

## **Handbook for FM Distributors and Leaders** acting on foreign markets

## INTRODUCTION

### FM GROUP WORLD IS A WORLDWIDE COMPANY.

It has got its branches in several dozen countries in all continents and prepares for opening some new branches. Every member of FM GROUP Club can develop the business and sponsor new Distributors in any corner of the world. This fact undoubtedly raises attractiveness of FM GROUP offer, however, it lays responsibility upon the company and all Distributors for ethical site of sponsoring at international level.

The hereby handbook has been prepared in order to facilitate the process of sponsoring and development of structures on foreign markets. We hope, that after reading it, you will become an international FM Leader.

### WHERE CAN YOU DEVELOP YOUR STRUCTURE?

You will find the list of FM GROUP branches and their contact data on [www.fmworld.com](http://www.fmworld.com) or on websites of FM GROUP branches in "FM GROUP on the world" bookmark.

If you are interested to develop the business in a selected country, get familiar with rules that are obligatory for Distributors in this specific branch. Only in this way you will give competent and reliable information to Distributors in your structure and you will achieve international success.

Read this handbook. If you want to get to know more details, have a look at the website of a given branch, contact the coordinator of a given country in FM GROUP World headquarters ([info@fmworld.com](mailto:info@fmworld.com)) or the representatives of a selected branch.

The most important rules of acting for FM GROUP Distributors are the same in all countries. The differences that you or your distributors will encounter, result from binding law or specific character and culture of a given country. That is why, we emphasize the necessity of getting familiar\* with basic rules of cooperation with a given branch in order to avoid misunderstandings.

\*We would like to emphasize that this is a continuous process, because developing branches may constantly raise standards of service (e.g. by extending work time), and data such as for example: products' prices change.

### **FM GROUP BRANCHES – SIMILARITIES AND DIFFERENCES**

FM GROUP branches in the world are autonomic enterprises and differ in many respects between each other. There are areas, however, in which FM GROUP World introduced uniform politics and the company executes complying with the politics in the whole world.

Regardless of FM GROUP branch, the following things will stay the same:

- > Marketing Plan
- > Distributor contract form
- > Catalogue of products
- > FM fragrances offer
- > Minimum value of self-purchase necessary to receive the commission (34.42 points monthly)
- > Minimum value of self-purchase necessary to stay an active Distributor (103.26 points annually)

Depending on FM GROUP branch, the following things differ:

- > prices of FM products, including Starter Kits
- > point values of FM products
- > offer of products other than perfumes (first of all gadgets)
- > cost of shipment
- > motivational programmes and promotions (excluding programmes organized directly by FM GROUP World all around the world)
- > possibility of online registration
- > access password to the website of a branch
- > possibility of shopping in online store
- > way of paying commission
- > amount and possibility of discounts accumulation
- > working hours of a branch

What defines the specificity of a given branch is its regulations. It is a basic and binding source of information about the rules that are obligatory in FM GROUP agency on a territory of a specific country. It is every FM GROUP Club member's own interest to get acquainted with regulations of the branch, with which they or their structure are going to cooperate.

**FOREIGN OFFICES**

We signal at the beginning, that all FM GROUP offices can have different working hours. In a given country, there can be different days off and holidays. You should also take into consideration differences between particular time zones! Hours, in which particular offices of the branches work, are announced on web pages of these branches.

**ACTING IN A COUNTRY IN WHICH THERE IS NO FM GROUP BRANCH**

If there isn't any FM GROUP branch yet in a selected country, contact representatives of a nearest FM GROUP branch or FM GROUP World headquarters ([info@fmworld.com](mailto:info@fmworld.com)) and get acquainted with possibilities of cooperation.

## RULES OF COOPERATION

In order to support and facilitate distributors' activities on foreign markets, we present below the most important rules that are obligatory in all FM GROUP World branches. We stipulate, that the information may be changed.

Table No 1 – TERMS OF COOPERATION WITH FM GROUP BRANCHES

COUNTRY	DELIVERY COSTS	FREE DELIVERY FROM (total of pts., total of perfumes or total price)	STARTER SETS	FORMAL CRITERIA FOR PAYING THE COMMISSION	DISCOUNTS
<b>ARGENTINA</b> (peso)	40-64 ARS	360 pts.	20 samples - 67,5 ARS; 100 samples - 217,5 ARS; 137 samples - 300 ARS	job order or companies	discount up to 95% of the order total, accumulation without limits
<b>ARMENIA</b> (dram)	every delivery calculated individually	every delivery calculated individually	20 samples - 7 000 AMD; 137 samples - 27 000 AMD	distributor's contract; commission paid to the distributors above the 9% efficiency level (up to 9% only in discounts)	-----
<b>AUSTRALIA</b> (dollar)	7-10 AUD	240 pts.	182 samples (incl. older fragrances) - 150 AUD; 100 samples - 80 AUD	distributor's contract + Australian Tax Number (ABN)	discount up to 95% of the order total, accumulation without limits
<b>BELGIUM</b> (euro)	6 EUR	500 pts.	163 samples - 51 EUR	distributor's contract; commissions paid from 30 EUR; FM GROUP Belgium provides an information on each distributor's income on yearly basis	discount up to 90% of the order total, accumulation without limits
<b>BOSNIA and HERZEGOVINA</b> (convertible mark)	8,5-11,5 KM	439 pts.	137 samples - 84,5 KM	distributor's contract	discount up to 50% of the order total, accumulation without limits
<b>BULGARIA</b> (lev)	5,5 BGN	188,8 pts. or order total of 130 BGN	100 samples - 50 BGN; 163 samples - 85 BGN	distributor's contract	discount up to 90% of the order total, accumulation without limits
<b>CANADA</b> (dollar)	8-15 CAD	480 pts.	100 samples - 65 CAD + tax (depending on the state)	distributor's contract; commissions paid from 100 CAD	discount up to 100% of the order total, accumulation up to 6 months
<b>CROATIA</b> (kuna)	33,58-59,48 HRK	30 perfumes at regular price	137 samples - 308,25 HRK	distributor's contract	discount up to 50% of the order total, accumulation without limits
<b>CYPRUS</b> (euro)	3,5-8 EUR	586 pts.	137 samples - 43 EUR	distributor's contract	discount up to 90% of the order total, accumulation without limits
<b>CZECH REP.</b> (koruna)	50-100 CZK	200 pts.	20 samples - 350 CZK; 100 samples - 850 CZK; 163 samples - 1350 CZK	„živnostenský list“ (trade card) or companies	discount up to 50% of the order total, accumulation up to 3 months
<b>EGYPT</b> (pound)	10-40 EGP	over 300 pts.	20 samples - 90 EGP; 30 samples (lux) - 150 EGP; 100 samples - 300 EGP; 163 samples - 450 EGP	no MLM system yet	
<b>ESTONIA</b> (kroon)	60-70 EEK	300 pts.	137 samples - 699 EEK	companies	discount up to 50% of the order total, accumulation without limits
<b>GABON</b> (frank)	free delivery	free delivery	20 samples - 29 500 XAF; 100 samples - 69 000 XAF; 163 samples - 119 000 XAF	no MLM system yet	no MLM system yet
<b>GERMANY</b> (euro)	3,9 EUR	order total of 100 EUR	150 samples - 40 EUR	distributor's contract; commissions paid from 30 EUR	discount up to 50% of the order total, accumulation without limits
<b>GREECE</b> (euro)	4-8 EUR	550 pts.	30 samples lux - 19,5 EUR 137 samples - 43 EUR	job order or companies	discount up to 90% of the order total, accumulation without limits
<b>HOLLAND</b> (euro)	6 EUR	480 pts.	163 samples - 51 EUR	distributor's contract; commissions paid from 30 EUR	discount up to 90% of the order total, accumulation without limits
<b>HUNGARY</b> (forint)	1500-1800 HUF	454 pts.	20 samples - 2 900 HUF 100 samples - 8 500 HUF 163 samples - 12 700 HUF	job order or companies	discount up to 50% of the order total, accumulation until December
<b>IRELAND</b> (euro)	8-14 EUR	290 pts.	163 samples - 53 EUR	distributor's contract + PPS (or passport) no.; commission paid from 100 EUR	discount up to 50% of the order total, accumulation up to 6 months
<b>ISRAEL</b> (sheqel)	13-28 NIS	570 pts.	100 samples - 200 NIS; 161 samples - 340 NIS	distributor's contract; commissions paid from 400 NIS	discount up to 50% of the order total, accumulation without limits
<b>ITALY</b> (euro)	10-16 EUR	439,5 pkt.	163 samples - 50,80 EUR	distributor's contract; commission paid from 50 EUR; once a year all commissions paid	no discounts

<b>IVORY COAST</b> (franc)	1000 XOF	5 perfumes (Abidjan), 25 perfumes (rest of the country) at regular price	30 samples lux - 25 000 XOF; 100 samples - 30 000 XOF;	distributor's contract; commissions paid from 20 000 XOF	discount up to 50% of the order total, accumulation without limits
<b>LITHUANIA</b> (litas)	9-15 LTL	249,59 pts.	20 samples - 35 LTL; 100 samples - 100 LTL; 163 samples - 160 LTL	companies	discount up to 50% of the order total, accumulation without limits
<b>LATVIA</b> (lats)	2 LVL	175 pts.	163 samples - 39 LVL	companies	discount up to 50% of the order total, accumulation without limits
<b>MACEDONIA</b> (denar)	200 MKD	231 pts.	137 samples - 2 650 MKD	distributor's contract	discount up to 50% of the order total, accumulation without limits
<b>MONTENEGRO</b> (euro)	2-10 EUR	30 perfumes at regular price	137 samples - 42,5 EUR	distributor's contract	discount up to 50% of the order total, accumulation without limits
<b>MEXICO</b> (peso)	50-80 MXN	250 pts.	20 samples - 399 MXN; 100 samples - 699 MXN	distributor's contract + filled form from the www	no discounts
<b>MOROCCO</b> (dirham)	45 MAD	10 perfumes at regular price	100 samples - 250 MAD; 163 samples - 450 MAD	no MLM system yet	
<b>NIGERIA</b> (naira)	from 1 500 NGN	10 perfumes at regular price	100 samples + 30 samples lux (+ 1 perfume) - 14 000 NGN	distributor's contract	discount up to 100% of the order total, accumulation without limits
<b>NORWAY</b> (krone)	29-165 NOK; fares valid also for Sweden	1201 pts.	100 samples - 350 NOK; 161 samples - 550 NOK	companies	discount up to 60% of the order total, accumulation without limits
<b>PHILIPPINES</b> (peso)	125-490 PHP	order total of 10 000 PHP	100 samples - 2 500 PHP	distributor's contract + Tax Identification Number (TIN)	discount up to 90%, accumulation without limits
<b>POLAND</b> (zloty)	18 PLN	183,6 pts.	20 samples - 30 PLN; 110 samples - 103 PLN; 161 samples - 135 PLN	job order or companies	discount up to 90% of the order total, accumulation until December
<b>PORTUGAL</b> (euro) - serviced by Spain	8 EUR	350 pts.	20 samples - 12 EUR; 100 samples - 27 EUR; 137 samples - 44 EUR	job order or companies	discount up to 90% of the order total, accumulation without limits
<b>REP. OF SOUTH AFRICA</b> (rand)	55,55-118,61 ZAR	not possible yet	100 samples - 530 ZAR	distributor's contract, commissions paid from 300 ZAR	discount up to 50% of the order total, accumulation without limits
<b>ROMANIA</b> (leu)	8-16 RON	400 pts.	100 samples - 140 RON; 163 samples - 210 RON	companies	discount up to 50% of the order total, accumulation without limits
<b>RUSSIA</b> (ruble)	250-1 650 RUB	250-1 650 pts.	100 samples - 1 350 RUB	distributor's contract	discount up to 50% of the order total, accumulation up to 3 months
<b>SERBIA</b> (dinar)	150-450 CSD	order total of 13 000 CSD	137 samples - 3 340 CSD	distributor's contract	discount up to 50% of the order total, accumulation without limits
<b>SLOVAKIA</b> (euro)	4,98 EUR	order total of 51,78 EUR	100 samples - 36,51 EUR 163 samples - 55,10 EUR	„živnostenský list“ (trade card) or companies	discount up to 50% of the order total, accumulation until November
<b>SLOVENIA</b> (euro)	4,61-5,34 EUR	30 perfumes at regular price	137 samples - 47,95 EUR	distributor's contract	discount up to 50% of the order total, accumulation without limits
<b>SPAIN</b> (euro)	8 - 15 (islands) EUR	350 - 590 (islands) pts.	20 samples - 12 EUR; 100 samples - 27 EUR; 137 samples - 44 EUR	job order or companies	discount up to 90% of the order total, accumulation without limits
<b>TURKEY</b> (lira)	10 YTL	order total of 144 YTL	100 samples - 66 YTL; 137 samples - 90 YTL	job order	discount up to 50% of the order total, accumulation up to 3 months
<b>UKRAINE</b> (hryvnia)	45 UAH	300 pts.	100 samples - 299 UAH	job order or companies	discount up to 50% of the order total, accumulation until December
<b>UNITED KINGDOM</b> (pound)	3-5 GBP	580 pts.	100 samples - 24,5 GBP; 163 samples - 42,5 GBP	distributor's contract	discount up to 50% of the order total, accumulation without limits
<b>UNITED STATES</b> (dollar)	approx. 10 - 15 USD	20 perfumes at regular price	137 samples - 54 USD	distributor's contract, commission paid from 100 USD, commissions below 100 USD paid once a year (in January)	discount up to 50% of the order total, accumulation until December
<b>VIETNAM</b> (dong)	14 500 - 54 000 VND	10 perfumes at regular price (Hanoi); 500 pts. (rest of the country)	20 samples - 280 000 VND; 100 samples - 850 000 VND; 138 samples - 1 200 000 VND	distributor's contract, commission paid from 500 000 VND	

### 1. EVERYTHING ABOUT YOUR SPONSOR

**As a FM GROUP Distributor you can have only one Sponsor. Your Sponsor can be of other nationality and can be registered in other FM GROUP branch. Every FM GROUP Distributor, and you as well, can invite people from the whole world for cooperation.**

Every branch disposes an international base of distributor numbers, so there are no obstacles to sign in 'under' a selected Sponsor from any country.

If you encouraged a new person to cooperation, remember about giving your Distributor number (that is Sponsor number) for the person. It is your own interest to give a full and correct distributor number.

If a new person does not give Sponsor number, she/he will be allocated by the branch to the group of a Leader indicated by the office.

#### **You choose a Sponsor once! Only once you register in FM GROUP World base!**

Registration is always connected with signing the distributor contract. The people suggesting change of the Sponsor or signing in themselves or other Distributors for the second time (or more times) should be aware that their accounts will be blocked (they will not be able to do shopping and take out commissions), and then the people will be removed from Distributors database. Changing Sponsors and persuading to do it is a serious offense against the Regulations of Member of FM GROUP Club!

**Changing place of residence (going abroad as well) never entails the necessity of changing the Sponsor.** If you emigrate, it is sufficient to send a written request for changing the location of your payment to FM GROUP World. You will find a proper form on [www.fmworld.com](http://www.fmworld.com) web page or on the branches' web pages (for details see point 7 LOCATION OF PAYMENT).

The only possibility of receiving a new Distributor number is when a Distributor leaves FM Club (on the basis of a written request sent to FM GROUP World).

**Re-entering to FM Club can happen not until 6 months from the leaving date.** After half a year a Distributor can start the activity again in any country.

Before 6 months, a Distributor cannot be registered again in any FM GROUP branch (even in a newly-open one). Leaving FM Club is free of charge.

A Sponsor, when registering a new Distributor into the FM GROUP Club, is obliged to present them the rules of cooperation binding in the Distributor's country of residence, familiarize them with products, prices, promotions, as well as train them upon Marketing Plan.

This assignment is especially difficult in situation when a Sponsor and a new Distributor come from different countries and speak different languages. One should remember that regulations, prices, points and other terms of cooperation in a Sponsor's country can be different than those which are binding in a Distributor's country (Table 1). But it is the Sponsor's responsibility to inform and train regularly the Distributors.

#### **Example**

Mario from Italy signed a distributor contract with Natasha from Russia. From that time, Natasha acts in a structure, which is under Mario's care. Mario's obligation is to familiarize Natasha with the rules of cooperation with FM GROUP in Russia. If Mario has a poor knowledge of Russian, he should ask Natasha to get familiar with information published on the web pages of FM GROUP Russia (that is the country in which she will act). Mario should explain all possible doubts to Natasha and help her with creating a structure in Russia.

## 2. CONTRACT – A NECESSARY FORMALITY

**To become a member of FM GROUP Club, one has to sign a distributor contract through the medium of a Sponsor, who acts in any country in the world.**

If you want to receive an example of a distributor contract binding in a given country, contact FM GROUP World headquarters ([info@fmworld.com](mailto:info@fmworld.com)).

A complete contract must contain contact details of a Distributor, including current address for correspondence, Starter code\*, a Sponsor's distributor number, the Distributor's identity document's number and signatures of both Distributor and Sponsor.

### ATTENTION!

The identity document's number can be: the number of identity card, passport, driving license, social security or other official document binding in a given country.

**A new Distributor can be sponsored on a contract form from another country.**

On the basis of such contract, the Distributor will be entered into the system. You have to remember, however, that it is vital for him/her to become familiar with the branch regulations in a country, in which they are going to act.

A new Distributor's number can be the number taken from the contract, but it can also be a new number granted from a numeration reserve of a given country (it depends directly on a branch that registers the contract). When you look for a new person on the tree, try to look for their name, not the number.

The contract's number can be a letter-numeral code. Letters represent symbol of a country, however, every letter symbol also has its numeral equivalent. When logging in on a web page, you should use login consisting of numerals only.

**In many countries there is a possibility of online registration. In this case, one also has to deliver a printed and signed Distributor contract to a branch in a later term.**

A Distributor is under an obligation to inform FM GROUP about changes of data written on the contract, e.g. telephone number, address, name etc.

\* In some countries, it is not allowed (against the law) to fulfill this condition, that is why purchase of Starter is voluntary and optional there: e.g. Australia, Belgium, Great Britain.

### 3. STARTER

**To become FM GROUP Member you have to buy Starter Kit\*.**

Every Starter is marked with a unique code, which needs to be stuck on or written to a distributor contract. Writing the code number is necessary for the contract to be registered. Contracts without Starter codes or without attached order for a Starter will not be registered.

Offer of perfumes and perfumed waters is identical in all branches of FM GROUP. There may however be certain time shifts when introducing a new products offer (e.g. in some countries novelties may be available at a later time). Each branch is responsible for the time of introducing new fragrances and they may choose these dates freely.

**Despite the fact, that fragrance offer is identical, not in every FM GROUP branch all three kinds of Starters are available (see Table 1).** When informing potential Distributors, draw their attention to it. Each branch has an obligation to accept a contract with a Starter code purchased in another FM GROUP branch.

#### Example:

Peter from Berlin in Germany invited Bea, who lives in Barcelona (Spain) to join FM GROUP Club. He sent a contract to her by fax. Bea signed the contract and went to the office in Barcelona with it. She bought a Starter there, stuck its code on the contract and gave the contract to an employee of the office for registration. The contract will be registered in this office. If Peter sent a contract that is obligatory in German branch to Bea, she will have to accept Spanish regulations. From that moment, Bea can start buying products and build her structure as a rightful member of FM GROUP Club.



\* In some countries, it is not allowed (against the law) to fulfill this condition, that is why purchase of Starter is voluntary and optional there: e.g. Australia, Belgium, Great Britain.

#### 4. QUICK AND PROFICIENT REGISTRATION

You should **send** a complete contract or a **contract** without Starter code (but with order for Starter) **directly to a selected FM GROUP branch** or to FM GROUP World (info@fmworld.com or fax: 00 48 71 327 00 35).

Each branch is obliged to register a new Distributor within maximum 5 working days.

In case of contracts sent by fax or email, it may happen that personal and contact details are illegible and a branch cannot contact a Distributor because of it. This is the most frequent reason of a delayed registration. In that case, please contact a branch to which the contract was sent or International Cooperation Department of FM GROUP World.

When you make a call to an FM GROUP branch concerning a new Distributor, prepare in advance the data of the person, who was to be registered (name, surname, contract number, country of residence) and a Sponsor's name.

After the registration, every Distributor receives a password to the web page, which will enable them to monitor the development of their structure, shopping, levels of effectiveness of their Distributors and their own position at the same time. If you forgot your password, you can receive it by phoning the branch, but you have to confirm your identity by giving detailed data (name, surname, identity document's number, distributor number, address of residence; sometimes a worker of the office can also ask about more detailed data – e.g. Sponsor's name, tax identification number).

A Distributor (no matter in which country their Sponsor is registered) is under the same rights and obligations as other Distributors in a given country are subject to. For example he or she has the right to take part in all meetings and trainings organized by a local branch of FM GROUP.

## 5. ORDERS AND THEIR REALISATIONS ON TERMS OF A BRANCH

**A Distributor can do the shopping in all countries, in which FM GROUP branch exists** regardless of his/her place of registration, but only up to 550.8 points of point value indicated in the regulations. He/she pays for it then the price that is binding in a given country and receives the point value which is assigned to the purchased products.

### Example:

Joanna from Poland visited her cousin in Austria. She met 3 people there, who wanted to buy FM perfumes. Joanna ordered 3 perfume bottles from Classic Collection in Ausrian branch of FM GROUP, for which she paid 28.5 euro (the price for Distributors of 1 bottle of perfume in Ausrian branch is 9.5 euro) and she received 87.9 points for this purchase.

A Distributor can buy products that have no point value without limitations in all countries. These products are Starters for example, necessary on meetings with people willing to join FM GROUP Club.

A Distributor who came to a given country for a longer stay, can start to order products in larger amounts only after changing the location of payment (for this particular branch).

**A Distributor pays for the order according to rules binding in a given branch.**

In some branches, there is a rule of paying in advance for a placed order. Part of FM GROUP branches provide a standard service for those countries, in which there is no FM GROUP branch yet. Some branches do not send parcels to other countries because of long-lasting procedures on the border and high shipment costs.

FM GROUP offer may be slightly different in each particular branch with regard to demand and specific character of a country. A current range of products is presented in FM GROUP Catalogue which is binding in a given FM branch or on its website. Detailed terms of order and its realization are displayed in Table 1.

No branch can send goods to a country, in which other FM GROUP branch operates. Online stores available on web pages of the branches provide goods only to a given country.

## 6. POINTS

Each product has a point value assigned to it. Point values granted for a given product differ in each particular FM GROUP branch. You will find the catalogue price, the distributor's price and points in price lists on particular branches' websites (Table 2).

All branches work using MLM Manager programme, which guarantees an efficient flow of information. It means, that **points for realized orders placed by people acting in your structure abroad, are visible on the tree in the same way as for shopping done by Distributors in your mother branch.**

Table 2 – PRICES OF PRODUCTS FROM THE CLASSIC COLLECTION

COUNTRY	CLASSIC COLLECTION 30 ml / 50 ml			
	catalogue price	distributor's price	currency	points
ARGENTINA	80,00	60,00	ARS	24,00
ARMENIA	8 500,00	6 000,00	AMD	24,00
AUSTRALIA	26,95	18,90	AUD	24,00
BELGIUM	13,90	10,26	EUR	29,30
BOSNIA and HERZEGOVINA	27,80	19,45	KM	27,35
BULGARIA	22,00	16,50	BGN	23,60
CANADA	20,00	14,00	CAD	24,00
CROATIA	103,00	72,00	HRK	27,44
CYPRUS	14,60	10,20	EUR	29,30
CZECH REPUBLIC	330,00	230,00	CZK	29,30
EGYPT	129,00	90,00	EGP	28,00
ESTONIA	175,00	120,00	EEK	23,03
PHILIPPINES	1 220,00	850,00	PHP	24,00
GABON	16 150,00	11 295,00	XAF	24,00
GHANA	35,00	28,75	GHC	25,00
GERMANY	13,90	9,50	EUR	29,30
GREECE	14,30	9,90	EUR	29,30
HOLLAND	14,30	9,90	EUR	29,30
HUNGARY	2 950,00	1 900,00	HUF	24,94
IRELAND	13,90	9,50	EUR	29,30
ISRAEL	94,90	65,00	NIS	28,50
ITALY	13,90	9,50	EUR	29,30
IVORY COAST	12 500,00	8 200,00	XOF	18,36
JAPAN	2500	1750	JPY	24
LATVIA	8,25	5,65	LVL	24,10
LITHUANIA	38,00	26,00	LTL	22,69
MACEDONIA	830,00	580,00	MKD	25,75
MOROCCO	140,00	100,00	MAD	18,36
MEXICO	219,00	169,00	MXN	18,36
MOLDOVA	199,50	140,00	MDL	29,30
MONTENEGRO	14,20	10,00	EUR	28,14
NIGERIA	3 375,00	2 500,00	NGN	36,00

Table 2 – PRICES OF PRODUCTS FROM THE CLASSIC COLLECTION

NORWAY	125,00	88,00	NOK	29,30
POLAND	33,50	23,45	PLN	18,36
PORTUGAL	32,00	9,50	EUR	29,30
REPUBLIC OF SOUTH AFRICA	200,00	140,00	ZAR	18,36
ROMANIA	49,00	35,00	RON	25,00
RUSSIA	510,00	380,00	RUB	24,00
SERBIA	1 220,00	855,00	CSD	25,14
SLOVAKIA	13,61	9,29	EUR	28,00
SLOVENIA	13,90	9,50	EUR	29,30
SPAIN	13,90	9,50	EUR	29,30
TURKEY	30,00	22,00	YTL	29,50
UKRAINE	119,00	85,00	UAH	36,00
UNITED KINGDOM	10,50	7,00	GBP	29,00
UNITED STATES	20,00	14,00	USD	24,00
VIETNAM	458 000,00	320 000,00	VND	24,00

Points are visible on the tree just after realizing an order, which is after taking an order and giving out the goods by a branch's employee. When checking data in the system, take into account the hours of work in a branch, shifts resulting from different time zones and length of realizing an order settled in a given branch!

Payment resulting from I and II Marketing Plan is calculated according to the same rules in all branches in currency proper for a given country. When logging in on a given branch's website, remember, that the payment shown on the tree is counted in currency proper for this country. You will find the conversion rate in Table 3 or in Marketing Plan of a given country.

Table 3 – CONVERSION RATE FOR PAYING OUT THE COMMISSION

COUNTRY	CONVERSION RATE
ARGENTINA	1 point = 1,05 PES
ARMENIA	1 point = 105 AMD
AUSTRALIA	1 point = 0,41 AUD
BELGIUM	1 point = 0,25 EUR
BOSNIA and HERZEGOVINA	1 point = 0,49 KM
BULGARIA	1 point = 0,48 BGN
CANADA	1 point = 0,357 CAD
CROATIA	1 point = 1,7857 HRK
CYPRUS	1 point = 0,25 EUR
CZECH REPUBLIC	1 point = 0,25 EUR (commissions calculated in euro)
ESTONIA	1 point = 3,7 EEK
GABON	1 point = 165 XAF
GHANA	1 point = 0,415 GHC
GERMANY	1 point = 0,25 EUR
GREECE	1 point = 0,25 EUR
HOLLAND	1 point = 0,25 EUR
HUNGARY	1 point = 63,47 HUF
IRELAND	1 point = 0,25 EUR
ISRAEL	1 point = 1,4 NIS
ITALY	1 point = 0,25 EUR
IVORY COAST	1 point = 166,67 XOF
JAPAN	1 point = 30 JPY
LATVIA	1 point = 0,166 LVL
LITHUANIA	1 point = 0,83 LTL
MACEDONIA	1 point = 14,925 MKD
MEXICO	1 point = 0,43 MXN
MOLDOVA	1 point = 3,5 MDL
MONTENEGRO	1 point = 0,25 EUR
NETHERLANDS ANTILLES	1 pkt = 0,6 ANG
NIGERIA	1 point = 0,28 USD (commissions calculated in US dollars)
NORWAY	1 point = 2,2 NOK
POLAND	1 point = 1 PLN net
REPUBLIC OF SOUTH AFRICA	1 point = 2,8 ZAR
ROMANIA	1 point = 0,85 RON
RUSSIA	1 point = 9,09 RUB
SERBIA	1 point = 22,5 CSD
SLOVAKIA	1 point = 0,25 EUR
SLOVENIA	1 point = 0,25 EUR
SPAIN	1 point = 0,25 EUR
TURKEY	1 point = 0,434 YTL
UKRAINE	1 point = 1,75 UAH
UNITED KINGDOM	1 point = 0,175 GBP
UNITED STATES	1 point = 0,37 USD
VIETNAM	1 point = 5950 VND

## 7. LOCATION OF PAYMENT

While signing contract, you give your contact details, which determine the location of payment. **By registering, you become assigned to your mother branch.**

**If you go abroad for a longer period or you move permanently, then you change branch that you cooperate with and so called location of payment (that is the country in which you will take out discount or commission).** Remember, that you can purchase products in all branches for a determined in regulations point value, but only in one country you can take out discounts or commissions. If you purchase in a country, in which you are a guest, you receive points, but you cannot get a discount unless you change location of payment in FM GROUP system for this country.

### Example:

Ania, who is registered in the Polish branch of FM GROUP, went on a trip to London (Great Britain) for a couple of days and bought 2 perfume bottles in the British branch of FM GROUP. She couldn't, however, get the entitled discount, because she can take it out only in Poland. If Ania is going to stay longer in Great Britain and wants to take out the commission in the British branch, she has to apply for change of location of payment to FM GROUP.

**In order to change the location of payment you only need to send a written request to FM GROUP World.** You will find a proper form on [www.fmworld.com](http://www.fmworld.com) or on the branches' web pages. Changing location of payment is free of charge and can be done many times. If you come back from emigration for example, you will have to send a form with current data once again.

Changing location of payment takes place only on the basis of application form, which must be sent to the office of FM GROUP World (by email: [info@fmworld.com](mailto:info@fmworld.com) or fax: 0048 71 327 00 35) to 20th day of every month. Changing location of payment will take place the following month.

### REMEMBER!

When changing location of payment, get acquainted with terms of paying out discounts and commissions in a new branch, because from that moment you will work according to them (see Table 1).

## **8. PROMOTIONS AND MOTIVATIONAL PROGRAMMES**

**In every FM GROUP branch, periodical promotions and motivational programmes are organized.**

Promotions and motivational programmes can be organized by FM GROUP World (then they apply for all branches) or by a given country (then they are directed to Distributors assigned to a given office, see point 7 LOCATION OF PAYMENT).

Distributors are informed about promotions through the web page, leaflets enclosed to parcels, newsletters, telephone information, text messages (the way of conveying information depends on peculiarity of a given market).

## **9. COMPLAINTS**

Procedures connected with adjusting complaints are settled individually by each branch, and the rules that govern them are made accessible on the websites of particular branches.

## **10. ETHICAL CODE OF FM**

FM GROUP Distributors are obliged to use rules of honest conduct. They cannot sponsor Distributors, who act in structures of other Members of FM GROUP Club. They cannot act for the benefit of competition or manipulate the structure in order to achieve personal profits at the cost of other Members of FM GROUP Club.

We remind, that according to Regulations, a Member of FM GROUP Club can have only one Sponsor. All changes of a Sponsor are impossible. That is why, we ask you to consider your decision thoroughly. We would like to point out at the same time, that all attempts to sponsor persons who have already been sponsored or to give false information about activity of FM GROUP will result in removing a dishonest Distributor from FM GROUP Club.

We wish you success!  
FM GROUP World

## ABC FM | FM BASIC TERMS

**A**

**Accumulated Points** – total Points of Personal Group and Conventional Points, it concerns Distributors qualified for II Marketing Plan (details in Marketing Plan)

**Amaranth, Amaranth Orchid** – a title granted to a person, who has at least 3 groups in his/her structure and the groups achieved the Efficiency Level of 21% (details in Marketing Plan)

**B**

**Bonus (Commission)** – the amount entitled on the grounds of achieved Efficiency Level; the condition of receiving the entitled Bonus is making Self-Purchase for the value of at least 34.42 points in a monthly settlement period (details in Marketing Plan)

**Black Diamond, Black Diamond Orchid** - a title granted to a person, who has at least 10 groups in his/her structure, and the groups are on Diamond Orchid level and each leg has at least one million points monthly turnover (details in Marketing Plan)

**C**

**Catalogue Price** – the price placed in FM GROUP Catalogue of Products, which a Client pays for products

**Client** – a person who does not belong to FM GROUP Club, interested in buying FM products

**Contract Number** – see: Distributor Number; storing procedures in some FM GROUP branches require changing the contract number and giving a new number to a Distributor registered on the contract

**Conventional Points** – points counted every month and granted to a Distributor qualified to II Marketing Plan for the members of his/her Structure, who achieved Efficiency Level of at least 21% (details in Marketing Plan)

**Corporate Page of FM GROUP** – a web page with the following address [www.fmworld.com](http://www.fmworld.com), administered by FM GROUP World, which contains basic data concerning the outline and history of the company as well as current contact details of all FM GROUP Branches

**D**

**Diamond, Diamond Orchid** – a title granted to a person, who has at least 5 groups in his/her structure, and the groups entered Orchid Club (details in Marketing Plan)

**Discount** – a reduction of the price that an FM GROUP Distributor is entitled to when buying FM products; the rules of giving a discount are established separately by each FM GROUP Branch

**Distributor Number** – a unique number consisting of letters and numerals or of numerals only, given to every FM GROUP Distributor at the moment of his/her registration; Distributor Number usually corresponds with the number of Distributor's Contract signed by them

**Distributor's Contract** – a contract of civil law between a Distributor (FM GROUP Club Member) and an FM GROUP Branch, which regulates the rules of cooperation and paying out the gratification; the condition of registering a Distributor's Contract by a Branch is placing Sponsor's Number on it, name, surname, current tele-address data, identity card's number of the sponsored person (future Distributor), Starter Code and signing it both by the Sponsor and the sponsored person

**Distributor's Price** – the price, for which FM GROUP Distributor buys products for their own use or to sell them to Clients; the price list for Distributors is available on the branches' web pages after logging in

**E**

**Efficiency Level** – measure of efficiency of an FM GROUP Distributor's activity, designated by means of points obtained in a given calendar month (details in Marketing Plan)

**Ethics Council** – a team of Leaders consisting of at least 6 people, appointed by FM GROUP Branch in order to solve matters of argument connected with activity and development of Structures on a given Branch's territory

**F**

**FM GROUP Branch** – see: FM GROUP Office

**FM GROUP Club** – the whole community of FM GROUP Distributors

**FM GROUP Distributor** – a member of FM GROUP Club, a person entitled to advertising and selling FM GROUP products and to creating own sales network of FM GROUP products

**FM GROUP Newsletter** – email containing information about entertainment, promotions and other FM activities sent to Distributors, who gave their email address and expressed their will to receive news from FM GROUP

**FM GROUP Office (FM GROUP Branch)** – seat of FM GROUP in a given country that deals with registration and service of FM GROUP Distributors staying in this country; each FM GROUP Branch has got one Office, to which several local distributing centres can be subordinated

**G**

**Gadgets** – a range of FM GROUP products which does not receive points; sometimes they are short series of occasional products, offered for example on Christmas, holidays (mugs, pens etc.)

**Gold, Golden Orchid** – a title granted to a person, who has at least 3 groups in his/her structure and the groups entered Orchid Club (details in Marketing Plan)

**Group Points** – total points from the sales of FM GROUP Distributor and his/her Structure in a given settlement month, which states his/her Efficiency Level (details in Marketing Plan)

**I**

**Identity Document** – an officially obliging in a given country document, on the basis of which a citizen of this country can sign a legally binding contract, a Distributor Contract with FM GROUP as well, for instance identity card (ID), passport, driving license, social security no.

**Inactive Distributor** – FM GROUP Distributor, who did not buy any products for the value of 103.26 points within 12 months from the moment or from anniversary of entering into FM GROUP club; inactivity results in dissolving a Distributor Contract by FM GROUP

**Info@fmworld.com** – an email address, at which everyone can get an answer for questions concerning functioning of FM GROUP Branches

**L**

**Leader** – an FM GROUP Distributor who maintains a high Efficiency Level (from 21% upwards)

**Localisation of Payment** – it determines the country, to which an FM GROUP Distributor is currently assigned; localisation of payment settles the place of paying out a Commission and using Discounts; it can be changed in case of changing country of residence and after sending an application to FM GROUP World (the application can be downloaded from [www.fmworld.com](http://www.fmworld.com))

**M**

**Magnolia Club** – the whole community of FM GROUP Distributors being located on 0 to 21% Efficiency Levels (details in Marketing Plan)

**Margin** – the difference between Catalogue Price and Distributor Price; it specifies the profit of FM GROUP Distributor of selling FM GROUP products for the Catalogue Price

**Marketing Plan** – a set of rules specifying the way of counting and the amount of Bonus obtained by FM GROUP Distributors; Marketing Plan is enclosed to each Starter and constitutes a basic tool of an FM GROUP Distributor work

**Monthly Settlement System** – when settling accounts with FM GROUP Distributors, the settlement month is the calendar month

**Motivational Programmes** – actions taken by FM GROUP World and each particular Branch in order to motivate Distributors to a bigger activity and to achieve higher Efficiency Levels; Motivational Programmes introduced by FM GROUP World oblige each Branch to obey uniform rules of participation and to grant the same awards

**Multi Level Marketing (MLM)** – form of retail sales, which takes place out of shop networks and is based on direct contact of a Distributor with a Client; Distributors acting in MLM system create their sale structures and can derive profits on the grounds of turnover elaborated by people present in their structure (details in Marketing Plan)

O

**Online Shop of FM GROUP** – service of FM GROUP, currently available in Polish Branch, in the future it will also be available in other ones, which enables to place orders for products via the Web Page of a Branch

**Orchid Club** – a prestigious, international association of Leaders achieving the highest Efficiency Levels in FM GROUP hierarchy: Pearl Orchid, Amaranth Orchid, Golden Orchid, Diamond Orchid

P

**Password to the Web Page** – a password given to all FM GROUP Distributors at the moment of registration; it is necessary for using Distributor zone on FM GROUP branches websites

**Pearl, Pearl Orchid** – a title granted to a person, who has at least one group which achieved the 21% Efficiency Level in his/her structure, and additionally, has 20 000 points elaborated by the other groups (details in Marketing Plan)

**Perfume Percentage** – percentage content of a scent composition in perfume products, which decides of classifying them to a given category; the perfume percentage of FM GROUP perfumes is 20% and FM GROUP perfumed waters – 16%

**Point Turnover of FM GROUP** – an accumulated turnover of all FM GROUP branches in a given month expressed in points

**Products Catalogue of FM GROUP** – specification of products range in a given season with their Catalogue Prices; available in languages of all branches

**Products with Point Value** – products indicated by FM GROUP which have established point value; list of products for which you receive points and the amount of points is defined individually by each branch (after agreement with FM GROUP World) and announced to Distributors in a way enabling to get familiar with it before making a purchase

**Products without Point Value** – range of FM GROUP products which does not have any point value (e.g. Gadgets, Starter Kits, Samples etc.)

**Promotions** – actions taken by FM GROUP branches, within the frameworks of which assigned products are sold at lower than usual Distributor Prices; terms of Promotion are settled by each Branch individually

**R**

**Registration** – it enables to start working as FM GROUP Distributor; it takes place after receiving by FM GROUP Branch a correctly and legibly filled out Distributor Contract; depending on a Branch, Registration takes up to 5 working days; in some branches online Registration is possible (via web page)

**Regulations of FM GROUP Club Member** – it specifies the rights and obligations of FM GROUP Distributor; it is prepared separately by each FM GROUP Branch in different languages; the obligation of a Branch is to make the Regulations accessible to Distributors, and of a Distributor – to get familiar with it before starting to work on a given country's territory

**Removing from FM GROUP Club** – depriving an FM GROUP Club Member of all their rights resulting from Membership in the Club, removing an FM GROUP Distributor who broke the rules of Regulations of FM GROUP Club Member is a final decision

**Resignation of Cooperation with FM GROUP** – resignation of the rights and obligations of FM GROUP Club Member made on the basis of official written application of FM GROUP Distributor; it comes into effect on the first day of a month coming after receiving the application; Resignation is free of charge, the only obligation of a resigning FM GROUP Distributor is to settle financial matters with FM GROUP (among others taking out due Bonus)

**S**

**Sample** – a small amount of a product (perfume, perfumed water, toilet water, lotion etc.) sold in sets (Starters) or in pieces, which is to facilitate a Distributor or a Client getting acquainted with a given product

**Self-Purchase** – purchase of Products with Points made by FM GROUP Distributor; a Self-Purchase for the value of 34.42 points a month (for which Bonus is granted) is required to receive the Bonus (Commission)

**Sponsor** – FM GROUP Distributor who enables new people to join FM GROUP; a guide through the product line and the rules of the company's activity; the choice of a Sponsor is made only once without the possibility of change

**Sponsor Number** – a Number of Distributor who sponsors another people (it is written in the top left corner of each Distributor Contract)

**Starter Code** – a code consisting of a unique combination of letters and numerals enclosed to each Starter; at the moment of signing Distributor Contract, one needs to write or stick the code in a proper section (a contract without Starter Code is invalid)

**Starter Kit** – the basic tool of work of every FM GROUP Distributor, by means of which they present the company's product line; the Starter Kit includes Samples of perfumes, Catalogues of Products, Marketing Plan, Distributor Contract and DVD with a corporate and a training film; Product without Point Value

**Structure (so called "Tree")** – the whole of independently acting Distributors, which creates a functionally related group; the Distributors were invited for cooperation directly by a given Sponsor or by other people sponsored by him/her or within a given group

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**T**

**Trainings** – workshops and presentations (due and free of charge) organized by FM GROUP for members of FM GROUP Club, in order to help Distributors advertise and sell FM GROUP products, sponsor new people, build a structure properly as well as to support personal development of Distributors

**"Tree"** – a popular name of a Structure built by a Distributor and of a way of presenting it on the web page