

Earning with Amway

FOR NEW BUSINESS OWNERS

IBO Performance Year 2021 | Effective September 1, 2020



Amway



“

You can succeed at selling. It's a program that's within the grasp of any individual who's serious about moving ahead in business.



– RICH DEVOS, CO-FOUNDER OF AMWAY

Save \$500 & Earn \$1000 In your first 6 months in 3 easy steps

Congratulations on starting your own business.

Start your business with these 3 simple steps:

1. Try the products in your Registration Pack.
2. Save up to \$500 on your products in your first 90 days (don't forget you are protected with our 90 Day 100% Satisfaction Guarantee).
3. Earn \$1,000 by selling to your customers in your first 180 days and sponsoring other people to become Amway Independent Business Owners. Of course, there is no limit to how much you can earn by selling these amazing products to your friends, family, and through social media.

Visit amway.com.au for more information

At-A-Glance

Build a healthy business and maximise your earnings through the Amway® IBO Compensation Plan (Core Plan), the Amway Core Plus* discretionary incentives program and additional discretionary recognition and rewards.

# Core Plan	
# Performance Bonus	Up to 21% of BV
# Retail Margin	
	Recommended
# Core Plus*	
# Customer Sales Incentive*	Up to 10% of BV on Verified Customer Sales
# Bronze Foundation Incentive*	30% multiplier on monthly Performance Bonus
# Bronze Builder Incentive*	40% multiplier on monthly Performance Bonus
# Bronze Pin	NEW!



Find courses to help you build your business at every step.

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Three Ways to Earn

on Product Sales

Through your Amway® business, you offer a broad portfolio of high-quality products. Selling these products to customers can earn you money and monthly rewards.



1. Retail Margin

When you sell Amway products to customers at Recommended Retail Price, you keep the difference between the purchase price and IBO Cost.

$$\begin{aligned} &\text{RECOMMENDED RETAIL PRICE} \\ &- \text{IBO COST} \\ \hline &= \text{RETAIL MARGIN} \end{aligned}$$



2. Core Plan Bonuses

You earn points on all the products you sell. Those points add up to determine monthly bonuses from the Core Plan. If you choose to build a team and sponsor and train other business owners, you can earn points on the products they sell too.

$$\begin{aligned} &\text{YOUR POINTS} \\ &+ \text{DOWNLINE IBO POINTS} \\ \hline &= \text{BONUSES} \end{aligned}$$



3. Core Plus+ Discretionary Incentives

Programs like Core Plus+ award extra money for sales-based business achievements. These are awarded at Amway's discretion and are subject to change.

Start Selling with Customer Favourites

Every product sale can help you earn more with the Core Plan and Core Plus+. Customer Favourites are an easy way to get started. These best-selling, on-trend products from each Amway® category meet a variety of customer needs. Each Customer Favourite is designed to be simple to sell because it has one of three important advantages: easy to sample, great for demonstrations, or a simple switch from other brands.

You can focus on one quality brand or several, it is up to you.



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EXTRA MONEY

on Verified Customer Sales

Selling products to customers is the foundation of the Amway® business. Share the products you use and love with family, friends, and other people you know. The more you sell, the more you can earn.



Customer Sales Incentive*

Earn up to 10% of BV on all Verified Customer Sales. This discretionary incentive is automatic money in addition to retail margin for any IBO at 9% Performance Bonus level or below in a given month.

How it is calculated

MULTIPLIER



BV

Subtract your Performance Bonus* percentage from 10% to get your multiplier.

Apply the multiplier to your total Verified Customer Sales BV for the month. That is your total Customer Sales Incentive*.

IF YOUR MONTHLY PERFORMANCE BONUS IS:	INCENTIVE MULTIPLIER IS:	GUARANTEED 10% ON VERIFIED CUSTOMER SALES
0%	10%	= 10%
3%	7%	= 10%
6%	4%	= 10%
9%	1%	= 10%

*See Performance Bonus Schedule on page 8

Sarah loves ARTISTRY® skincare products and has been using them for months. She decides to start her own Amway® business and shares her product experience with friends and family. Several people she knows try the products and love them, too. They start buying ARTISTRY skincare products through Sarah's Amway business on a monthly basis.

Her Group PV
125 = 3%

Her Customers
50 PV

75 Personal PV

3% PERSONAL PERFORMANCE BONUS	\$14.62
10% RETAIL SALES	\$19.50
7% CUSTOMER SALES INCENTIVE	\$13.65
TOTAL INCOME	\$47.77
	PER MONTH*

* Assumes IBO performs consistently and meets requirements each month.



PV AND BV

All Amway products have an assigned Point Value (PV) and Business Volume (BV) that you earn when you sell them. Those numbers are used to calculate bonuses and incentives, such as the monthly Performance Bonus (see page 8).



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MONTHLY BONUSES

on Your Volume

Your business can help you earn bonuses each month.

Amway calculates monthly bonuses for you based on the PV and BV that you and your team generate by selling products to customers and purchasing for personal use.

Personal Performance Bonus

Earned on the personal volume that you generate by selling products to customers and purchasing for personal use.

To find your Performance Bonus percentage, add your Personal PV and Pass-Up Volume from frontline IBOs and refer to the schedule below.

How it is calculated

$$\begin{aligned} & \text{MONTHLY PERSONAL BV} \\ & \times \text{PERFORMANCE BONUS PERCENTAGE} \\ & = \text{PERSONAL PERFORMANCE BONUS} \end{aligned}$$

Differential Bonus

Pays you based on the difference between your Performance Bonus percentage and the Performance Bonus percentage of a frontline IBO.

This bonus is calculated separately for each frontline.

How it is calculated

$$\begin{aligned} & \frac{(\text{YOUR BONUS PERCENTAGE} - \text{FRONTLINE IBO'S BONUS PERCENTAGE})}{\text{GROUP BV OF FRONTLINE IBO}} \\ & \times \text{GROUP BV OF FRONTLINE IBO} \\ & = \text{DIFFERENTIAL BONUS} \end{aligned}$$

PERFORMANCE BONUS SCHEDULE

IF YOUR MONTHLY PV IS:	YOUR MONTHLY PERFORMANCE BONUS IS:
7500 OR MORE	21% of your BV
5000 - 7499	18% of your BV
3250 - 4999	15% of your BV
2000 - 3249	12% of your BV
1000 - 1999	9% of your BV
400 - 999	6% of your BV
100 - 399	3% of your BV

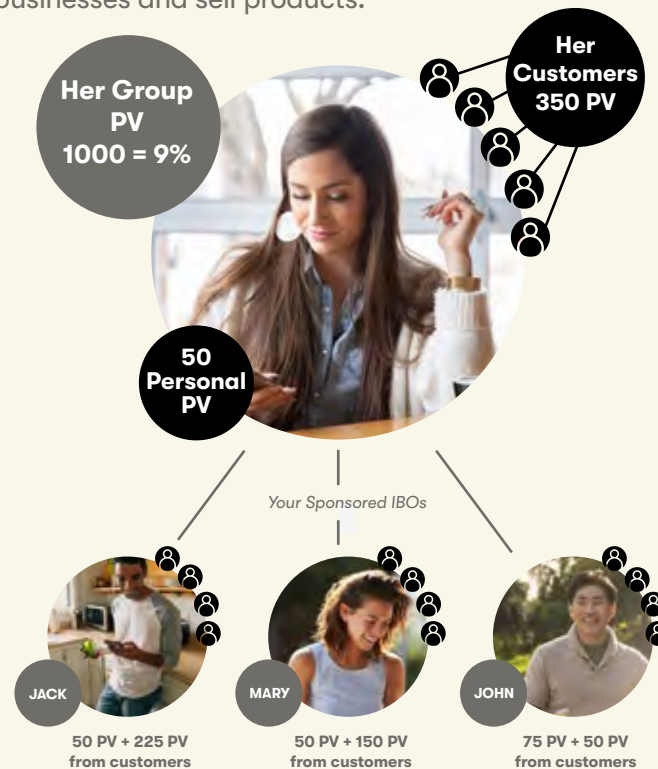


GET A TEAM GOING

Your customers and other people you know may be interested in starting an Amway® business. You can be their sponsor and earn additional bonuses and incentives when they sell Amway products and purchase for personal use.



Sarah is starting to grow her business. She already uses Amway® products and sells them to friends and family to meet their needs. Now she wants to earn even more to help pay for her bills and have extra spending money. She sponsors some friends who start their own Amway businesses and sell products.



9% PERSONAL PERFORMANCE BONUS	\$140.40
10% RETAIL MARGIN	\$136.50
1% CUSTOMER SALES INCENTIVE	\$13.65
DIFFERENTIAL BONUS (JACK)	\$64.35
DIFFERENTIAL BONUS (MARY)	\$46.80
DIFFERENTIAL BONUS (JOHN)	\$29.25
TOTAL INCOME	\$430.95 PER MONTH*

* Assumes IBO performs consistently and meets requirements each month.

BUILD A TEAM

to Go Bronze

Take your business to the next level. Bronze Foundation and Bronze Builder Incentives* reward you as new business owners you sponsor and sell products while you grow your volume, too. Set your foundation, and then build on it.



Bronze Foundation Incentive+

Help three or more people start their own Amway® business and sell products. Earn it by:

- ✓ Achieving 9% or higher on the Performance Bonus** Schedule
- ✓ Personally or foster sponsoring at least three legs, each earning a minimum of 3% Performance Bonus

To be eligible for this incentive, IBO must have been at or below 12% Performance Bonus in prior Performance Year

How it is calculated

**30%
MULTIPLIER**



**PERFORMANCE
BONUS****



MAXIMISE YOUR MULTIPLIERS

Many Core Plus* incentives are multipliers on your Core Plan bonuses. That means if you build your business in ways that increase your Core Plan earnings, you can increase your Core Plus* incentives too.



Earn this incentive up to 12 times within 18 consecutive months.

Beginning the first month you earn a Bronze Foundation Incentive*. Maximum of 12 payments.



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Jordan has been an IBO for several months. He provides his customers with friendly service and product recommendations to meet their needs. Jordan also works with his team to maximise their Customer Sales Incentives*. Every month, three of his team members achieve a 3% Performance Bonus level, and Jordan achieves 9%. He earns the maximum 12 Bronze Foundation Incentive* payments within the 18-month eligibility period.

1,000 GROUP PV
9% Performance Bonus



EXAMPLE: EARLY BUSINESS BUILDER

PERSONAL VOLUME	100 PV / 50 PV VERIFIED CUSTOMER SALES
GROUP VOLUME	1,000 GROUP PV
PERFORMANCE BONUS	\$35.10
DIFFERENTIAL BONUS	\$210.60
TOTAL PERFORMANCE BONUS	\$245.70
30% MULTIPLIER	\$73.71
RETAIL MARGIN	\$19.50
1% CUSTOMER SALES INCENTIVE*	\$1.95
TOTAL INCOME	\$340.86 MONTH / \$4,090.32 YEAR*

* Assumes IBO performs consistently and meets requirements each month.

GROW A BALANCED BUSINESS

FOR GREATER EARNINGS AND RECOGNITION

Focusing on both width and depth can help you earn more.

That means continuing to sponsor new team members and helping frontline IBOs keep building their businesses. The Bronze Builder Incentive⁺ pays you more as you grow strong.



Bronze Builder Incentive⁺

Help downline IBOs follow the path to Bronze and duplicate your results.

Receive your Bronze pin the first month you earn the Bronze Builder Incentive⁺.

Earn it by:

- ✔ Achieving 15% or higher on the Performance Bonus Schedule
- ✔ Personally or foster sponsoring at least three legs, and helping each earn a minimum of 6% Performance Bonus

To be eligible for this incentive, IBO's highest qualification since September 2014 before the first Bronze Builder month must be below Gold Producer.

How it is calculated

**40%
MULTIPLIER**



**PERFORMANCE
BONUS**

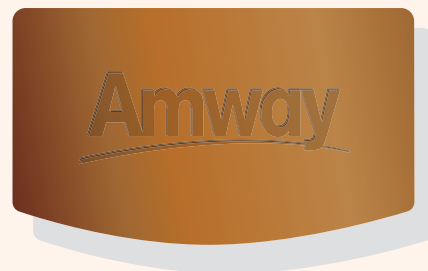


Earn this incentive up to 12 times within 18 consecutive months

Beginning the first month you earn a Bronze Builder Incentive⁺. Maximum of 12 payments.

NEW! BRONZE PIN

The Bronze pin is a significant achievement. It can be your first step to higher achievements like Silver, Gold, Platinum and beyond.



Salma is driven and dedicated to her business. She makes sure all her customers are satisfied so she can count on their monthly purchases. And Salma teaches the team members she sponsors to go for the Bronze Foundation Incentive⁺, just like she did. Salma earns her first Bronze Builder Incentive⁺ and Bronze pin. Then she earns the maximum of 12 Bronze Builder Incentive⁺ payments within the 18-month eligibility period.

3250 GROUP PV
15% Performance Bonus



EXAMPLE: BRONZE BUSINESS

PERSONAL VOLUME	100 PV / 50 VERIFIED CUSTOMER SALES
GROUP VOLUME	3250 GROUP PV
PERFORMANCE BONUS	\$58.50
DIFFERENTIAL BONUS	\$1,105.65
TOTAL PERFORMANCE BONUS	\$1,164.15
40% MULTIPLIER	\$465.66
RETAIL MARGIN	\$19.50
TOTAL INCOME	\$1,649.31 MONTH / \$19,791.72 YEAR*

* Assumes IBO performs consistently and meets requirements each month.

**EARN BOTH
BRONZE
INCENTIVES!**

Maximise Your Earnings

Core Plus⁺ Complements the Core Plan

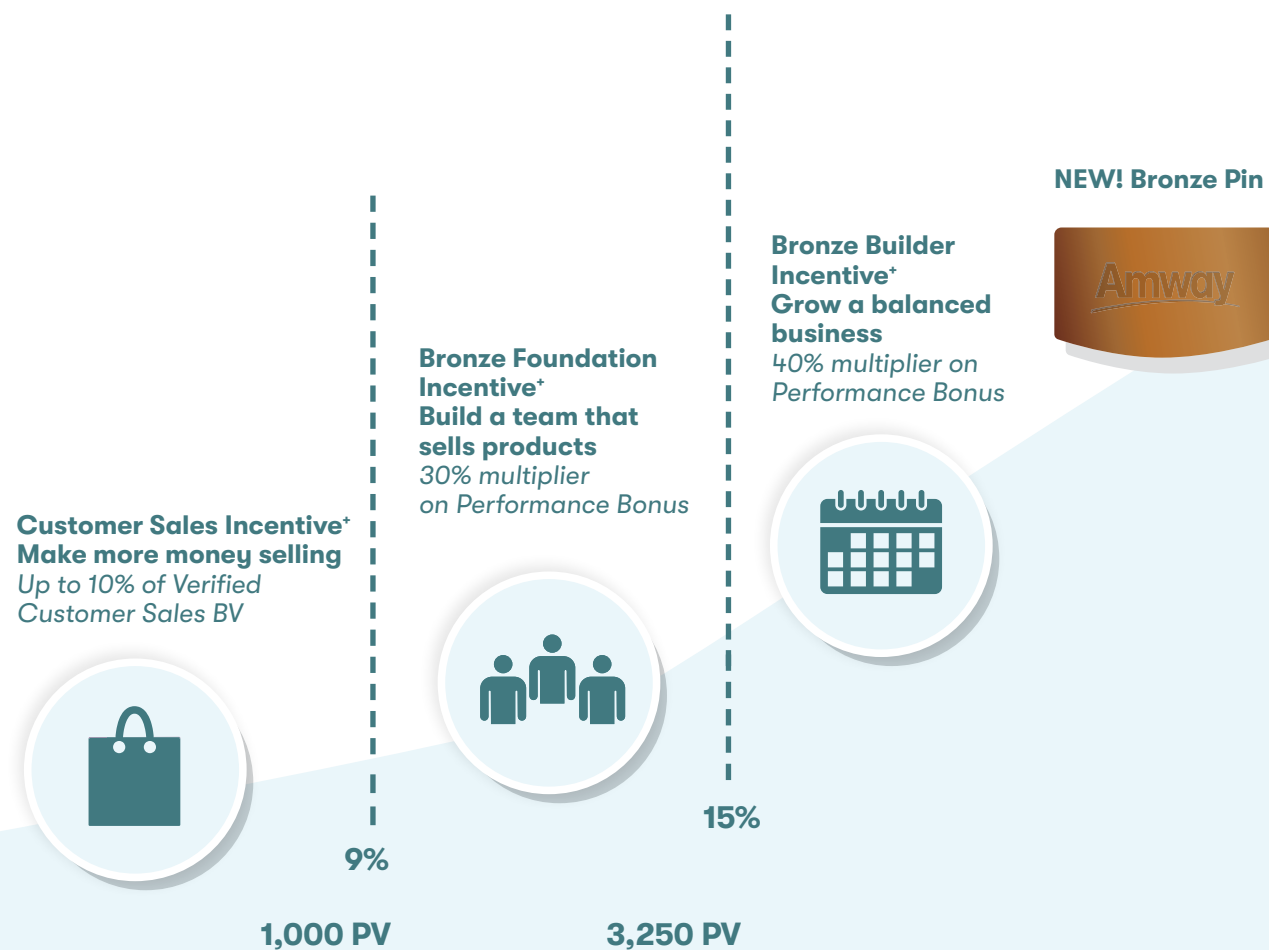
Business owners at all levels can be rewarded for building profitable, sustainable structures. Aim for these key achievements to increase earnings.

Core Plus⁺ Early Incentives



GROW YOUR BUSINESS

Earn higher Core Plan bonuses to increase Core Plus⁺ incentives.



Know the Key Concepts

Please refer to the **Business Reference Guide** and your **upline for details**. Use this section as a convenient guide.

Definitions

Point Value (PV)

Point Value is a unit amount assigned to each product. The total PV associated with your group's monthly volume is tracked to determine your Performance Bonus bracket. The higher your PV, the higher percentage (up to 21%) used in calculating your bonus.

Business Value (BV)

Business Value is a dollar figure assigned to each product. The total BV associated with your monthly volume is multiplied by the percent from the Performance Bonus Schedule to determine your gross Performance Bonus.

Verified Customer Sales

Total volume from customer sales that meet Verified Customer Sales requirements. This refers to a customer that is registered on Amway's computer system.

Leg

When an IBO sponsors an individual and helps them build a team, a "Leg" in the Line of Sponsorship (LOS) is formed.

IBO Performance Year

September 1 to August 31, also known as IBO Fiscal Year.

Balanced Business

IBOs can build a balanced business by selling products to customers and helping IBOs they sponsor to do the same.

Bronze Pin

Through the Core Plus⁺ discretionary incentives program, IBOs can earn a Bronze pin the first month they qualify for the Bronze Builder Incentive*.

Discretionary Incentives

Incentives or rewards that are given to IBOs at the discretion of Amway and can be changed at any time. These incentives and rewards are separate from and in addition to the Core Plan.

Amway® Core Plus Discretionary Incentives Program (Core Plus⁺)

The Amway Core Plus discretionary incentives program rewards key achievements of IBOs in building a sustainable, balanced business. Incentives are awarded at Amway's discretion, may change from year to year, and are separate from and in addition to the Amway IBO Compensation Plan (Core Plan). IBOs must be in good standing with Amway to qualify (see IBO Rules of Conduct).

Customer Sales Incentive*

Eligibility

- IBO must earn income from Verified Customer Sales
- IBO must achieve 9% or below on the Performance Bonus Schedule

Payment

- IBO can earn up to 10% on Verified Customer Sales; incentive pays 10% minus IBO's monthly Performance Bonus percentage level
- Paid monthly
- Available every month an IBO qualifies; no limit to the number of payments

Bronze Foundation Incentive*

Eligibility

- Each month:
 - Achieve 9% or above on the Performance Bonus Schedule
 - Have at least three personally sponsored legs who achieve 3% Performance Bonus level or more
 - Generate 100 Personal PV or more
- Available to IBOs at or below 12% Performance Bonus level in the prior year
- IBO must not have previously earned Bronze Foundation Incentive* or must be within the 18-month eligibility period

Payment

- Earn a Core Plus⁺ Performance Bonus 30% multiplier in qualifying months
- Paid monthly
- Available for up to 18 consecutive months, beginning the first month of qualification
- Maximum 12 payments
- Can be earned concurrently with the Bronze Builder Incentive*

Bronze Builder Incentive*

Eligibility

- Each month:
 - Achieve 15% or above on the monthly Performance Bonus schedule
 - Have at least three personally sponsored legs who achieve 6% Performance Bonus level or more
 - Generate 100 Personal PV or more
- IBO must not have qualified Gold Producer or higher since September 2014
- IBO must not have previously earned Bronze Builder Incentive* or must be within the 18-month eligibility period

Payment

- Earn a Core Plus⁺ Performance Bonus 40% multiplier in qualifying months
- Paid monthly
- Available for up to 18 consecutive months, beginning the first month of qualification
- Maximum 12 payments
- Can be earned concurrently with the Bronze Foundation Incentive*

2 Businesses internationally sponsored into Australia

To qualify for a Bronze Foundation or Bronze Builder Incentive payment you must be minimum qualified platinum in your home, #1 Amway market

“
The future
is yours –
run with it.

– JAY VAN ANDEL, CO-FOUNDER OF AMWAY

