

Ruutos[®]

COMPENSATION PLAN

Ruutos is dedicated to helping every **Ruutos Independent Associate (RIA)** enjoy the most out of life. This dedication commences with providing the Ruutos Independent Associate (RIA) with the unique opportunity to create their own fulfilling sustainable and financially successful Ruutos independent business.

Our compensation plan provides immense potential for long-term sustainable wealth with 3 income streams, namely:

- ❖ Retail Profit
- ❖ Commissions and
- ❖ Bonuses

The income generated from Ruutos Compensation Plan is calculated on the income base amount allocated to each product. This document is designed to endeavour that all RIA fully understand the compensation plan that could bring huge success to them. It is intended to be a concise explanation of the calculations supporting retail profit, commissions and bonus payments.

Getting Started

To get started, purchase a **starter kit** for R 850 from a current Ruutos Independent Associate (RIA). The starter kit contains:

- ❖ Ruutos Independent Associate application form
- ❖ Ruutos Moisture Nourishing shampoo (250ml)
- ❖ Ruutos Moisture Replenishing conditioner (250ml)
- ❖ Ruutos Product Samples
- ❖ Ruutos Code of Ethics
- ❖ Ruutos Product Brochure
- ❖ Ruutos Price list

To complete the purchase of your new and exciting business, sign the Ruutos Independent Associate application form and submit your form to the Ruutos head office. RIA application forms can also be downloaded online at www.ruutos.co.za. Once your application is complete, you would be issued a unique ID number which will now allow you to purchase Ruutos products at wholesale prices.

Congratulations, you are now a Ruutos Independent Associate (RIA) who can recruit friends and families, buy at wholesale and sell for a profit.

Retail profit

As an RIA you are now entitled to purchase Ruutos products at a 25% discount. You may then sell your products at the suggested selling prices. The difference between the discounted price at which you purchase your Ruutos products and the suggested retail prices at which you sell your Ruutos products is your **Retail Profit**. Each Ruutos product carries a point allocation and Ruutos products purchased by you will make up your **Personal Volume (PV)**. At commencement of the Ruutos business $1PV = R10$.

The importance of selling cannot be overemphasized. It is the best way for you and your new team members to earn immediate income while building a long-term base of satisfied customers for your business. Your best downline RIA will most likely come from your retail customers.

Commission:

As an RIA you may now recruit friends, family members and colleagues to join the Ruutos business opportunity. RIA's who you recruit to join the Ruutos business opportunity are called your downline RIA's. Volume from Ruutos products purchased by your downline RIA's and their downline RIA's will be your **Group Sales Volume (GSV)**. At commencement of the Ruutos business $1GSV = R10$.

You need to achieve a minimum of 1 000PV's in a month to earn commissions on all your downline's purchases. You will receive commission as follows:

- ❖ 1st level down – 5% (1st level down are the people you personally sponsor).
- ❖ 2nd level down – 3% (2nd level down are the people sponsored by your 1st level).
- ❖ 3rd level down – 2% (3rd level down are the people sponsored by your 2nd level).

Bonus

To earn bonuses, RIA's need to first qualify to Teams as follows:

- ❖ Ruutos 1 star – achieve 1 000PV's and 100 000GSV's in 3 consecutive months
- ❖ Ruutos 2 star – achieve 2 000PV's and 200 000GSV's in 3 consecutive months
- ❖ Ruutos 3 star – achieve 3 000PV's and 300 000GSV's in 3 consecutive months
- ❖ Ruutos 4 star – achieve 4 000PV's and 400 000GSV's in 3 consecutive months
- ❖ Ruutos 5 star – achieve 5 000PV's and 500 000GSV's in 3 consecutive months

RIA's need to re-qualify to teams annually.

To earn bonus, RIA's need to maintain the same qualification criteria (above) every month, after they qualify into any team.

Example 2:

If your goal is to become a 1 STAR team member in April 2015, you would need to qualify by generating the same volume of 1 000PV and 100 000 GSV in January, February & March 2015. To Earn 1% on GSV totals in April, you need to also generate 1 000PV and 100 000GSV. You earn ONLY when the minimum qualification requirements are met

Team bonus are as follows:

- ❖ Ruutos 1 star – 1% of purchases from GSV less any other bonus earned in the downline of that group
- ❖ Ruutos 2 star – 2% of purchases from GSV less any other bonus earned in the downline of that group
- ❖ Ruutos 3 star – 3% of purchases from GSV less any other bonus earned in the downline of that group
- ❖ Ruutos 4 star – 4% of purchases from GSV less any other bonus earned in the downline of that group
- ❖ Ruutos 5 star – 5% of purchases from GSV less any other bonus earned in the downline of that group

IMPORTANT INFORMATION SECTION

BECOMING AN RIA

You would first need to purchase your Business Starter Kit at R850. Your Business Starter kit should include the following: (RIA Agreement and Application form, Ruutos Moisture Nourishing shampoo (250ml), Ruutos Moisture Replenishing conditioner (250ml), Ruutos Product Samples, Ruutos Code of Ethics, Ruutos Product Brochure and Ruutos Price list). Thereafter complete and submit your Ruutos Independent Associate application form to the Ruutos Head Office. Once that is done, you can now purchase products both for your personal use and for re-sell to retail customers. You'll begin to purchase products at 25% discount.

ACTIVE STATUS

You'll need to purchase a monthly minimum Personal Volume of 1 000PV to be considered active. This also allows you to be eligible for commissions every month. All sales generated by you are called **Personal Volume (PV)**. All sales generated by your downline RIAs and their downline RIAs are called **Group Sale Volume (GSV)**. Sales from your downline RIA's are pooled together into the Group Sales Volume. It's your Group Sales Volume that determines the size of your commission.

HOW DO I ADD A NEW RIA TO MY BUSINESS?

When recruiting a new RIA you will need to assist your new RIA member to complete their Ruutos Independent Associate application form. If you are the sponsor, then be sure to record your own RIA unique number in the section titled "Sponsor's Information." With Ruutos Compensation Plan, there is no limit as to the number of RIA's you can have on a level (1st, 2nd, and 3rd) as all group sales volume are channelled towards one sponsor – You, the Associate. As your downline RIA's begin to sponsor their own RIA, this generates greater sale volume for your entire team and so everyone benefits

EARNING COMMISSIONS FROM YOUR BUSINESS

Group Sales Volume will accumulate as your business grows. Points are assigned to each of Ruutos products purchased by your downline RIA's and their downlines, which accumulates to Group Sales Volume (GSV).

COMMISSIONS AND BONUS PERIODS

Commission and Bonus Periods will strictly run according to calendar months. Payment of Commissions and Bonuses will be processed on the 10th working day of the month subsequent to the Commission and Bonus period. All RIAs are advised to allow 10 working days for the processing of all payment for commissions and bonuses after the close of a Commission and Bonus period.

DEFINITIONS:

RIA

The Ruutos Independent Associate is an individual who is currently registered with the company as an Associate. They have the rights and privileges to enroll new Associates. They qualify for product discount, they earn and generate commission. To become an Associate, you need to agree to and sign the Associate Agreement form.

Downline

All RIA's personally sponsored by you and by your downline RIA

Sponsor

Any RIA who recruits a Ruutos Independent Associate.

1st Level RIAs

All RIAs you personally sponsor.

2nd Level RIAs

All RIAs sponsored by your 1st level RIAs.

3rd Level RIAs

All RIAs sponsored by your 2nd level RIAs.

Retail Profit

The difference between the discounted price paid by the RIA and the retail price paid by the customer.

Qualified RIAs

Any RIA who accumulates 1 000PV points within 1 month to receive commission pay out from all their downline purchases.

Personal Sales Volume (PV)

All sales volume purchased directly by you the RIA using your unique identification number.

Group Sales Volume (GSV)

All sales volume purchased by your downline RIAs and their downline RIAs.

Direct/Retail Customers

A Direct or Retail Customer is an individual who purchases products directly from an RIA. Direct customers are not registered with Ruutos. The price Direct Customers pay for a Ruutos product is determined by the RIA. Prices usually are above the purchase price paid by the RIA. We recommend that the selling price should be the suggested retail price. RIAs can make a retail profit based on the difference between the price they paid for the product and the price they collected for sale of the product.

SATISFACTION GUARANTEE

We guarantee the quality of any of our products which carries the Ruutos name. We certify that the products manufactured are of the highest standards of freshness and purity for consumption. We are confident that our customers will find our products satisfactory in every way.

However, if for any reason a retail customer is not completely satisfied with any of Ruutos product purchased from an RIA, the customer may request a refund from the RIA within 30 days from the date the customer receives the product. The customer will be instructed **to return the unused portion of the product, and or the empty product containers**, along with a copy of the retail receipt or a copy of the Retail order form, to the RIA from whom the purchase was done.

The RIA must offer the customer a full refund of the purchased price and claim replacement product from the Ruutos Head Office.

This guarantee does not apply to any product intentionally damaged or misused.

FOR MORE INFO KINDLY SEND AN EMAIL TO INFO@RUUTOS.COM