor's GV on the 6th month, if reclassified below MMB.

Associate Market Mentors and above not paid as their career rank at least once within 12 calendar months will be reclassified to their highest paid-as rank achieved in the prior 12 months and their Group Volume (GV) will return to the sponsor's GV on the 12<sup>th</sup> month, if reclassified below MMB.

**RENEWAL:** Each year, Market Partners are required to renew their Market Partner account with MONAT to remain a Market Partner.

**RETAIL BONUS:** Every time one of your VIP or Retail Customers purchases MONAT products, you will earn a Retail Bonus – that's what we call your commission based on these purchases. The Retail Bonus amount is determined by the difference in the Market Partner price of a product (the price you would pay) and the price paid by the VIP or Retail Customer.

**RETAIL CUSTOMER:** A customer who orders product at the full retail price.

**SMART START:** A limited-time bonus program available to new Market Partners.

**SMART START PERIOD:** A new Market Partner's SMART Start period is their enrolment month plus the next two calendar months. For example, a Market Partner who enrolled on April 10 has a SMART Start Period which begins April 10 and ends on June 30.

**SPONSOR:** The Market Partner who enrolled you, and is directly above you in the genealogy, is your sponsor.

**STRUCTURE REQUIREMENT:** At least one Market Partner within one of your lines must be paid as a specific rank in the month for rank qualification purposes.

**UNI-LEVEL BONUS:** As an active Market Partner, you can be paid on the Commissionable Volume from the sales of Market Partners below you, down through four levels. The percentages you are paid and the number of levels you are paid on are based on your paid-as rank, regardless of the ranks of the people below you.

**UPLINE:** Your sponsor is your "direct upline," plus any Market Partners above your direct upline are also considered your "upline."

VIP ACQUISITION BONUS: For every four new VIP Customers you enrol who

purchase a minimum required amount, you will receive a bonus. If you are within your SMART Start Period, you will have your enrolment month plus two calendar months to earn the bonus. If you are past your SMART Start Period, you will be paid when all four VIPs are enrolled (with minimum purchase requirements) within the same calendar month.

**VIP CUSTOMER:** A customer who is enrolled in our VIP Customer program and purchases product at a discounted (VIP) price. VIPs enjoy additional exclusive perks.