

2009

Consultant Career Plan Primer

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www.pinkpapayaparties.com

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Dear Pink Papaya Consultant,

Welcome to Pink Papaya. We are a growing party plan company focused on business opportunities for those who want a career or just want to earn extra spending money. This is a rare opportunity for you to join us at the ground level, we have only just begun. Our compensation plan is one of the most generous in this industry. We offer a balanced plan that rewards the consultant who wants to focus on developing a strong client base; the consultant that wants to be a manager building and training a large team; or a combination of both.

The career plan primer is broken up into three sections and an appendix. The first section introduces you to the Pink Papaya career path. The second section goes into depth on the benefits associated with each level and provides an example for each level to help you better understand the compensation plan. The third section reviews the title requirements and maintenance for each level. The appendix is a list of terms and definitions.

Please take the time to review the career plan primer and if you have any questions don't hesitate to contact us

Sincerely,

Suzanne Smedt

Channel Compensation Manager

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other Regional Vice President's downline organization. Executive Regional Vice Presidents receive a 3% bonus on any 1st Generation Regional Vice Presidents, a 2% bonus on all 2nd Generation Vice Presidents and a 1% bonus on all 3rd Generation Regional Vice Presidents. All bonuses are calculated on Bonus Volume.

Sponsor: The person who sponsors or brings a new Consultant into the business is called the Sponsor. The Sponsor is responsible for seeing that the new Consultant gets the start-up training and ongoing support needed to understand how the business functions. This service insures the Sponsor's own success. Your Sponsor is part of your Upline.

Sponsorship Bonus: A 4-5% Sponsor Bonus is paid to all active qualified Consultants on the sales of their personally sponsored qualified Consultants each month. All bonuses are calculated on Bonus Volume.

Status: Status is the term used to describe the various earning levels within the Career Plan. Status begins the first day of the month following qualification. Bonuses are based on actual month-to-month qualifications.

Title: Title is the term used to describe the various positions within the Career Plan for recognition purposes. The title is "officially" recognized the first day of the month following qualification.

Upline: The genealogy or line of sponsorship above you in the business organization is called the upline. It starts with your Sponsor and then goes to the Sponsor's Sponsor and so on.

Special rules apply when a Consultant is promoting to District Manger the same month someone in her Group is promoting to District Manager (see Simultaneous Promotions).

Any Group Volume achieved during the Rebuild Period, will be credited to her Group Volume Performance Account. Rebuild Periods also apply to Directors and Vice Presidents when Directors and Vice Presidents promote out from their respective groups.

Recognition Title: Title is the term used to describe the various positions within the Career Plan for recognition purposes. The title is "officially" recognized the first day of the month following qualification. Managers and Directors are recognized for the highest title obtained in the Career Plan. No re-qualification of title is necessary for Recognition purposes. Bonuses are paid on actual monthly qualifications.

Renewal: See Annual Renewal.

Retail: Retail sales include sales from shows, one-on-one contacts and personal orders. Retail price is the price of products shown in Company Product Brochure.

Regional Vice President: Consultants become Regional Vice Presidents when they achieve the following in one calendar month:

- \$100 in personal sales
- \$40,000 in Regional Vice President Group Volume

Regional Vice President Group Volume is all the Retail Sales Volume from all Field Associates in the Regional Vice President's downline organization excluding any sales from other Regional Vice Presidents and above. Regional Vice Presidents may also add any Group Volume Credit to achieve their monthly Regional Vice President Group Volume requirement. Regional Vice Presidents promote-out or breakaway from their upline Regional Vice president in the Career Plan.

Regional Vice President Bonus: Qualified Regional Vice Presidents receive a 3% bonus on all Consultant, MIT, 1K Manager, District Manager and Director in the Regional Vice President's downline who are not part of an-

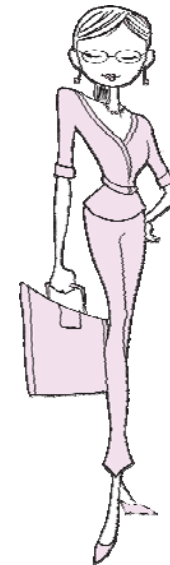
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Section 1: Career Path

The Pink Papaya Career Path has 11 levels that are all designed to promote a harmonious balance of effort and reward while still allowing you to pick the pace. At Pink Papaya you are in control of your pay raises and bonuses as well as your career, there is no glass ceiling. At Pink Papaya you are paid both for your business-building and product retailing efforts. You can choose to focus on one or the other or both. The choice is yours. Most importantly you are joining at the ground level so you don't have to be a Executive Regional Vice President to talk to the founders!

Our career path begins when you join as a New Consultant with the exciting opportunity to work your way to the coveted Executive National Vice President level! On the next page is the career path. Each consultant level has an associated color that is used throughout the Career Plan Primer to help you better understand our compensation plan.

Organization Sales: The total retail sales from all Consultants in a downline during the month are the Organization Sales.

Paid-As Title: Paid-As Title is the actual status the Consultant is paid according to the Career Plan in a calendar month. For example, a Consultant may have the title of Director, but Paid-As a District Manager because she only had \$8,000 Director Group Volume for the month. The Paid-As title is "officially" recognized the first day of the month following qualification.

Passing By: If a Consultant's personally sponsored Consultant promotes to District Manager before she does, the new Manager will "pass by" the Consultant and become a First Generation District Manager to the upline Manager. The Consultant continues to receive the 4% Sponsoring Bonus on the District Manager's personal sales but will not be able to include the Manager's group volumes for any bonus or for use in qualification. (See example page 24)

Personal Volume: The total retail value of the orders a Consultant submits to the company in a given month. This includes a consultants registered customers' orders, personal orders and closed party orders.

Promote-out: When a Consultant achieves District Manager Status she is "promoted-out" of her District Manager's personal Group. The New District Manager's group becomes a Manager Leg to her upline District Manager. Promote-out also occurs when Directors and Vice Presidents promote out of their respective Director or Vice President Group.

Qualification: Promotion and maintenance qualifications are based on the Field Associate's Personal Sales, Group Sales and the number of qualified Manager Legs in her downline.

Qualified Manager Leg: A Leg that contains a qualified District Manager, Director or Vice President is considered a Qualified Leg.

Rebuild Period: When a District Manager promotes a new District Manager or above out of her District Group, her Group Volume requirement is reduced to \$0 for the month of the promotion and the following month. This gives the promoter time to rebuild her Group Sales. During the Rebuild Period, she must still meet her minimum Personal Sales requirement (\$100).

sponsored qualified consultant. The sponsor must also be qualified (minimum \$100 Retail Volume for the month) to receive the MIT bonus. Once a sponsor becomes a District Manager or above, the MIT bonus is permanently replaced with the Leadership bonus (8% for District Manager).

1K Manager: A Consultant who has \$1000 in Group Volume (all personally sponsored Consultant Retail Volume plus her Personal Sales Volume) is eligible for a 5% MIT Bonus on Qualified Personally Sponsored Consultants. 1K Manager must be qualified in order to receive the MIT Bonus

Manager Leg: A Manager Leg begins with a Consultant who promotes to District Manager. (See example page 21)

National Vice President: Consultants become National Vice Presidents when they achieve the following in one calendar month:

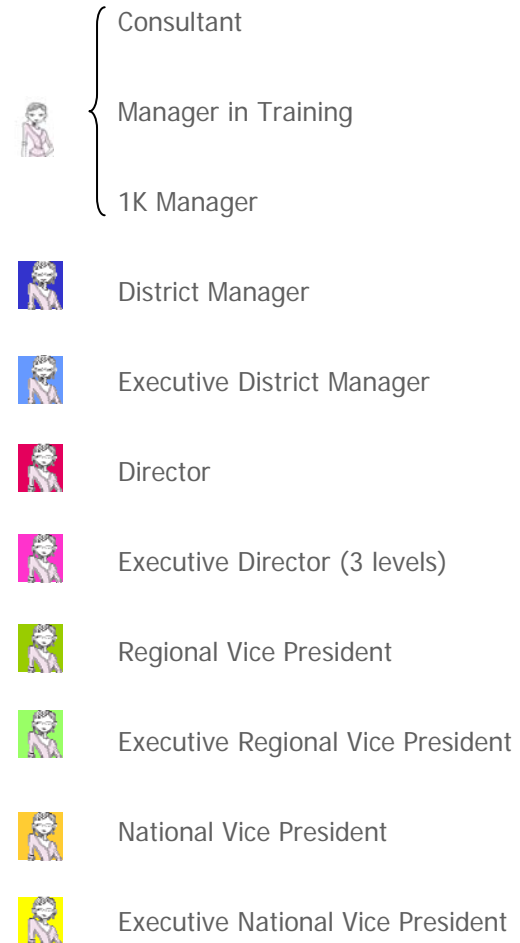
- \$100 in personal sales
- \$160,000 in National Vice President Group Volume

National Vice President Group Volume is all the Retail Sales Volume from all Consultants in the National Vice President’s downline organization excluding any sales from other National Vice Presidents and above. National Vice Presidents may also add any Group Volume Credit to achieve their monthly National Vice President Group Volume requirement. National Vice Presidents promote-out or breakaway from their upline National Vice president in the Career Plan.

National Vice President Bonus: Qualified National Vice Presidents receive a 1% bonus on all Field Associates (Consultant, MIT, 1K Manager, District Manager, Director and Regional Vice President) in the National Vice President’s downline who are not part of another National Vice President’s downline organization. Executive National Vice Presidents receive a 1% bonus on any number of Generations of National Vice Presidents as described in the Career Plan Qualifications. All bonuses are calculated on Bonus Volume.

Organization: A Consultants’ downline is called her Organization.

The Pink Papaya Career Path



Section 2: Benefits, Illustrations and Earning Calculations

Consultant

Benefits:

- 50% off on your first Pink Papaya product order. First order must be completed within 30 days of enrollment date to qualify for 50% discount
- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Access to on-going product specials and other monthly promotions, contests and awards

Important Terms:

Personal Retail Sales include your party sales and your personal customer sales. Personal customers are customers you have signed up/registered in your back office. Customers can then make individual purchases online independent of a party. When these customers make purchases online through your replicated site or the Pink Papaya corporate site you receive the 35% retail commission on all these sales.

Consider the following...

...if you are beginning a new career

- Schedule, but space out your parties—have 2 parties in the first month and if possible 3 to 4 the next month.
- Work over those two months to find 2 to 5 people you want to join your team and build a business together.
- Register a few friends and family and email them their log-on. They might begin shopping right away to help you kick off your new career.
- Bring your compensation primer and product guide with you everywhere. The more you read, the better you will be prepared to answer prospects questions.

ance in any month. For every dollar that exceeds the minimum monthly Group Volume requirement, a dollar will be credited to a Group Volume Performance Account that can be used in a future month to achieve Group Volume requirements.

For example, if a Director has \$12,000 in Director Group volume every month for three months, she will accumulate \$6000 in her Director GVPA (\$2000 above the minimum \$10,000 GV for three months: $2000 \times 3 = 6000$). If she only achieves \$9000 in Director GV the next month, she can take \$1000 from her GVPA to meet her minimum \$10,000 Director GV requirement. This would leave her with \$5000 in her GVPA.

The Group Volume Performance Account (GVPA) acts like a GV bank account with GV debits and credits taking place according to monthly performance. The dollars in the GVPA may only be use for meeting GV requirements and have no other value.

International Sponsoring Policy: Field Associates may only sponsor people who reside in the USA.

Leadership Bonus: District Managers, Directors and Vice Presidents receive Leadership bonuses on the sales of the District Managers, Directors and Vice Presidents in their downline. Executives can qualify to receive bonuses on first, second or third generations based on their qualification each month. All bonuses are calculated on Bonus Volume.

Level: The relative position of one consultant to other consultants based on the order of sponsoring. Someone you sponsor is first level to you and second level to your sponsor.

Maintenance: The qualification that must be met at the District Manager and above level in order to maintain bonus privileges is called Maintenance.

Manager in Training: A Consultant who sponsors a new Consultant becomes a Manager-In-Training (MIT) and is eligible for a 4% sponsoring bonus. The 4% MIT bonus is paid on the Bonus Volume sales of the personally

Managers may achieve the Executive Manager by promoting other District Managers from their own District Manager group.

District Manager Bonus: Qualified District Managers receive an 8% bonus on all Consultants (Consultant, MIT, and 1K Manager) in the District Manager's downline who are not part of another District Manager's downline organization. Executive District Managers receive an 8% bonus on any 1st Generation Directors and a 2% bonus on all 2nd Generation District Managers and a 1% bonus on all 3rd Generation District Managers. All bonuses are calculated on Bonus Volume.

Downline: The term used to describe the organization that a Consultants builds. It consists of the people that the Consultants sponsors and the people they sponsor and so on, down to the last person sponsored in that process. It is the "genealogy" in the Consultant's business organization.

Generation: The term generation refers to the position a District Manager, Director, Regional Vice President or National Vice President has relative to another District Manager, Director, Regional Vice President or National Vice President in the upline or downline. Hence, a Director may have any number of "generations" of District Managers or Directors. A first generation Manager may be several levels down in the downline.

Grace Months: (see Rebuild Period)

Group: A Group is composed of all the Consultants a Consultant has sponsored and those people they have sponsor and so on, who have not achieved the same Rank or higher Status. For example, a Director Group would include all Consultants, Managers-in-Training, 1K Managers, District Managers and Executive District Managers who were not part of another Director or Vice President's downline.

Group Bonus: District Managers, Directors and Vice Presidents receive a Group Bonus (Leadership Bonus) on all the sales in the group including their personal sales. All bonuses are calculated on Bonus Volume (BV).

Group Volume: The collective Retail Sales of a Consultant and all Consultants in the Group.

Group Volume Credit: Executive Regional Vice Presidents and Executive National Vice Presidents receive a Group Volume Credit (GVC) for promoting Regional Vice Presidents or National Vice Presidents from their respective Group.

- An Executive Regional Vice President earns Group Volume Credit of \$10,000 for each 1st Generation, paid-as Regional Vice President
- An Executive National Vice President earns Group Volume Credit of \$40,000 for each 1st Generation, paid-as National Vice President

Group Volume Performance Account: District Managers, Directors and Vice Presidents receive future GV credit based on their Group Volume perform-

Consultant - Example:

\$850 in Personal Retail Sales



35% commission on Retail Sales

Example Retail Commission Calculation:

Assumption

Have two parties and several customer orders generating \$850 in retail sales and working about 10 hours. Earn almost \$300/month or around \$30/hr.

- Retail Commission = Personal Retail Sales x 35%, calculated as follows:

$$\text{\$850} \times \text{35\%} = \text{\$298}$$

Consider the following...

...if you are wanting to earn extra spending money

- Schedule but space out your parties, don't use up all your friends and family in the first month —have the 1st party the first month to learn the ropes and then you'll be ready for the 2nd party in the second month.
- Work over those two months to become familiar with the Pink Papaya product line and line up other parties for the following months.
- Register a few friends and family members on line. Send them a personal email suggesting products that you like, that they might like also.

Manager in Training

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Sponsorship Bonus of 4% on your *Personal Bonus Volume*
- Sponsorship Bonus of 4% on the *Bonus Volume* of your *personally sponsored* consultants any rank
- Access to on-going product specials and other monthly promotions, contests and awards

Important Terms:

Bonus Volume is the commissionable amount assigned to each product by the company, usually 65% of suggested retail price.

Personal Bonus Volume is the commissionable amount of your personal sales.

Personally Sponsored Consultants are the consultants (any rank) whom you have on your "level 1" or in other words those people who are directly below you in your organization.

Personally Sponsored Consultant Bonus Volume is the commissionable amount of your personally sponsored consultants' sales.

Qualifying for your sponsorship bonus...

If you choose to not have \$100 in personal sales in one month you will not receive any sponsorship bonuses for that month but you still maintain your title. If during the next month you do a \$100 or more in personal sales you will receive your sponsorship and leadership bonuses for that specific month.

Deactivation – Involuntary

Consultants at any level failing to meet Annual Renewal requirement are automatically deactivated and sent a deactivation letter.

- Consultants who must relocate due to overseas military duty lasting longer than 90 days, shall upon their return, and their decision to reactivate, send written notice stating the desire to reactivate, pay no reactivation fee, and receive a Reactivation Supply Supplement Kit.
- If reactivation occurs within 30 days after the date of involuntary deactivation due to overseas military duty, the Consultant will maintain their Downline. If reactivation occurs more than 30 days after the date of deactivation due to overseas military duty, the Consultant will lose their Downline.

Involuntary deactivation may occur when Consultants are in non-compliance of their Consultant Agreement or Policy.

Discount/Commission: The amount a Consultant receives off product sales. This is 35% and is sometimes referred to as Commission.

Director: Field Associates become Directors when they achieve the following in one calendar month:

- \$100 in personal sales
- \$10,000 in Director Group Volume

Director Group Volume is all the Retail Sales Volume from all Consultants in the Director's downline organization excluding any sales from other Directors and above. Directors may also add any money from their Group Volume Performance Account in order to achieve their monthly Director Group Volume requirement. Directors will promote-out or breakaway from their upline Director position in the Career Plan.

Director Bonus: Qualified Directors receive a 6% bonus on all Consultants (Consultant, MIT, 1K Manager and District Manager) in the Director's downline who are not part of another Director's downline organization. Executive Directors receive a 6% bonus on any 1st Generation Directors and a 1% bonus on all 2nd and 3rd Generation Directors. All bonuses are calculated on Bonus Volume.

District Manager: Consultants become District Managers when they achieve the following in one calendar month:

- \$100 in personal sales
- \$2,500 in Group sales

This is the promote-out or breakaway position of the Career Plan. District

Bump-ups: If a Consultant becomes deactivated, Downline Consultants will “bump-up” one level to the Consultant’s Sponsor. The deactivated Consultant’s first-line will become the first-line of the new Sponsor but does not constitute “Personal Recruits.”

Bump-ups due to Deactivation: When a Consultant is deactivated for failure to meet the Annual Renewal requirement or due to resignation, that Consultant’s Downline Consultants are automatically moved up to the Sponsor above on the first day of the following month. All sponsoring responsibilities are transferred to that Sponsor.

Bump-up: Consultants are not considered new Consultants for any promotion or contest standings. Bump-up Consultants qualify to maintain their new Sponsor’s leadership level.

Calendar Month: All qualifications for the Career Plan are based on calendar month sales qualifications.

Commission/Discount: The money a Consultant receives from personal sales activity. Consultants retain their 35% commission when submitting retail orders, i.e., retail orders are submitted less a 35% discount.

Consultant: An individual who’s Agreement has been accepted and is participating in the Pink Papaya business as an independent contractor. The term Consultant is used to describe the first category of Consultant status within the Pink Papaya Career Plan. These Consultants have not attained the status of Manager or above.

Deactivation: Deactivation is defined as termination of the Pink Papaya Consultant Agreement, and loss of all Consultant benefits, including the loss of all Downline Consultants, Bonus Checks and contest standings.

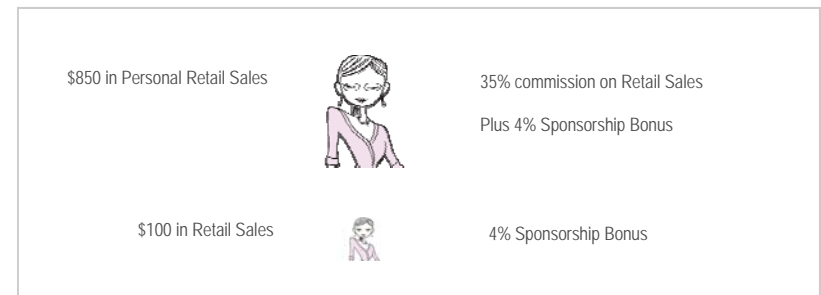
- Deactivated Consultants may not sell or represent Pink Papaya in any way.
- If a Pink Papaya Consultant moves or transfers their residence to another country other than the United States, the Consultant must deactivate.

Deactivation Date: First day of the month following the month of Involuntary or Voluntary Deactivation or upon notice from Pink Papaya if deactivation is the result of breach of the Pink Papaya Consultant Agreement or Pink Papaya Policy.

Deactivation - Voluntary

- Consultants who voluntarily deactivate must sign and submit to Pink Papaya a letter or email of deactivation. Deactivating Consultants must also send copies of the letter to their sponsor and notify all Downline Consultants immediately.
- The deactivation date of a Consultant who voluntarily deactivates will be effective upon receipt of written notice.

Manager in Training - Example:



Example Retail Commission and Bonus Calculations:

Assumption

Work about 10 hours and earn ~\$322/month with 2 parties and personal sales totaling \$850 in personal retail sales and \$100 in sales by your personally sponsored consultant.

- \$298 in Retail Commission = Personal Retail Sales x 35%
$$\$850 \times 35\% = \$298$$
- \$22 in Sponsor Bonus = Personal Bonus Volume x 4%
$$\$850 \times 65\% = \$552.50$$

$$\$552.50 \times 4\% = \$22.10$$
- \$2 in Sponsor Bonus = Personally Sponsored Consultant Bonus Volume x 4%
$$\$100 \times 65\% = \$65$$

$$\$65 \times 4\% = \$2$$

$$\$298 + \$22 + \$2 = \$322 \text{ total commission payout}$$

1K Manager

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Sponsor Bonus of 5% on your Personal Bonus Volume
- Sponsor Bonus of 5% on the Bonus Volume of all personally sponsored consultants any rank
- Access to on-going product specials and other monthly promotions, contests and awards



Consider the following...

There are many specials each month and many ways to earn Pink Papaya points. If you win pink papaya points you can use the points to purchase products and then sell it and "pocket" the complete sale!

Just a few ways to earn Pink Papaya points:

- Popularity Contest—guess which products are the top selling products for the previous month and if you guess correctly you win Pink Papaya points
- Synergy Weekends—have a party over synergy weekend and if you are one of the top recruiters or revenue generators win Pink Papaya points
- Top Personal Sales—If you have the top personal sales for the month you win 150 Pink Papaya points, we are still a young company so the bar is not too high
- Contribute to the newsletter—send your ideas to support@pinkpapayaparties.com and win 25 Pink Papaya points

Career Plan Terms and Definitions

Active: Consultants (general title used to refer to all Consultants, Managers, Directors and Vice Presidents) are Active for purposes of calculating any bonuses due under the Pink Papaya Career Plan, in any month that they submit at least \$100 in retail orders to Pink Papaya. Consultants who do not turn in \$100 in retail orders in the current month are considered inactive for that month. Consultants that do not turn in an order for 12 consecutive months are deactivated – see Deactivation.

Administrative Service Fee: The business has a very effective central home office support system that provides Consultants with up-to-date management information regarding their general business operations. The cost of these important services is free. Consultants who wish to increase their level of service to have a replicated website can pay \$60 (\$5/month) each year.

Annual Renewal: All Consultants are required to renew their participation with Pink Papaya and pay a \$25 renewal fee in the Consultant's anniversary month. The company will send the Consultant a notice 30 days prior to the anniversary date. If the Consultant does not pay the fee, their Agreement will be cancelled.

Agreement: All Consultants must complete, submit and have accepted, by the company, an Agreement in order to participate in the business. This form transmits all the necessary information to the company to set up the administrative accounting for the Consultant. It also specifies the conditions which the Consultant must agree to abide by in the exercise of the business.

This document constitutes a contract between the company and the Consultant. Adherence to the conditions of the Agreement is strictly enforced to ensure successful and ethical exercise of the business opportunity.

Bonus: Bonus is the general term used to refer to monthly Group, Leadership or MIT (Manager in Training) bonuses. Bonus checks are paid approximately two weeks after the close of the month. All bonuses are calculated on Bonus Volume Sales.

Bonus Check: Each month the company calculates the Consultants' Group Sales activity and based on the Pink Papaya Career Plan qualifications, calculates the applicable Group, Leadership and MIT bonuses the Field Associate has achieved during the month. Bonuses are paid monthly approximately two weeks after the close of the month. These bonuses are based on Bonus Volume Sales amounts using percentages the Field Associate has earned in accordance with the Pink Papaya Career Plan.

Bonus Volume (BV): Bonus Volume (BV) is the commissionable amount assigned to each product by the company (Retail Sales less 35% discount unless otherwise indicated). All Sponsorship Bonuses (MIT, 1K Manager) and Leadership bonuses are paid using BV.

Qualification and Maintenance (continued)

National Vice President

Qualifications

- \$100 in Personal Sales
- \$160,000 in National Vice President Group Sales
- No more than 50% of a National Vice President's Group Volume can come from any one 1st Generation Regional Vice President's entire downline organization

Maintenance

- Same as qualifications

Executive National Vice President 1

Qualifications

- \$100 in Personal Sales
- \$160,000 in National Vice President Group Sales
- No more than 50% of a National Vice President's Group Volume can come from any one 1st Generation Regional Vice President's entire downline organization
- One first generation qualified National Vice President or Executive NVP

Maintenance

- Same as qualifications

Executive National Vice President 2

Qualifications

- \$100 in Personal Sales
- \$160,000 in National Vice President Group Sales
- No more than 50% of a National Vice President's Group Volume can come from any one 1st Generation Regional Vice President's entire downline organization
- Two qualified first generation National Vice President and/or Executive NVPs

Maintenance

- Same as qualifications

Executive National Vice President 3

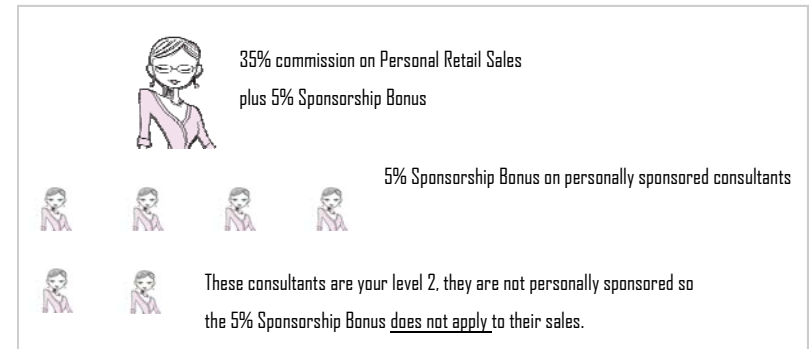
Qualifications

- \$100 in Personal Sales
- \$160,000 in National Vice President Group Sales
- No more than 50% of a National Vice President's Group Volume can come from any one 1st Generation Regional Vice President's entire downline organization
- Three qualified first generation National Vice President and/or Executive NVPs

Maintenance

- Same as qualifications

1K Manager - Team Example



Example Retail Commission & Bonus Calculation:

Assumption

Work 12 hrs/month and earn ~\$386/month or \$38/hr with \$900 in personal sales plus \$1,300 in sales by your personally sponsored consultants.

- \$315 Retail Commission = Personal Retail Sales x 35%

$$\$900 \times 35\% = \$315$$

- \$29 Sponsor Bonus = Personal Bonus Volume x 5%

$$\$900 \times 65\% = \$585 \text{ Personal Bonus Volume}$$

$$\$585 \times 5\% = \$29 \text{ Sponsor Bonus}$$

- \$42 Sponsor Bonus = Personally Sponsored Consultant Bonus Volume x 5%

$$\$1,300 \times 65\% = \$845 \text{ Personally Sponsored Consultant Bonus Volume}$$

$$\$845 \times 5\% = \$42 \text{ Sponsor Bonus}$$

$$\$315 + \$29 + \$42 = \$386 \text{ total commission payout}$$

District Manager

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership Bonus of 8% on your District Manager Group Bonus Volume (your Personal Bonus Volume plus your *Group Bonus Volume*)
- Access to on-going product specials and other monthly promotions, contests and awards

Important Terms:

Group Bonus Volume is the commissionable amount of your group sales typically 65% of retail.

Group Sales are all sales from your group plus your personal sales.

District Manager Group: a Group is composed of all the people you have personally sponsored and those people they have personally sponsored and so on, who have not achieved the same rank or a higher rank than you. For example, a District Manager's Group would include the ranks of Consultant, MIT and 1K Manager who are not part of another District Managers Group.

How do I calculate my Leadership Bonus?

- First determine your group. Then calculate your group bonus volume (bonus volume is the commissionable amount assigned to each product by the company usually 65% of suggested retail price). Your group bonus volume includes your personal bonus volume plus your group's bonus volume.
- Group Bonus volume x 8% = leadership bonus.



Think 3 parties per week...

- Make it a goal to have a team of 10—12 and work with each person to schedule 1 party per month which should result in 3 parties a week
- Lead by example and make it a goal to have four to five parties per month
- If your team is aggressive and schedules two parties a month you are well on your way to becoming a Director!

Regional Vice President

Qualifications

- \$100 in Personal Sales
- \$40,000 in Regional Vice President Group Sales
- No more than 50% of a Regional Vice President's Group Volume can come from any one 1st Generation Director's entire downline organization

Maintenance

- Same as qualifications

Executive Regional Vice President 1

Qualifications

- \$100 in Personal Sales
- \$40,000 in Regional Vice President Group Sales
- No more than 50% of a Regional Vice President's Group Volume can come from any one 1st Generation Director's entire downline organization
- One qualified first generation Regional Vice President or Executive Regional Vice President

Maintenance

- Same as qualifications

Executive Regional Vice President 2

Qualifications

- \$100 in Personal Sales
- \$40,000 in Regional Vice President Group Sales
- No more than 50% of a Regional Vice President's Group Volume can come from any one 1st Generation Director's entire downline organization
- Two qualified first generation Regional Vice President and/or Executive Regional Vice President

Maintenance

- Same as qualifications

Executive Regional Vice President 1

Qualifications

- \$100 in Personal Sales
- \$40,000 in Regional Vice President Group Sales
- No more than 50% of a Regional Vice President's Group Volume can come from any one 1st Generation Director's entire downline organization
- Three qualified first generation Regional Vice President and/or Executive Regional Vice President

Maintenance

- Same as qualifications

Qualification and Maintenance (continued)

Director

Qualifications

- \$100 in Personal
- \$10,000 in Director Group Sales

No more than 50% of a Director's Group Volume can come from anyone 1st Generation District Manager's entire downline organization

Maintenance

- Same as qualifications

Executive Director 1

Qualifications

- \$100 in Personal
- \$10,000 in Director Group Sales

No more than 50% of a Director's Group Volume can come from any one 1st Generation District Manager's entire downline organization

- One qualified first generation Director or Executive Director

Maintenance

- Same as qualifications

Executive Director 2

Qualifications

- \$100 in Personal
- \$10,000 in Director Group Sales
- No more than 50% of a Director's Group Volume can come from any one 1st Generation District Manager's entire downline organization
- Two qualified first generation Directors and/or Executive Director

Maintenance

- Same as qualifications

Executive Director 3

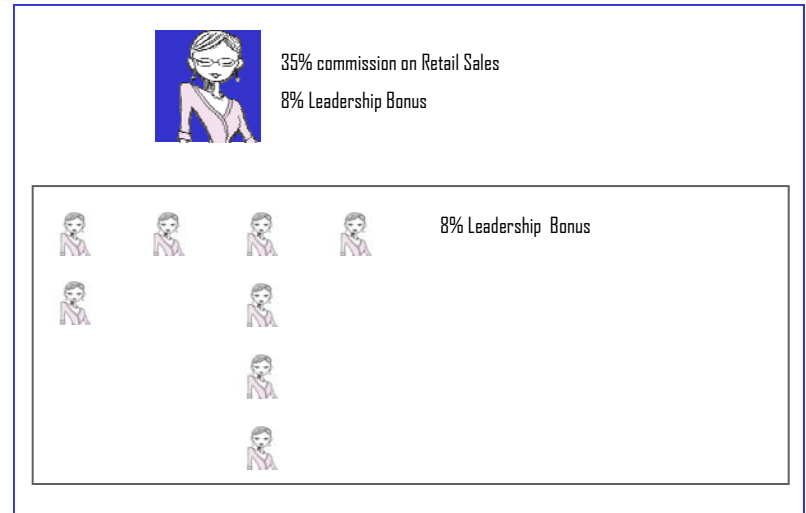
Qualifications

- \$100 in Personal
- \$10,000 in Director Group Sales
- No more than 50% of a Director's Group Volume can come from any one 1st Generation District Manager's entire downline organization
- Three qualified first generation Directors and/or Executive Directors

Maintenance

- Same as qualifications

District Manager - Team Example:



Example Retail Bonus & Commission Calculation:

Assumption — work 20 to 25 hrs/mo. earning ~\$785/mo. or \$31-\$39/hr. With \$1,500 in personal retail sales and \$5,000 in group sales.

- \$525 Retail Commission = Personal Retail Sales x 35%

$$\$1,500 \times 35\% = \$525$$
- \$260 Leadership Bonus = Group Bonus Volume x 8%

$$\$1,500 \text{ (personal sales)} + \$3,500 \text{ (sales from your group sales)} = \$5,000 \text{ group sales}$$

$$\$5,000 \times 65\% = \$3,250 \text{ (group bonus volume)}$$

$$\$3,250 \times 8\% = \$260$$

$$\$525 + \$260 = \$785 \text{ total commission payout}$$

Prioritization

Do you find that at the end of a day you've accomplished everything except the most important item on you list. The only answer is to choose the most important and do it first. Reward yourself with a special treat, but not until you've accomplished that most important task first!

Executive District Manager 1 (EDMI)

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership Bonus of 8% on your Group Bonus Volume (your Personal Bonus Volume plus your *Group Bonus Volume*)
- Leadership Bonus of 8% on all 1st generation District Manager Group Bonus Volume
- Access to on-going product specials and other monthly promotions, contests and awards

Important Terms:

1st Generation District Manager is a District Manager or an Executive District Manager that does not have any other District Managers or Executive District Managers between them and you. There can be consultants, Managers in Training and/or 1K Managers in the downline before reaching a 1st generation District Manager but not another District Manager or Executive District Manager (see the example on the facing page).

1st Generation District Manager Group is your 1st generation District Manager and her entire group of consultants, MITs, and 1K Managers.

1st Generation District Manager Group Bonus Volume is the commissionable volume of your 1st generation District Managers' group. As a review, bonus volume is usually 65% of retail sales.

Think 5 parties per week for your team...

- Your team should be hosting about 5 parties a week/weekend or 20 to 25 parties per month and you are well on your way to becoming a Director
- In the example above make it a goal for each of your DM teams to have about 2 to 3 parties a week/weekend and your personal group about 1 to 2 parties a week/weekend

District Manager

Qualifications

- \$100 in Personal Sales
- \$2,500 in Group Sales

Maintenance

- Same as qualifications

Executive District Manager 1

Qualifications

- \$100 in Personal Sales
- \$2,500 in Group Sales
- One qualified first generation District Manager or Executive District Manager in the downline

Maintenance

- Same as qualifications

Executive District Manager 2

Qualifications

- \$100 in Personal Sales
- \$2,500 in Group Sales
- Two qualified first generation District Managers and/or Executive District Managers in the downline

Maintenance

- Same as qualifications

Executive District Manager 3

Qualifications

- \$100 in Personal Sales
- \$2,500 in Group Sales
- Three qualified District Managers and/or Executive District Managers in the downline

Maintenance

- Same as qualifications

Qualifications and Maintenance

Consultant

Qualifications

- Submit the Consultant Application Agreement
- Purchase one of the Pink Papaya Business Kits

Maintenance

- \$100 in Personal Volume
- Pay an annual renewal fee of \$25

Manager-in-Training (MIT)

Qualifications

- \$100 in Personal Volume
- One personally sponsored active consultant (any rank)

Maintenance

- \$100 in Personal Volume
- One personally sponsored active consultant (any rank)
- Pay an annual renewal fee of \$25

1K Manager

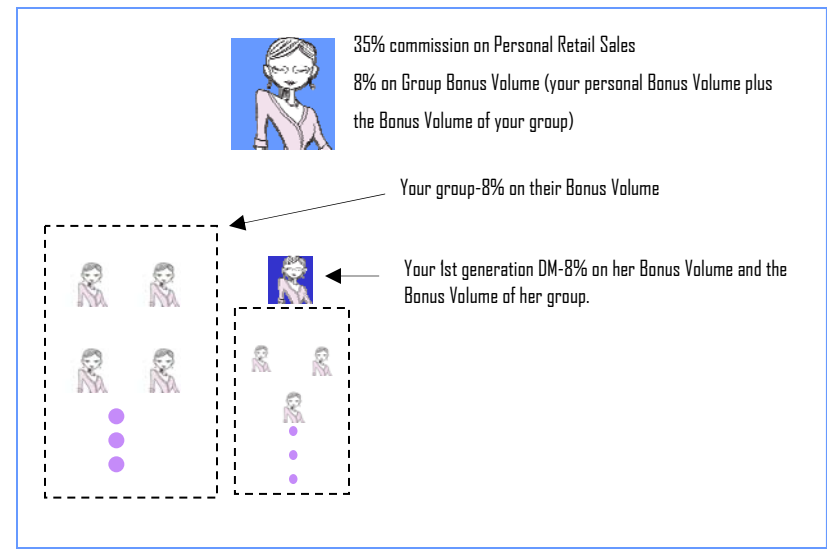
Qualifications

- \$100 in Personal Volume
- \$1000 in Group Volume
- One personally sponsored active consultant (any rank)

Maintenance

- \$100 in Personal Sales
- \$1000 in Group Sales
- One personally sponsored active consultant (any rank)

Executive District Manager 1—Team Example



Example Commission Calculation:

Assumption — work 25 to 30 hours per month and earn around \$1000 a month or up to \$40/hr with \$1,500 in personal retail sales, \$3,200 in group sales and \$6,000 in 1st generation District Manager Group Sales.

- \$525 Retail Commission = Personal Retail Sales x 35%

$$\$1,500 \times 35\% = \$525$$

- \$166 Leadership Bonus = Group Bonus Volume x 8%

$$\$1,500 \text{ (personal sales)} + \$1,700 \text{ group sales} = \$3,200 \text{ total group sales}$$

$$\$3,200 \times 65\% = \$2,080 \text{ Group Bonus Volume}$$

$$\$2,080 \times 8\% = \$166$$

- \$312 1st generation DM Leadership Bonus = 1st generation Group Bonus Volume x 8%

$$\$6,000 \times 65\% = \$3,900$$

$$\$4,225 \times 8\% = \$312$$

$$\$525 + \$166 + \$312 = \$1003 \text{ total commission payout}$$

Executive District Manager 2 (EDM2)

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership Bonus of 8% on your group bonus volume (your personal bonus volume plus your *group bonus volume*)
- Leadership Bonus of 8% on all 1st generation District Manager Group Bonus Volume
- Leadership Bonus of 2% on all 2nd generation District Manager Group Bonus Volume
- Access to on-going product specials and other monthly promotions, contests and awards

Important Terms:

2nd Generation District Manager: A District Manager that has one Executive District Manager between them and you (see example on facing page).

2nd Generation District Manager Group: Your 2nd generation District Manager and anyone in her group with the rank of consultant, MIT, and/or 1K Manager.

2nd Generation District Manager Group Bonus Volume: The commissionable volume of your 2nd generation District Managers' group.

How do I calculate a 2nd Generation District Manager Leadership Bonus?

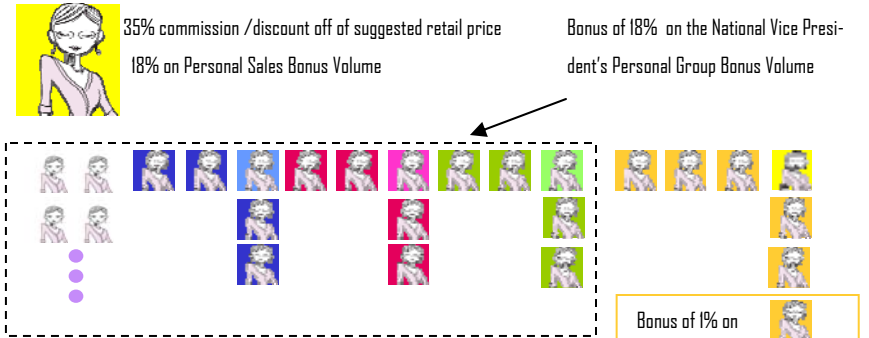
To be eligible for a 2nd generation District Manager Leadership Bonus you must have achieved the rank of Executive District Manager 2. This means you have two 1st generation District Managers (or Executive District Managers) in your organization. Once you have grown "two District Managers wide" you are eligible to be paid "two District Managers deep."

Step 1: First identify your **2nd Generation District Managers**

Step 2: Then calculate **2nd Generation District Manager Group Bonus Volume**

Step 3: Multiply 2nd generation **District Manager Group Bonus Volume** time 2%

Executive National Vice President—Team Example



Earnings Example - ~\$119,605/month

- **\$525 Retail Commission = Personal Retail Sales x 35%**
 $\$1,500 \times 35\% = \525
- **\$31,590 Leadership Bonus = Group Bonus Volume x 18%**
 $\$1,500$ (personal sales) + $\$268,500$ (sales from your group sales) = $\$270,000$ group sales
 $\$270,000 \times 65\% = \$175,500$ (Group Bonus Volume)
 $\$175,500 \times 18\% = \$31,590$
- **\$76,050 Leadership Bonus = 1st Generation Bonus Volume x 18%**
 $\$650,000 \times 65\% = \$422,500$
 $\$422,500 \times 18\% = \$76,050$
- **\$6,240 Leadership Bonus = 2nd Generation Bonus Volume x 6%**
 $\$160,000 \times 65\% = \$104,000$
 $\$104,000 \times 6\% = \$6,240$
- **\$4,160 Leadership Bonus = 3rd Generation Bonus Volume x 4%**
 $\$160,000 \times 65\% = \$104,000$
 $\$104,000 \times 4\% = \$4,160$
- **\$1,040 Leadership Bonus = 4th Generation Bonus Volume x 1%**
 $\$160,000 \times 65\% = \$104,000$
 $\$104,000 \times 1\% = \$1,040$

$$\$525 + \$31,590 + \$76,050 + \$6,240 + \$4,160 + \$1,040 = \$119,605$$

total commission payout

Executive National Vice President

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership bonus of 17% on Executive National Vice President Group Bonus Volume
- Access to on-going product specials and other monthly promotions, contests and awards
- Executive National Vice President Leadership Bonuses

Executive National Vice President 1: Leadership Bonus of 18% on all first generation National Vice President Group Bonus Volume

Executive National Vice President 2: Leadership Bonus of 18% on all first generation National Vice President Group Bonus Volume; Leadership Bonus of 6% on all second generation National Vice President Group Bonus Volume

Executive National Vice President 3: Leadership Bonus of 18% on all first generation National Vice President Group Bonus Volume; Leadership Bonus of 6% on all second generation National Vice President Group Bonus Volume; Leadership Bonus of 4% on all third generation National Vice President Group Bonus Volume

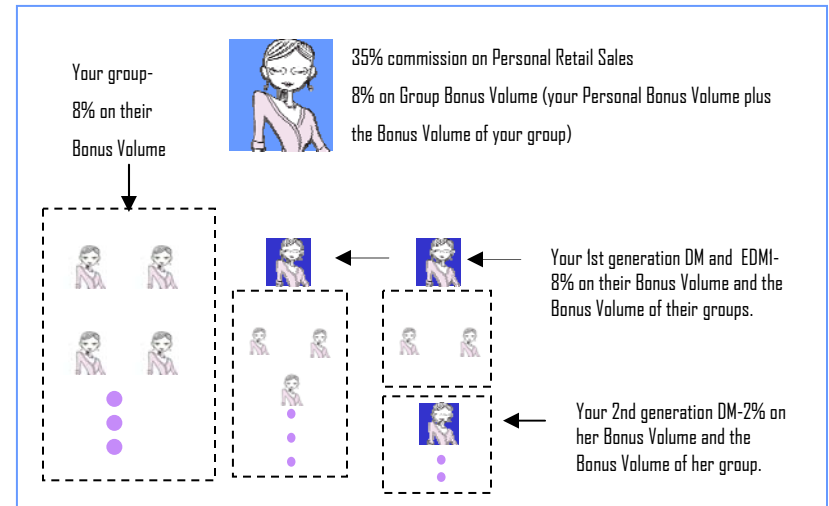
Important Terms:

First Generation National Vice President is a National Vice President or an Executive National Vice President that does not have any other National Vice Presidents or Executive National Vice Presidents between them and you. There can be consultants, Managers in Training, 1K Managers, District Managers, Executive District Managers, Directors and/or Executive Directors in the downline before reaching a 1st generation National Vice President or Executive National Vice President.

Second Generation Director is a National Vice President or an Executive National Vice President that has one National Vice President or Executive National Vice President between them and you.

Third generation Director is a National Vice President or an Executive National Vice President that has two National Vice Presidents or Executive National Vice Presidents between them and you.

Executive District Manager 2—Team Example



Example Commission Calculation:

Assumption — Our example shows sales of \$1,500 in Personal Retail Sales, \$3,200 in group sales, \$6,000 in 1st generation District Manager group sales and \$3000 in 2nd generation District Manager group sales.

- \$525 Retail Commission = Personal Retail Sales x 35%
 $1,500 \times 35\% = 525$
 - \$166 Group Leadership Bonus = Group Bonus Volume x 8%
 $1,500 \text{ (personal sales)} + 1,700 \text{ group sales} = 3,200 \text{ total group sales}$
 $3,200 \times 65\% = 2,080 \text{ group bonus volume}$
 $2,080 \times 8\% = 166$
 - \$312 1st Generation DM Leadership Bonus = 1st generation Group Bonus Volume x 8%
 $6,000 \times 65\% = 3,900 \text{ 1st generation Group Bonus Volume}$
 $4,225 \times 8\% = 312$
 - \$40 2nd Generation DM Leadership Bonus = 2nd generation Group Bonus Volume x 2%
 $3,000 \times 65\% = 1,950$
 $1,950 \times 2\% = 39$
- \$525+ \$166 + \$312 + 40 = \$1043 total commission payout**

Executive District Manager 3 (EDM3)

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership bonus of 8% on your group bonus volume (your personal bonus volume plus your *group bonus volume*)
- Leadership Bonus of 8% on all 1st generation District Manager Group Bonus Volume
- Leadership Bonus of 2% on all 2nd generation District Manager Group Bonus Volume
- Leadership Bonus of 1% on all 2nd generation District Manager Group Bonus Volume
- Access to on-going product specials and other monthly promotions, contests and awards

Important Terms:

3rd generation District Manager: a District Manager that has two Executive District Manager between them and you (see example on facing page).

3rd generation District Manager Group: your 3rd generation District Manager and anyone in her group with the rank of consultant, MIT, and/or 1K Manager.

3rd generation District Manager Group Bonus Volume: The commissionable volume of your 3rd generation District Managers' group.

How do I calculate the 3rd Generation District Manager Leadership Bonus:

To be eligible for a 3rd generation District Manager leadership bonus you must have achieved the rank of Executive District Manager 3. This means you have three 1st generation District Managers (or Executive district Managers) in your organization. Once you have grown "three District Managers wide" you are eligible to be paid "three District Managers deep".

Step 1: First identify your **3rd generation District Managers**

Step 2: Then calculate **3rd generation District Manager Group Bonus Volume**

Step 3: Multiply **3rd generation District Manager Group Bonus Volume** times 1%

National Vice President—Team Example



← Bonus of 18% on the Regional Vice President's Personal Group Bonus Volume

Earnings Calculations — ~\$32,000/month

- **\$525 Retail Commission** = Personal Retail Sales x 35%

$$\$1,500 \times 35\% = \$525$$
- **\$31,590 Leadership Bonus** = Group Bonus Volume x 18%

$$\$1,500 \text{ (personal sales)} + \$268,500 \text{ (sales from your group sales)} = \$270,000 \text{ group sales}$$

$$\$270,000 \times 65\% = \$175,500 \text{ (Group Bonus Volume)}$$

$$\$175,500 \times 18\% = \$31,590$$

As a National Vice President you have a team of probably over 1000 and every week your team is throwing about 200 parties!

National Vice President

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership bonus of 18% on your Regional Vice President group bonus volume (your personal bonus volume plus your *group bonus volume*)
- Access to on-going product specials and other monthly promotions, contests and awards.

Important Terms:

National Vice President Group: a National Vice President's Group is composed of all the people you have personally sponsored and those people they have personally sponsored and so on, who have not achieved the same rank or a higher rank than you. For example, a National Vice President's Group would include the ranks of Consultant, MIT, 1K Manager District Manager, Executive District Managers (levels 1,2 & 3), Director, Executive Director (levels 1,2,& 3), Regional Vice President, and/or Executive Regional Vice President (levels 1,2 & 3) who are not part of another National Vice President's Group.

Management Tips:

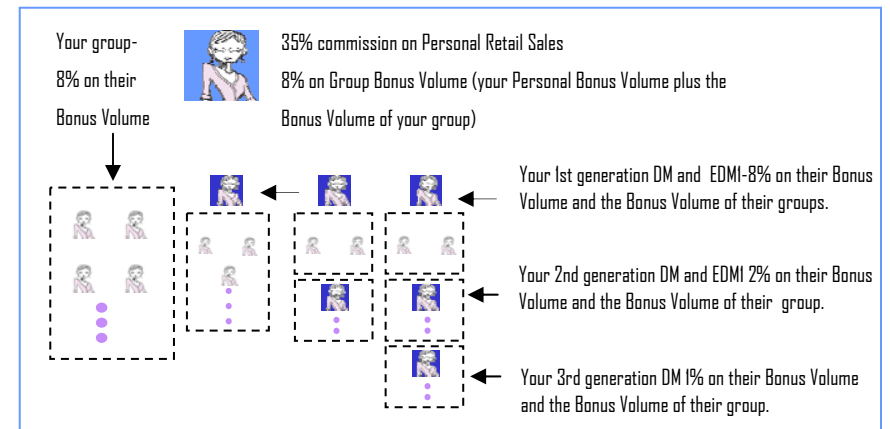
Acting Like a Leader

Despite popular myth, leaders aren't born — they *learn* how to lead. You may be unaware of just how much of a leader you already are. What are the key characteristics of a leader?

They:

- Believe they can positively shape their lives and careers
- Lead through their relationships with people, as opposed to their control over people
- Collaborate rather than control
- Persuade others to contribute, rather than order them to
- Get others to follow them out of respect and commitment rather than fear of compliance

Executive District Manager 3—Team Example



Example Commission Calculation:

Assumption — work 30 to 35 hours as an EDM3. Develop your DMs and earn over \$1,400. You will need \$1,500 in personal retail sales, \$5,000 in group sales, \$9,000 in 1st generation District Manager group sales, \$6,000 in 2nd generation District Manager group sales and \$3,000 in 3rd generation District Manager group sales.

- **\$525 Retail Commission** = Personal Retail Sales x 35%
 $1,500 \times 35\% = 525$
 - **\$260 Group Leadership Bonus** = Group Bonus Volume x 8%
 $1,500 \text{ (personal sales)} + \$3,500 \text{ group sales} = \$5,000 \text{ total group sales}$
 $5,000 \times 65\% = \$3,250 \text{ Group Bonus volume}$
 $3,250 \times 8\% = 260$
 - **\$520 1st Generation DM Leadership Bonus** = 1st generation Group Bonus Volume x 8%
 $10,000 \times 65\% = \$6,500 \text{ 1st generation Group Bonus Volume}$
 $6,500 \times 8\% = 520$
 - **\$78 2nd Generation DM Leadership Bonus** = 2nd generation Group Bonus Volume x 2%
 $6,000 \times 65\% = \$3,900$
 $3,900 \times 2\% = 78$
 - **\$20 3rd Generation DM Leadership Bonus** = 3rd generation Group Bonus Volume x 2%
 $3,000 \times 65\% = \$1,950$
 $1,950 \times 1\% = 20$
- \$525 + \$260 + \$520 + \$78 + \$20 = \$1403 total commission payout**

Director

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership bonus of 14% on your Director Group Bonus Volume (your Personal Bonus Volume plus your *Group Bonus Volume*)
- Access to on-going product specials and other monthly promotions, contests and awards.



Important Terms:

Director Group: a Director's Group is composed of all the people you have personally sponsored and those people they have personally sponsored and so on, who have not achieved the same rank or a higher rank than you. For example, a Director's Group would include the ranks of Consultant, MIT, 1K Manager District Manager and Executive District Managers (levels 1,2 & 3) who are not part of another Director's Group.

Think 10 parties per week...

...and the percentages just keep going up! In other words when you're a Director your percentages are as follows:

- 14% on your Personal Bonus Volume
 - 14% on your Personal Group Volume
- On top of the 14% you get another
- 8% on your 1st generation DMs (that's a total of 22%!)
 - 2% on your 2nd generation DMs
 - 1% on your 3rd generation DMs



Executive Regional Vice President - Team Example

Example Bonus & Commission Calculation:

Assumption - a full time career ~\$25,000/mo.

- **\$525 Retail Commission = Personal Retail Sales x 35%**

$$\$1,500 \times 35\% = \$525$$
- **\$7,735 Leadership Bonus = Group Bonus Volume x 17%**

$$\$1,500 \text{ (personal sales)} + \$68,500 \text{ (sales from your group sales)} = \$70,000 \text{ group sales}$$

$$\$70,000 \times 65\% = \$45,500 \text{ (Group Bonus Volume)}$$

$$\$45,500 \times 17\% = \$7,735$$
- **\$14,365 1st Generation ERVP Leadership Bonus = 1st generation Group Bonus Volume x 17%**

$$\$130,000 \times 65\% = \$91,000 \text{ 1st generation Group Bonus Volume}$$

$$\$91,000 \times 17\% = \$14,365$$
- **\$1,463 2nd Generation ERVP Leadership Bonus = 2nd generation Group Bonus Volume x 2%**

$$\$45,000 \times 65\% = \$29,250$$

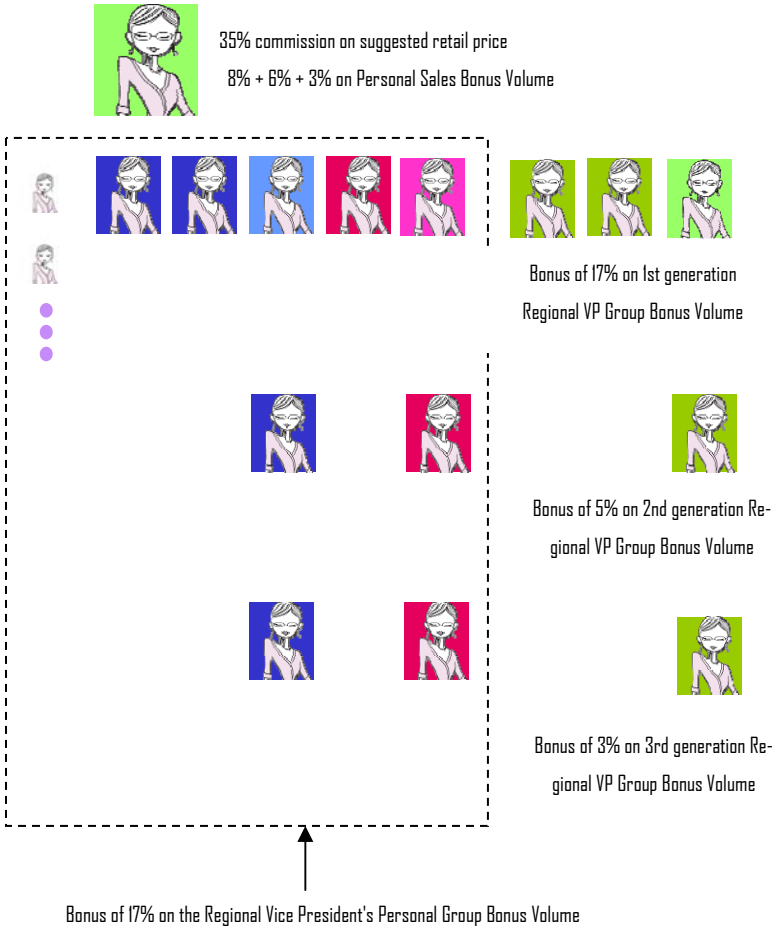
$$\$29,250 \times 5\% = \$1,463$$
- **\$878 3rd Generation ERVP Leadership Bonus = 3rd generation Group Bonus Volume x 3%**

$$\$45,000 \times 65\% = \$29,250$$

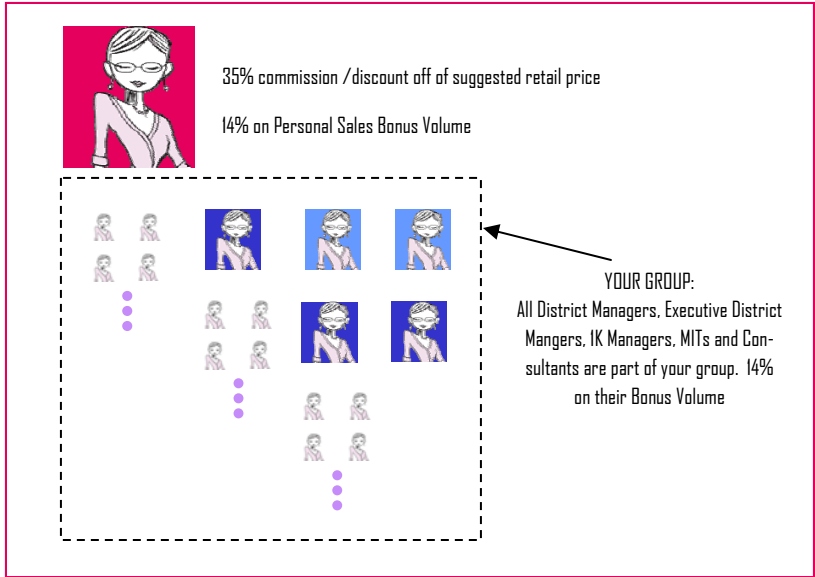
$$\$29,250 \times 3\% = \$878$$

$$\$525 + \$7,735 + \$14,365 + \$1,463 + \$878 = \$24,966 \text{ total commission payout}$$

Executive Regional Vice President 3 - Team Example



Director—Team Example



Example Calculation:

Assumption - work 40 to 45 hrs /mo. earning ~\$2,163/mo. or ~\$50/hr

- **\$525 Retail Commission = Personal Retail Sales x 35%**

$$1,500 \times 35\% = 525$$

- **\$1,638 Leadership Bonus = Group Bonus Volume x 14%**

$$1,500 \text{ (personal sales)} + \$16,500 \text{ (sales from your group sales)} = \$18,000 \text{ group sales}$$

$$18,000 \times 65\% = \$11,050 \text{ (Group Bonus Volume)}$$

$$11,700 \times 14\% = \$1,638$$

$$525 + 1,638 = \$1,403 \text{ total commission payout}$$

Executive Director (Level 1,2 & 3)



Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership Bonus of 14% on your Director Group Bonus Volume (your Personal Bonus Volume plus your *Group Bonus Volume*)
- Access to on-going product specials and other monthly promotions, contests and awards.
- Executive Director Leadership Bonuses

Executive Director 1: Leadership Bonus of 14% on all first generation Director Group Bonus Volume

Executive Director 2: Leadership Bonus of 14% on all first generation Director Group Bonus Volume, Leadership Bonus of 3% on all second generation Director Group Bonus Volume

Executive Director 3: Leadership Bonus of 14% on all first generation Director Group Bonus Volume, Leadership Bonus of 3% on all second generation Director Group Bonus Volume, Leadership Bonus of 2% on all third generation Director Group Bonus Volume

Important Terms:

First Generation Director is a Director or an Executive Director that does not have any other Directors or Executive Directors between them and you. There can be consultants, Managers in Training, 1K Managers, District Managers and/or Executive District Managers in the downline before reaching a 1st generation Director but not Director or Executive Director.

Second Generation Director is a Director or an Executive Director that has one Director or Executive Director between them and you.

Third Generation Director is a Director or an Executive Director that has two Directors or Executive Directors between them and you.

Important Terms:

First Generation Regional Vice President is a Regional Vice President or an Executive Regional Vice President that does not have any other Regional Vice Presidents or Executive Regional Vice Presidents between them and you. There can be consultants, Managers in Training, 1K Managers, District Managers, Executive District Managers, Directors and/or Executive Directors in the downline before reaching a 1st generation Regional Vice President or Executive Regional Vice President.

Second Generation Director is a Regional Vice President or an Executive Regional Vice President that has one Regional Vice President or Executive Regional Vice President between them and you.

Third Generation Director is a Regional Vice President or an Executive Regional Vice President that has two Regional Vice Presidents or Executive Regional Vice Presidents between them and you.

Hostess Coaching:

As an Executive Regional Vice President you will have a team that is comprised of hundreds of consultants and your team will be hosting over 100 parties a week. As a leader it is important to remember to work with your team to coach their hostesses. What is hostess coaching? Hostess coaching is an activity by your consultants that ensures that their hostess will have a successful party. This list is to remind you not to forget the basics!

- Encourage and help your hostess invite 30 to 40 guests. It is typical that less than ½ will show.
- Encourage your hostess to get five outside orders BEFORE her party.
- Ask your hostess what would make it most fun for her guests. I have been to many parties where there is no music playing, the atmosphere is dead. Make it fun! Suggest a theme to create excitement!
- Have your hostess e-mail or call everyone she invites, even though they will also receive an invitation.
- Discuss what free product your hostess wants BEFORE the party. It will give your hostess a goal she will want to achieve.
- Suggest to the hostess to double check with all her guests who do not RSVP.
- Be sure your hostess checks with all guests the day before the party to ensure a successful turnout!

Executive Regional Vice President

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership bonus of 17% on your Executive Regional Vice President group bonus volume (your personal bonus volume plus your *group bonus volume*)
- Access to on-going product specials and other monthly promotions, contests and awards.
- Executive Regional Vice President Leadership Bonuses

Executive Regional Vice President 1

- Leadership Bonus of 17% on all first generation Regional Vice President Group Bonus Volume

Executive Regional Vice President 2

- Leadership Bonus of 17% on all first generation Regional Vice President Group Bonus Volume
- Leadership Bonus of 5% on all second generation Regional Vice President Group Bonus Volume

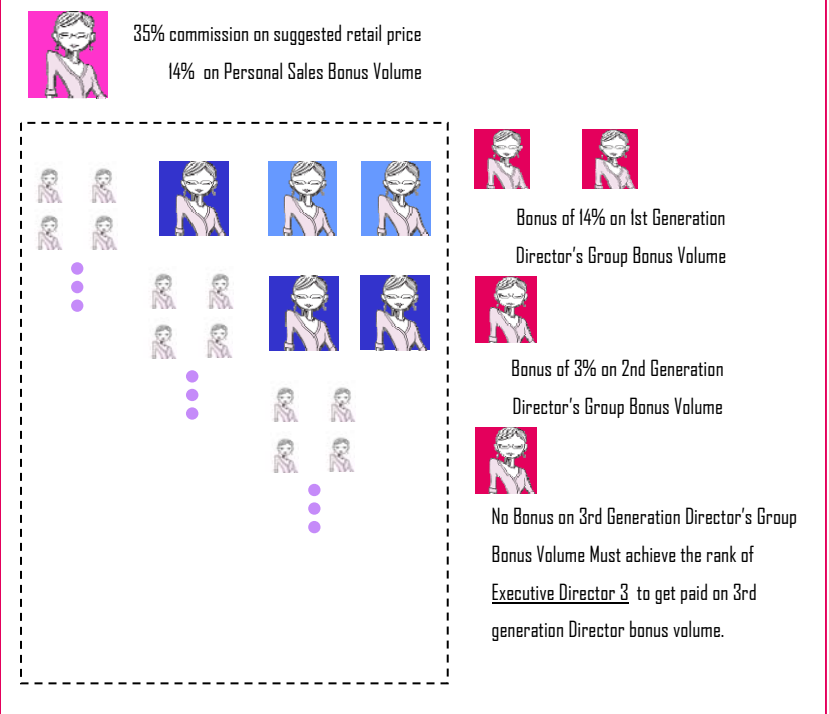
Executive Regional Vice President 3

- Leadership Bonus of 17% on all first generation Regional Vice President Group Bonus Volume
- Leadership Bonus of 5% on all second generation Regional Vice President Group Bonus Volume
- Leadership Bonus of 3% on all third generation Regional Vice President Group Bonus Volume

You're one of the best, you're one of the top Pink Papaya leaders!

Your team is having about 110 to 120 parties a weekend, your team is probably close to 700 consultants!

Executive Director 2 - Team Example



Example Calculation

Assumption - work 70 to 75 hrs /mo. earning ~\$4,672/mo. or ~\$65/hr

- **\$525 Retail Commission = Personal Retail Sales x 35%**

$$\$1,500 \times 35\% = \$525$$
 - **\$1,638 Leadership Bonus = Group Bonus Volume x 14%**

$$\$1,500 \text{ (personal sales)} + \$16,500 \text{ (sales from your group sales)} = \$18,000 \text{ group sales}$$

$$\$18,000 \times 65\% = \$11,700 \text{ (Group Bonus Volume)} \times 14\% = \$1,638$$
 - **\$2,275 Leadership Bonus = 1st Generation Director Bonus Volume x 14%**

$$\$25,000 \times 65\% = \$19,500 \times 14\% = \$2,275$$
 - **\$234 Leadership Bonus = 2nd Generation Director Bonus Volume x 3%**

$$\$12,000 \times 65\% = \$7,800 \times 3\% = \$234$$
- \$525 + \$1,638 + \$2,275 + \$234 = \$4,672 total commission payout**

Regional Vice President

Benefits:

- Permanent 35% discount on Pink Papaya products
- 35% commission on Personal Retail Sales
- Leadership bonus of 17% on your Regional Vice President Group Bonus Volume (your personal bonus volume plus your *Group Bonus Volume*)
- Access to on-going product specials and other monthly promotions, contests and awards



Important Terms:

Regional Vice President Group: a Regional Vice President's Group is composed of all the people you have personally sponsored and those people they have personally sponsored and so on, who have not achieved the same rank or a higher rank than you. For example, a Regional Vice President's Group would include the ranks of Consultant, MIT, 1K Manager District Manager, Executive District Managers (levels 1, 2 & 3), Director, and/or Executive Director (levels 1, 2, & 3) who are not part of another Regional Vice President's Group.

Management Tips:

You are part of the top ranks of Pink Papaya. You are most likely working full time but you are your own boss and pick your own hours! Here is a likely scenario of your team:

- Your team is having about 50 parties a weekend
- At this level you can expect that each month you will have anywhere between 25 and 30% of your team inactive or just buying a few items a month for personal use—so your team size is probably between 200 and 250 consultants
- You have a management staff of 6 to 10 leaders that will need your attention and leadership
- You will be cultivating some rising stars that will also need your attention and leadership
- Don't forget you will be driving a Pink Papaya Dream Car!

"Leaders aren't born they are made. And they are made just like anything else, through hard work. And that's the price we'll have to pay to achieve that goal, or any goal."

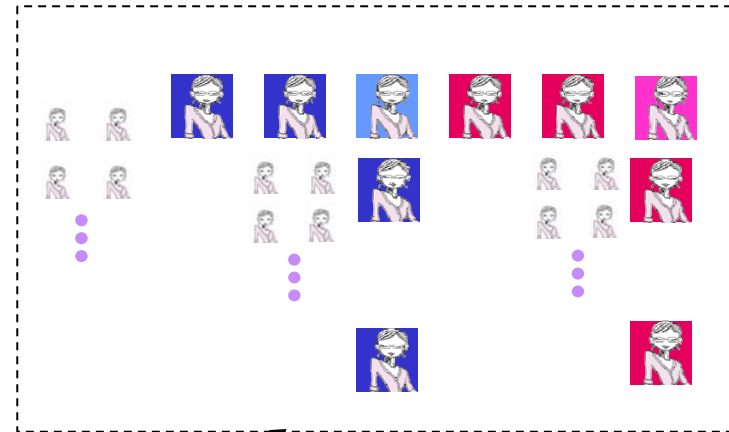
Vince Lombardi

Regional Vice President - Team Example



35% commission on suggested retail price

17% on Personal Sales Bonus Volume



Bonus of 17% on the Regional Vice President's Personal Group Bonus Volume

Example Bonus & Commission Calculation

Assumption - a full time career ~\$8,260/mo.

- **\$525 Retail Commission = Personal Retail Sales x 35%**

$$\$1,500 \times 35\% = \$525$$

- **\$7,735 Leadership Bonus = Group Bonus Volume x 17%**

$$\$1,500 \text{ (personal sales)} + \$68,500 \text{ (sales from your group sales)} = \$70,000 \text{ group sales}$$

$$\$70,000 \times 65\% = \$45,500 \text{ (Group Bonus Volume)}$$

$$\$45,500 \times 17\% = \$7,735$$

$$\$525 + \$7,735 = \$8,260 \text{ total commission payout}$$