

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

INTRODUCTION

FM GROUP WORLD IS A WORLDWIDE COMPANY.

It has Branches in several dozen countries and prepares to open new ones. Every member of FM GROUP Club can develop their business and sponsor new Distributors in any corner of the world. This fact undoubtedly raises the attractiveness of the FM GROUP offer, however, it lays responsibility upon the company and all Distributors for ethical sponsoring at international level.

This 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 GROUP Leader.

WHERE CAN YOU DEVELOP YOUR STRUCTURE?

You will find the list of FM GROUP Branches and their contact data at www.fmworld.com or at websites of FM GROUP Branches in "FM GROUP on the world" bookmark.

If you are interested in developing the business in a selected country, get familiar with the rules that are obligatory for Distributors in the specific Branch. Only 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 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) 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 autonomous enterprises and differ in many respects from each other. There are areas, however, in which FM GROUP World introduced uniform policies and the company executes complying with the policies in the whole world.

Regardless of FM GROUP Branch, the following things stay the same:

- > Marketing Plan
- > Catalogue of products
- > minimum value of self-purchase necessary to receive the commission (34.42 points monthly)
- > possibility of Additional Distributor's Numbers

Depending on FM GROUP Branch, the following things differ:

- > prices of FM GROUP products, including Starter Kits
- > point values of FM GROUP products
- > FM GROUP fragrances offer
- > offer of FOR HOME, MAKE UP products
- > offer of products other than perfumes (e.g. 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 cooperation with a given Branch is the regulations attached to Distributor's Contract. It is a basic and binding source of information about the rules that are obligatory in FM GROUP Branch on a territory of a specific country. It is in 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.

BRANCHES WORKING HOURS

We emphasize at the beginning, that each FM GROUP Branch 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! The workhours of particular offices of the Branches are listed on web pages of these Branches.

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

If there is no FM GROUP Branch in a selected country, contact representatives of the nearest FM GROUP Branch or FM GROUP World headquarters (info@fmworld.com) and learn about the 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 change.

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	DOCUMENTS/DATA REQUIRED AT REGISTRATION	DISCOUNTS
ALBANIA (euro)	under 125 EUR - 300 LEK	over 125 EUR	150 samples - 45 EUR	Distributor Contract; job order or companies	original Distributor Contract	discount up to 100% of the order total, accumulation without limits
ARGENTINA (peso)	40-64 ARS	up to 300km – 420 pts ; above 300km – 500 pts	20 samples – 67,5 ARS; 76 samples – 220 ARS	Distributor Contract; companies	in case of online registration a copy of ID is required; in case of registration at the office - only the original Distributor's Contract is required	discount up to 95% of the order total, accumulation without limits
ARMENIA (dram)	1 000 AMD	20 000 AMD	20 samples – 8 000 AMD; 150 samples - 29 000 AMD	Distributor Contract; commission paid to the Distributors above the 9% efficiency level (up to 9% only in discounts)	original Distributor Contract	discount up to 50% of the order total, accumulation without limits
AUSTRALIA (Australian dollar)	4,95-12,00 AUD	300 pts	20 samples - 39,95 AUD; 100 samples – 99 AUD; 200 samples (incl. older fragrances) - 165 AUD	Distributor Contract + Australian Tax Number (ABN)	Distributor Contract or online registration and Australian tax identification number (the original Distributor's Contract is NOT required)	discount up to 100% of the order total, accumulation up to 6 months
AUSTRIA (euro)	4-8,5 EUR	243 pts (prepayment); 351 pts (COD)	150 samples - 50 EUR	Distributor Contract; companies. The minimum commission paid is 50 EUR monthly.	original Distributor Contract	discount up to 50% of the order total, accumulation till the end of the calendar year
BELARUS (Belarusian ruble)	each unit costs 4000 BYR	192 pts	20 samples - 81 000 BYR; 100 samples - 203 000 BYR; 150 samples - 289 000 BYR	contract for information services (Individual Entrepreneur)	online registration only when starter kit is ordered; Distributor's Contract, ID number, post code; online registration available	discount up to 50% of the order total, accumulation without limits
BELGIUM (euro)	5-15 EUR if the order weighs more than 12 kg - 5 EUR (prepayment) or 15 EUR (COD)	480 pts (prepayment) 900 pts (COD)	150 samples - 51 EUR	Distributor Contract; commissions paid from 30 EUR	on online registration available after logging in: can be made only by a sponsor; when registering ID number and Belgian tax identification number are required	discount up to 90% of the order total, accumulation without limits
BRAZIL (Brazilian real)	e.g. 10 bottles of classic perfume Economy 16-35 BRL Express 18-110 BRL	Sao Paulo state: 240 pts – FM GROUP covers 50%; 450 pts – free delivery; other states: 840 pts – the Branch covers 30 BRL; 1680 pts – free delivery	40 samples – 65 BRL 100 samples – 125 BRL	Distributor Contract, private person - RPA (bill); business activity – invoice	copies of: RG (ID), CPF (tax identification number) and address confirmation - eg. phone bill, electricity bill (issued to the person that is being registered); online registration available	discount up to 90% of the order total, accumulation without limits
BULGARIA (lev)	6-9 BGN	200 pts	20 samples - 20 BGN; 100 samples - 50 BGN; 161 samples - 84 BGN	Distributor Contract	original Distributor Contract	discount up to 90% of the order total, accumulation without limits
CANADA (Canadian dollar)	8,99 CAD - within Ontario; 15,99 CAD - outside Ontario	700 pts (applies to all provinces)	160 samples – 87 CAD	Distributor Contract; commissions paid from 100 CAD	copy of ID with a photo (driving license, passport, permanent residence card); online registration available	discount up to 100% of the order total, accumulation without limits
CARIBBEAN (dolar)	each delivery quoted individually	depending on country/island	150 samples - 100 USD	Distributor Contract, commissions paid from 50 USD (below 50 USD - only discount)	original Distributor Contract	discount up to 100% of the order total, accumulation without limits
CZECH REPUBLIC (koruna)	100 CZK	200 pts	150 samples - 1100 CZK	Distributor Contract	Distributor Contract and copy of personal ID	discount up to 50% of the order total
CROATIA (kuna)	33,58-59,48 HRK	30 perfumes at regular price	137 samples - 308,25 HRK	Distributor Contract	original Distributor Contract	discount up to 50% of the order total, accumulation without limits
CYPRUS (euro)	3,9 EUR	586 pts	150 samples - 50 EUR	A Distributor should submit original declaration of payments rules. Up to 15 600 euro per year - commission paid to individuals; Over 15 600 eur an individual has to register and pay VAT	original Distributor Contract, original declaration of payments rules, copies of documents containing personal data (ex. ID, passport); online registration available	discount up to 90% of the order total, accumulation without limits
ESTONIA (euro)	0-204,99 pts - 4,28 EUR 205-349,99 pts - 2,88 EUR	350 pts	20 samples - 12,90 EUR; 100 samples -29,90 EUR; 160 samples - 51,00 EUR	Distributor Contract; companies commission paid to the account from 64 EUR	original Distributor Contract; online registration available	discount up to 50% of the order total, accumulation without limits
FRANCE (euro)	10 EUR on the area of France DOM-TOM zone - delivery costs depend on weight	600 pts on the area of France DOM-TOM zone - no possibility of free delivery	150 samples - 53 EUR	Distributor Contract; paying the commission - depends on the Distributor's status	original Distributor Contract, copies of: ID and CARTE VITALE (health security); online registration available	discounts, accumulations - depends on the Distributor's status
GEORGIA (lari)	5 GEL	400 pts	20 samples – 39 GEL; 150 samples – 140 GEL	Distributor Contract; commission paid to the distributors above the 9% efficiency level (up to 9% only in discounts)	original Distributor Contract	discount up to 50% of the order total, accumulation without limits
GERMANY (euro)	3,90 EUR (regular) 10,80 EUR (COD)	100 Euro (prepayment); 200 EUR (COD)	20 samples - 15 EUR 150 samples - 51 EUR	Distributor Contract; companies	original Distributor Contract, copy of ID; online registration available	discount up to 90% of the order total, accumulation without limits
GHANA (cedi)	each delivery quoted individually	600 pts- individual order 1200 pts- group order	160 samples - 143,75 CEDI	Distributor Contract	original Distributor Contract	discount up to 90% of the order total, accumulation without limits

COD = Cash On Delivery

COUNTRY	DELIVERY COSTS	FREE DELIVERY FROM (total of pts, total of perfumes or total price)	STARTER SETS	FORMAL CRITERIA FOR PAYING THE COMMISSION	DOCUMENTS/DATA REQUIRED AT REGISTRATION	DISCOUNTS
GREECE (euro)	3,18 EUR	–	150 samples - 50 EUR	A Distributor should submit original declaration of payments rules. Up to 3 200 euro per year - commission paid to individuals; Over 3 200 eur an individual has to register and pay VAT	original Distributor Contract, original declaration of payments rules, copies of documents containing personal data (ex. ID, passport); online registration available	discount up to 90% of the order total, accumulation without limits
HUNGARY (forint)	1250 HUF	250 pts	20 samples - 2500 HUF Full Starter - 150 samples - 12 000 HUF Classic Starter - 100 classic samples - 8 200 HUF Insert for Starter - 50 luxury samples - 3 800 HUF	Distributor Contract; job order or companies	original Distributor Contract	discount up to 50% of the order total, accumulation without limits
ICELAND (Icelandic króna)	1500 ISK	500pts	150 samples - 9800 ISK	original Distributor Contract	original Distributor Contract	discount up to 90% of the order total, accumulation without limits
INDIA (rupee)	Local shipment (Bangalore) 50 INR; Central and South India 150 INR; North India 250 INR	360 pts 1 big starter kit + 250 pts 2 big starter kits + 180 pts 3 big starter kits + 2 small starter kits 4 big starter kits	100 samples - 2 800 INR 150 samples - 3 800 INR	Distributor Contract	a copy of PAN card (tax identification number), original Distributor Contract	discount up to 90% of the order total, accumulation without limits
INDONESIA (rupiah)	5 000 - 45 000 IDR	calculated individually, depending on total points and number of perfumes, total price and location	30 samples - 240 000 IDR 100 samples - 540 000 IDR	Distributor Contract; Indonesian residency	original Distributor Contract, a copy of ID; there exists an sms option=sponsor sends data of a new Distributor by sms; the Distributor is registered when the Branch receives the payment for a starter and original Contract is sent to the Distributor	discount up to
IRELAND (pound) attended by UK	3-5 GBP	580 pts	20 samples - 9,5 GBP; 100 samples - 24,5 GBP; 150 samples - 42,5 GBP	Distributor Contract	online registration (original Distributor Contract is required)	discount up to 50% of the order total, accumulation without limits
ISRAEL (shekel)	13-28 NIS	more than 20 bottles or more than 570 points - free of charge	100 samples - 200 NIS; 150 samples - 340 NIS	Distributor Contract; commissions paid from 400 NIS	Distributor Contract / online registration	discount up to 50% of the order total, accumulation without limits
ITALY (euro)	12,00 EUR (COD, all Italy); 6,00 EUR (prepayment, on-line store)	120 EUR	20 samples - 12,00 EUR; 100 samples - 27,00 EUR; 160 samples - 50,00 EUR	The minimum commission paid is 50 EUR monthly.	Distributor Contract binding in Italy, along with both Italian ID and codice fiscale photocopies; EU citizens: photocopies of passport and residence certificate in Italy; non EU citizens: photocopies of passport and residence permit in Italy	no discounts
KAZAKHSTAN (tenge)	from 500 KZT	350 pts	20 samples - 4000 KZT; 150 samples - 12000 KZT	Distributor Contract; commission paid to the Distributors above the 15% efficiency level (up to 15% only in discounts)	original Distributor Contract	discount up to 50% of the order total, accumulation without limits
LITHUANIA (litas)	9-15 LTL	249,59 pts	20 samples - 35 LTL; 150 samples - 160 LTL	Distributor Contract; companies	Distributor Contract, PESEL number, ID number; online registration available	discount up to 50% of the order total, accumulation without limits
MOLDOVA (leu)	25 MDL	300 pts	20 samples - 210 MDL 100 samples - 690 MDL 161 samples - 850 MDL	Distributor Contract	original Distributor Contract	discount up to 40% of the order total
MONTENEGRO (euro)	2-10 EUR	30 perfumes at regular price	137 samples - 42,5 EUR	Distributor Contract	original Distributor Contract	discount up to 50% of the order total, accumulation without limits
MOROCCO (dirham)	45 MAD	10 perfumes at regular price	100 samples - 250 MAD; 150 samples - 450 MAD	Distributor Contract	original Distributor Contract, copy of ID document	
NETHERLANDS (euro)	5-15 EUR if the order weighs more than 12kg - 5 EUR (prepayment) or 15 EUR (COD)	480 pts (prepayment) 750 pts (COD)	150 samples - 51 EUR	Distributor Contract; commissions paid from 30 EUR	online registration available after logging in: can be made only by a sponsor; when registering ID number and Dutch tax identification number are required	discount up to 90% of the order total, accumulation without limits
NIGERIA (naira)	from 1 500 NGN	Individual order from 600 pts; group order from 1200 pts	20 samples - 2500 NGN 160 samples - 14000 NGN	Distributor Contract; commissions paid from 1000 NG	original Distributor Contract	discount up to 100% of the order total, accumulation without limits
PHILIPPINES (peso)	100-150 PHP	5000 PHP	20 samples - 500 PHP 100 samples - 2000 PHP	Distributor Contract + Tax Identification Number (TIN)	original Distributor Contract including: Distributor's number, starter kit code and ID number (copy of ID is not required); online registration available	discount up to 90%, accumulation without limits

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COUNTRY	DELIVERY COSTS	FREE DELIVERY FROM (total of pts, total of perfumes or total price)	STARTER SETS	FORMAL CRITERIA FOR PAYING THE COMMISSION	DOCUMENTS/DATA REQUIRED AT REGISTRATION	DISCOUNTS
POLAND (zloty)	up to 110,16 pts – 18 PLN 110,17 – 183,59 pts – 7 PLN	183,6 pts	20 samples – 35,25 PLN 150 samples – 136,11 PLN	Distributor Contract job order or companies	original Distributor Contract, PESEL number/permanent residence card; online registration available	discount up to 90% of the order total, accumulation until December
PORTUGAL (euro)	8 EUR	350 pts	20 samples - 10 EUR; 100 samples - 27 EUR; 150 samples - 50 EUR	Distributor Contract, companies	original Distributor Contract, copy of ID; online registration available	discount up to 90% of the order total, accumulation without limits
ROMANIA (leu)	8-16 RON	400 pts	20 samples – 47,30 RON; 100 samples – 125 RON; 160 samples – 188 RON	Distributor Contract; companies; legal person	original Distributor Contract; online registration available	discount up to 50% of the order total, accumulation without limits
RUSSIA (ruble)	from 100 up to 2000 RUB	30 000 RUB (the Branch covers costs up to 1500 RUB)	20 samples - 450 RUB; 100 samples - 1 350 RUB; 150 samples - 2 000 RUB	Distributor Contract; Individual entrepreneur = Индивидуальный предприниматель	Distributor Contract, ID number	discount up to 50% of the order total, accumulation up to 3 months
SERBIA (dinar)	150-400 RSD	13000 RSD	120 samples - 3600 RSD; 200 samples - 5600 RSD	Distributor Contract	original Distributor Contract	discount up to 50% of the order total, accumulation without limits
SLOVAKIA (euro)	5 EUR	200 pts	150 samples - 45 EUR	Distributor Contract	Distributor Contract and copy of personal ID	discount up to 50% of the order total
SLOVENIA (euro)	3,90 – 5,20 EUR	100 EUR	44 samples – 20 EUR; 120 samples – 42 EUR	Distributor Contract	original Distributor Contract	discount up to 50% of the order total, accumulation without limits
SPAIN (euro)	8 EUR – Iberian Peninsula, Gran Canaria, Tenerife, Lanzarote, Fuerteventura, La Palma 15 EUR – Balearic Islands 20 EUR – El Hierro, La Gomera	350 pts – Iberian Peninsula, Gran Canaria, Tenerife, Lanzarote, Fuerteventura, La Palma 585 pts – Balearic Islands 879 pts – El Hierro, La Gomera	20 samples - 10 EUR 100 samples - 27 EUR 150 samples - 50 EUR	Distributor Contract, companies (Autónomo) or model 037 (IAE)	original Distributor Contract, copy of ID; online registration available	discount up to 90% of the order total, accumulation without limits
SWEDEN (krona)	150 SEK in Sweden deliveries abroad: individual calculation	500 pts	160 samples (+body balm samples+ecobag) – 499 SEK	Distributor Contract, companies	Distributor Contract, obligatory copy of „id-kort” or „personnummer-bevis”; online registration available	up to 50% of the order Total, accumulation till the end of the calendar year
SWITZERLAND (franc)	9-13 CHF	190 CHF	20 samples - 20 CHF; 100 samples - 47 CHF; 160 samples - 86 CHF	Distributor Contract; commissions paid from 80 CHF	original Distributor Contract, copy of ID	discount up to 100% of the order total, accumulation without limits
THAILAND (baht)	each delivery quoted individually	400 pts	20 samples – 900 THB 72 samples – 1 950 THB	Distributor Contract, Thai residency	m original Distributor Contract, a copy of ID document, 1 colour photo (1 inch), a copy of first page of book bank (a document containing personal data and bank account data)	discount up to 50% of the order total, accumulation up to 6 months
TURKEY (Turkish lira)	8 TRY	320 pts	20 samples - 35 TRY; 100 samples - 99 TRY	Distributor Contract, commissions paid from 100 TRY	original Distributor Contract	discount up to 50% of the order total
UKRAINE (hryvnia)	30 UAH	300 pts. - delivery at home address; 150 pts. - delivery at address of the courier's warehouse	20 samples - 135 UAH; 100 samples - 365 UAH; 150 samples - 565 UAH;	companies	original Distributor Contract; online registration available	discount up to 50% of the order total, accumulation until December
UNITED KINGDOM (pound)	3-5 GBP	580 pts	20 samples - 9,5 GBP; 100 samples - 24,5 GBP; 150 samples - 42,5 GBP	Distributor Contract	online registration (original Distributor Contract is required)	discount up to 50% of the order total, accumulation without limits
UNITED STATES (dollar)	5,95 - 9,95 USD	240 pts	150 samples - 59 USD + VAT depending on state	Distributor Contract, tax ID number (SS, TIN or EIN) commission paid from 100 USD, commissions below 100 USD paid once a year (in January)	online registration, the contract may be sent by email or fax (the original Distributor Contract is NOT required)	discount up to 100% of the order total, accumulation until December

COD = Cash On Delivery

1. EVERYTHING ABOUT YOUR SPONSOR

As an FM GROUP Distributor you can only have one Sponsor. Your Sponsor can be of other nationality and can be registered in a different FM GROUP Branch. Every FM GROUP Distributor, and you as well, can invite people from around the world to cooperation.

Every Branch has 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 cooperate, remember to give your Distributor Number (that is Sponsor Number) to the person. It is in your own interest to give a full and correct Distributor Number.

If a new person does not have a Sponsor Number, he/she will be assigned to a group of a Leader indicated by the Branch.

You choose a Sponsor once! You can only register once in the FM GROUP World database!

Registration is always connected with signing the Distributor Contract. People who suggest changing 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 shop and take out commissions), and then they will be removed from the Distributors database. Changing Sponsors and persuading to do so is a serious offense against the Member Regulations 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 concluding a Distributor Contract with a new Branch to FM GROUP World with all attachments. You will find a proper form at www.fmworld.com web page or on the Branches' web pages (for details see point 7 CONCLUDING THE CONTRACT WITH A NEW FM GROUP BRANCH).

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

Re-entering the FM GROUP Club can happen only after 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-opened one). Leaving FM GROUP Club is free of charge.

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

This assignment is especially difficult in a situation when a Sponsor and a new Distributor are 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 in a Distributor's country (Table 1).

Example

Mario from Italy signed a Distributor Contract with Alexandra from Greece. From that moment on Alexandra has acted in a structure, which Mario takes care of. Mario should inform Alexandra about the rules of cooperation with FM GROUP in Greece. If Mario has a poor knowledge of Greek he should ask Alexandra to get familiar with information published at the web pages of FM GROUP Greece (that is the country in which she will act). Mario should explain all possible doubts to Alexandra and help her with creating a structure in Greece.

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).

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 Distributor and, alternatively, Sponsor.

ATTENTION!

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

A new Distributor may be sponsored on a contract form from another country. On the basis of such contract, the Distributor will be entered into the system. You must remember, however, that it is necessary for him/her to read and accept the regulations of a Branch in the country, where they intend to operate.

A new Distributor may be registered on the basis of a scanned contract sent by e-mail or fax. In most Branches, a newly registered Distributor shall, within 30 days after registration, submit the original Distributor Contract. A failure to provide the original contract after 30 days from the date of registration will result in that the Distributor will be automatically removed from the FM Club. Distributor, who has not sent the original Distributor Contract to a Branch with which he/she cooperates, is called Distributor on conditional status. Such status is highlighted in yellow in the system.

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.

Distributor Number on Distributor's Contract 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 most of them, one also has to deliver a printed and signed Distributor Contract to a Branch at a later date.

A Distributor is under an obligation to inform FM GROUP Branch 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, Egypt.

3. STARTER

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

Every Starter Kit is marked with a unique code, which needs to be placed on or written on 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 can vary among FM GROUP Branches. There may be certain time shifts when introducing new products (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 every FM GROUP Branch has all three kinds of Starters 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 (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, placed its code on the contract and gave the contract to an employee of the Branch for registration. The contract will be registered in this Branch. If Peter sent a contract that is obligatory in the German Branch to Bea, she will have to accept Spanish regulations and the Contract. 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.

** The purchase of the starter kit by a Recipient is optional

4. QUICK AND EFFICIENT REGISTRATION

You should **send** a complete contract or a **contract** without Starter code (make sure you enclose an order for Starter with it) **directly to a selected FM GROUP Branch** or to FM GROUP World (info@fmworld.com or fax: 00 48 71 323 99 25).

Each Branch is obliged to register a new Distributor within maximum 5 working days. Within 30 days from the date of registration, the original Distributor Contract shall be provided to a Branch. During this time, Distributor operates in the system on conditional status (read p. 9)

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 to or the 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 is to be registered (name, surname, contract number, country of residence) and your name and FM ID Number.

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 an employee of the office can also ask 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 they have the right to take part in the meetings and trainings organized by a local Branch of FM GROUP.

5. ORDERS AND THEIR EXECUTION UNDER TERMS OF A BRANCH

Distributor can freely purchase products in every country in which there is an FM GROUP Branch, regardless of where they were registered but in other Branches they will receive a point value of 550,8 per month indicated in the regulations. Purchases above this value will not be granted any points. Then, the Distributor pays the price for the products valid in the country.

Example:

Joanna from Poland visited her cousin living in Austria. She met a couple of people there, who wanted to buy FM products. Joanna ordered products for 850 points in the Austrian Branch of FM GROUP and received 550,8 points for this purchase.

A Distributor can buy products that have no point value in all countries. These products are Starters for example, necessary when meeting with people interested to join FM GROUP Club. A Distributor who came to a given country for a longer stay, can start to receive total number of points granted by the Branch only after concluding a Distributor Contract with this particular Branch.

A Distributor pays for the order according to the 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 product line 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 GROUP Branch or at its website. Detailed terms of ordering are displayed in Table 1.

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 at particular Branches' websites (Table 2).

All Branches work using the MLM Manager program, which guarantees an efficient flow of information. It means, that **points for completed 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 home Branch.**

Table 2 – PRICES OF PRODUCTS FROM THE CLASSIC COLLECTION

COUNTRY	CLASSIC COLLECTION 30 ml / 50 ml			
	Catalogue Price	Distributor's Price	currency	points
ALBANIA	14,00	9,50	EUR	28,50
ARGENTINA	110,00	74,00	ARS	35,00
ARMENIA	9 650,00	6 900,00	AMD	27,50
AUSTRALIA	29,50	20,50	AUD	24,00
AUSTRIA	14,50	10,00	EUR	29,00
BELARUS	172 000,00	120 000,00	BYR	24,00
BELGIUM	15,30	10,90	EUR	32,30
BRAZIL	55,00	35,00	BRL	30,00
BULGARIA	22,00	16,50	BGN	25,30
CANADA	24,00	17,00	CAD	35,00
CARIBBEAN	26,19	20,14	USD	35,00
CROATIA	103,00	72,00	HRK	27,44
CYPRUS	15,90	11,20	EUR	33,00
CZECH REPUBLIC	350,00	245,00	CZK	29,50
ESTONIA	14,30	9,90	EUR	29,30
FRANCE	18,00	11,60	EUR	31,00
GEORGIA	50,00	30,00	GEL	25,00
GERMANY	13,90	9,50	EUR	29,30
GHANA	38,75	28,75	GHC	25,00
GREECE	15,90	11,20	EUR	33,00
HUNGARY	3 900,00	2 690,00	HUF	28,50
ICELAND	3 150,00	2 205,00	ISK	29,00
INDIA	1 100,00	770,00	INR	24,60
INDONESIA	245 000	179 500	IDR	30,00
IRELAND	11,99	8,20	GBP	29,00
ISRAEL	94,90	65,00	NIS	28,50
ITALY	15,50	11,10	EUR	31,00
KAZAKHSTAN	4 200,00	3 000,00	KZT	24,00
LITHUANIA	41,00	29,00	LTL	24,53
MOLDOVA	235,00	170,00	MDL	29,30
MONTENEGRO	14,20	10,00	EUR	28,14

Table 2 – PRICES OF PRODUCTS FROM THE CLASSIC COLLECTION

COUNTRY	CLASSIC COLLECTION 30 ml / 50 ml			
	Catalogue Price	Distributor's Price	currency	points
MOROCCO	140,00	100,00	MAD	18,36
NETHERLANDS	15,30	10,90	EUR	32,30
NIGERIA	3 375,00	2 500,00	NGN	26,00
PHILIPPINES	690,00	480,00	PHP	18,36
POLAND	33,80	23,64	PLN	18,36
PORTUGAL	13,90	9,50	EUR	29,30
ROMANIA	53,90	38,50	RON	29,70
RUSSIA	750,00	550,00	RUB	29,30
SERBIA	1 390,00	950,00	RSD	25,14
SLOVAKIA	14,70	10,10	EUR	29,50
SLOVENIA	13,90	9,50	EUR	29,30
SPAIN	13,90	9,50	EUR	29,30
SWEDEN	139,90	98,50	SEK	26,33
SWITZERLAND	25,00	17,50	CHF	29,30
THAILAND	650,00	450,00	THB	18,36
TURKEY	40,00	30,00	TRY	30,00
UKRAINE	182,00	130,00	UAH	36,10
UNITED KINGDOM	11,99	8,20	GBP	29,00
UNITED STATES OF AMERICA	24,00	17,00	USD	35,00

Points are visible on the "tree" once the order is complete, which is after it's been taken and handed out by a Branch 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 completing an order in a given Branch!

7. CONCLUDING THE CONTRACT WITH A NEW FM GROUP BRANCH

On registering, you are assigned to your home Branch, which is determined based on correspondence address (permanent (legal) address can be in different country than country of residence (actual address), and thus country of the home Branch).

If you are going abroad for a longer period or moving permanently, then you change the Branch with which you cooperate and the country in which you get your discount or commission. Remember, that you can purchase products at any Branch without restriction, but you will receive the maximum of 550,8 points per month. You can get commissions only in one country. When making a purchase in a country in which you are a guest, you receive points (up to 550,8 per month), but you cannot get a discount unless you sign Distributor Contract with this Branch.

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 concluding a Distributor Contract with a new FM GROUP Branch.

In order to conclude a Distributor Contract with a new FM GROUP Branch you need to send a written request to FM GROUP World and attach:

- **termination of the current Distributor Contract with the previous FM GROUP Branch**
- **signed Distributor Contract with the new FM GROUP Branch without changing the Sponsor details**
- **signed regulations of the new FM GROUP Branch**

Besides that the whole commission earned at the current Branch should be picked up by the Distributor.

You will find a proper form at www.fmworld.com or at the Branches' web pages. The change is free of charge and can be done many times. If you return from emigration for example, you will have to send a form with current data once again.

Concluding a contract with a new FM GROUP Branch takes place only on the basis of application form and the above mentioned attachments, which must be sent to the office of FM GROUP World (by email: info@fmworld.com or fax: 00 48 71 323 99 25) by the last day of every month. Additional, yet indispensable, requirement is to pay out all earned commissions from the last month. Changing the Distributor's home Branch for a new one will take place by the 10th day of the following month.

REMEMBER!

When changing the Branch, read the terms of receiving commissions in the new Branch, because from that moment on 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 (if the Branches introduce them, then the same terms apply for all of them) or by a given Branch (then they are directed to Distributors assigned to a given office, see point 7 CONCLUDING THE CONTRACT WITH A NEW FM GROUP BRANCH).

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 applied to them are made accesible on the websites of particular Branches.

10. ETHICAL CODE OF FM GROUP

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

As a reminder, according to Regulations, a Member of FM GROUP Club can only have one Sponsor. Changing a Sponsor is 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, which concerns Distributors qualified for part II of the Marketing Plan (details in Marketing Plan)

Amaranth, Amaranth Orchid – Effectiveness Level of a Distributor, who has at least 3 groups in his/her structure and the groups achieved the Effectiveness Level of 21% (details in Marketing Plan)

B

Black Diamond, Black Diamond Orchid - Effectiveness Level of a Distributor, 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 listed in the FM GROUP Product Catalogue, at which FM GROUP Branches sells FM GROUP products (excl. possible discounts or promotions)

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

Commission– the amount entitled on the grounds of achieved Effectiveness Level; the condition of receiving the entitled Commission is making Self-Purchase for the value of at least 34.42 points in a Settlement Month (details in Marketing Plan)

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 for part II of the Marketing Plan for members of his/her Structure, who achieved an Effectiveness Level of at least 21% (details in Marketing Plan)

Corporate Web Page of FM GROUP – a web page at the following address 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 – Effectiveness Level of a Distributor, who has at least 5 groups in his/her structure, and the groups entered the Orchid Club (details in Marketing Plan)

Discount – a reduction of the price that an FM GROUP Distributor is entitled to when buying FM GROUP 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 indicated on the 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 granting Commissions; the condition of registering a Distributor's Contract by a Branch is placing the Sponsor's Number on it, name, surname, current address data, Identity Card number of the sponsored person (future Distributor), Starter Code and signing it the sponsored person

Distributor's Price – it is a Catalogue price decreased by possible concession discounts for which FM GROUP Distributor buys products for their own use or to sell them to Clients; the price list for Distributors is available at the Branches' web pages after logging in

E

Effectiveness Level – measure of effectiveness of an FM GROUP Distributor's activity, expressed by means of points obtained in a given Settlement Month (details in Marketing Plan)

Ethics Council – a team of Leaders consisting of at least 6 people, appointed by FM GROUP Branch, of a consultative, advisory nature

F

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

FM GROUP Club – the whole community of FM GROUP Distributors

FM GROUP Distributor – a Member of FM GROUP Club, a person who has concluded Distributor's Contract with one of the FM GROUP Branches

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

G

Gadgets – a range of FM GROUP products for which points are granted or not; they are often occasional products, offered for example during Christmas holidays (mugs, pens etc.)

Gold, Golden Orchid – Effectiveness Level of a Distributor, who has at least 3 groups in his/her structure and the groups entered the Orchid Club (details in Marketing Plan)

Group Points – total points given to FM GROUP Distributor and his/her Structure Group in a particular Settlement Month, which show his/her Effectiveness Level (details in Marketing Plan)

I

Identity Document – official document in force in a given country, proving a particular person's identity for instance identity card (ID), passport, driving licence, social security number.

Inactive Distributor – FM GROUP Distributor, who did not buy any products for the point value required by their Branch within 12 months from the moment or from the anniversary of entering into FM GROUP Club; inactivity results in automatic dissolving a Distributor Contract

info-zagranica@fmworld.com – an email address, with which everyone can get an answer to questions concerning functioning of FM GROUP Branches

L

Leader – an FM GROUP Distributor who maintains a high Effectiveness Level (from the Pearl Orchid level upwards)

M

Magnolia Club – the whole community of FM GROUP Distributors being within the 0 to 21% Effectiveness Levels (details in Marketing Plan)

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

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

Motivational Programmes – actions taken by FM GROUP World and each particular Branch in order to motivate Distributors to a higher activity and to achieve higher Effectiveness 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 get profits on the grounds of turnover generated by people present in their structure (details in Marketing Plan)

O

Online Store of FM GROUP – service of FM GROUP, available in selected Branches, which enables placing orders for products via the Web Page of a Branch

Orchid Club – the whole community of Distributors (Leaders) achieving the highest Effectiveness Levels in the FM GROUP Club: Pearl Orchid, Amaranth Orchid, Golden Orchid, Diamond Orchid, Black Diamond Orchid

P

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

Pearl, Pearl Orchid – Effectiveness Level of a Distributor, who has at least one group which achieved the 21% Effectiveness Level in his/her structure, and additionally, has 20 000 points generated by the other groups (details in Marketing Plan)

Perfume Percentage – percentage content of a scent composition in perfume products, which classifies 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 Settlement Month expressed in points

Products Catalogue – specification of products line in a given season with their Catalogue Prices; available in languages of all Branches it is not an offer in view of the legal regulations, but an invitation to place an order

Product with Point Value – products indicated by FM GROUP Branch which have an 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 allowing them to get familiar with it before making a purchase

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

Promotions – actions taken by FM GROUP Branches, within the frameworks of which specific products are sold at lower than usual prices; terms of Promotions are set by each Branch individually

R

Registration – the act of entering Distributor's data into the computer system; it enables to start working by FM GROUP Distributor; it takes place after receiving by FM GROUP Branch a correctly and legibly filled 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 – regulations being part of Distributor's Contract, that specify the rights and obligations of an FM GROUP Distributor; they are 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 them before starting to work on a given country's territory

Removing from FM GROUP Club – termination of a Distributor's Contract with an FM GROUP Club Member of all their rights resulting from Membership in the Club, removing an FM GROUP Club Member who broke the rules of Regulations of FM GROUP Club Member; is final

Resignation of Cooperation with FM GROUP – a letter of FM GROUP Distributor on resignation from cooperation with a Branch Resignation is free of charge, the only obligation of a resigning FM GROUP Distributor is to settle financial matters with FM GROUP Branch (among others taking out due Commissions)

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

Settlement Month – a calendar month, with the proviso that if the last day of the month falls on a day off from work, the end of the month will be on the last working day of the month at time previously announced at Branch website

Self-Purchase – purchase of Products with Points made by FM GROUP Distributor; a Self-Purchase for the value of 34.42 points in Settlement Month (for which Commission is granted) is required to receive a 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 – the number of the Distributor who sponsors other 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 in each Starter; on signing a Distributor Contract, one needs to write or stick the Code in the proper section (a Contract without Starter Code for the status other than Recipient cannot be registered, with the exception of Recipient status)

Starter Kit – the basic work tool of every FM GROUP Distributor, by means of which they present the company's product line; the Starter Kit includes Samples of perfumes, Product Catalogues, Marketing Plan, Distributor Contract and DVD with a corporate and a training film; Starter has no Point Value

Structure (Group) – 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

T

Trainings – workshops and presentations (for payment and free of charge) organized by FM GROUP Branch 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 name of a Group’s Structure built by a Distributor and of a way of presenting it on the web page after logging in