

A Guide to the Marketing Plan

Please find below an explanation of the basic terms included in the Marketing Plan that have meanings specific to the Marketing Plan. For simplification, we have also added graphic images thanks to which you will be able to envision how the Marketing Plan works in context.



Basic structure

- "2QT Cosmetics" means Dream Cosmetics S.R.L.S., with its registered office at Via dell'Arcoveggio 45/9, 40121 Bologna, F.C., VAT registration number CCIAA Bologna: 02892630308.
- "The Distributor" means 2QT Cosmetics Club Member/ Business Partner; a person who has accepted Terms and conditions of 2QT Cosmetics Club membership.
- "The 2QT Network" means a designation for all the Distributors around the world; whole structure of members formed by individual Groups.
- "The Group" means all members of a given distributors network that belong to a single Sponsors branch including himself.
- "The Branch" means group that falls under a Distributor who is registered directly under you.



- "The Sponsor" means Distributor positioned in the group directly up above you or anywhere above other Distributors (UP-LINE).
- "The Direct sponsor" means Sponsor who is positioned directly above other Distributor; Sponsor whose registration username was used for registration of a new Distributor.



"Distributors username" means the nickname chosen by a Distributor upon his registration.

"Sponsors username" means the nickname of a Sponsor underneath a Distributor is registered.



Revenue and rewards

"The World revenue" means the revenue of Points realized throughout the whole 2QT Cosmetics Network.

"The Group revenue" means the revenue of Points realized throughout a single Group.

"The Branch revenue" means revenue of Points realized throughout a single Branch.

"The Personal revenue" means revenue of Points realized personally by a Distributor.

"The Decisive period" means one calendar month (based on calendar valid on the territory of Italy).

"The Point" means the designation for virtual unit (Point) that is attributed for purchase of a particular good and that was purchased personally by the Distributor or has been purchased in his Group during a Decisive period. The Commission is achieved based on the Points. Point value of each product is marked on 2QT Cosmetics official website www.2qtworld.com.

"The Effectiveness level" means specific level, that was achieved by Distributor based on the volume and spread of his Group revenue.

"The Commission" means the amount that is paid to Distributor as a reward based on the Effectiveness level of acquired Points. For the purpose of enumeration of the Commission one Point is recalculated to value of 1 EUR. The minimum Group revenue requirement to achieve commission in a Decisive period is 100 Points. Another requirement to achieve the Commission is to achieve minimal Personal revenue of 30 Points during a decisive period.

"The World Revenue Commission" means the amount representing 9 % of the World Revenue (represented in Points), that the 2QT Cosmetics company will divide every month between Distributors; every Distributor who has qualified for the DIRECTOR 1 STAR position or higher qualifies for the Commission from the World Revenue; World Revenue Commission will be distributed among Distributors in the same proportionate share of the total volume, e.g.: 2% of World Revenue at the DIRECTOR 1 STAR position is divided between all Distributors qualified for the Director 1 star position and also by all the Distributors who qualified for higher level.

"The 2QT Bonus" means one-time bonus received by Distributor from the 2QT Cosmetics company if he maintains the DIRECTOR 2 STARS position or higher for twelve consecutive calendar months (based on Italian calendar). The Bonus amount varies according to the acquired positions during the qualifying period. If the Distributor will be on different positions during the qualifying period of twelve consecutive calendar months the Bonus amount will be based on the lowest position achieved.

"The Minimal purchase" means minimal Personal revenue that qualifies the Distributor for commissions. The minimal requirement is 30 Points.

The 1st part of the Marketing Plan

The first part of Marketing Plan is an entry to the world of rewards of the 2QT Cosmetics Company and it specifies the rules how to reach wanted Commission calculated with Personal points and Points of all partners in structure. Listed rules are intended for all Distributors who will achieve a Group revenue of minimum 100 Points during the Decisive period and a Personal revenue of minimum 30 Points during the Decisive period.

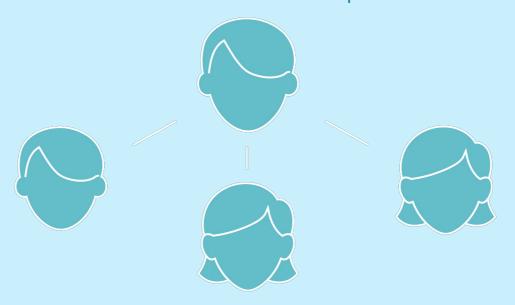
In the first part of the Marketing Plan Commission levels are set up between levels **3%** and **27%** according to the Group revenue of the Distributor in the Decisive period.

Effectiveness level 3 %	Group revenue of 100 Points or more
Effectiveness level 6 %	Group revenue of 400 Points or more
Effectiveness level 9 %	Group revenue of 1 200 Points or more
Effectiveness level 13 %	Group revenue of 2 400 Points or more
Effectiveness level 18 %	Group revenue of 4 000 Points or more
Effectiveness level 22 %	Group revenue of 6 000 Points or more
Effectiveness level 27 %	Group revenue of 10 000 Points or more



The Commission calculation

13% / 200 Personal points



Ross

6% /1000 points

3% / 200 points

6% /1000 points

Group Points 200 + 1000 + 200 + 1000 = 2400 Points

Personal points 200p x 0,13 (13%) = 26€

 $1000p \times 0.07 (7\%) =$ Branch Ross 70€

 $200p \times 0,10 (10\%) =$ 20€ Branch Mary

1000p x 0,07 (7%) = **70€** Branch Ivy

Commissions = 186€

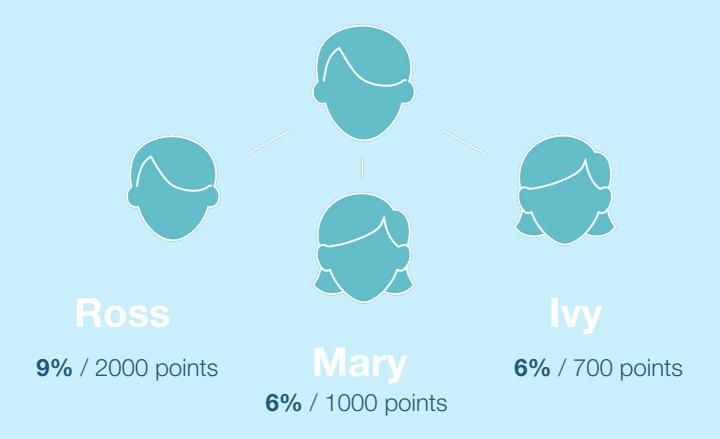
Explanation

2 x 1000 Points with 7% margin (the difference between the margin of the Distributor with the Effectiveness level 13% and the margin of the Branch with the Effectiveness level 6%)

- + 1 x 200 Points with margin 10% (the difference between the margin of the Distributor with the Effectiveness level 13% and the margin of the Branch with the Effectiveness level 3%)
- + 200 Points with the margin $13\% = 2000 \times 0.07 (7\%) + 200 \times 0.10 (10\%) + 200 \times 0.13 (13\%) = 140 p + 20 p + 26 p = 186 p x 1€ = 186€$

Distributor achieved the Effectiveness level 13% during the Decisive period as a Sponsor by supporting his two Branches with the Effectiveness level 6% both with a Branch revenue of 1000 Points, and one Branch with the Effectiveness level 3% with the Branch revenue of 200 Points, while his Personal revenue was 200 Points (Distributor acquired 2400 Points in his Group revenue = level 13%).

You 18% / 300 Personal points



Group Points 300 + 2000 + 1000 + 700 = 4000 points

Personal Points $300p \times 0,18 = 54€$ Branch Ross $2000p \times 0,09 = 180€$ Branch Mary $1000p \times 0,12 = 120€$ Branch Ivy $700p \times 0,12 = 84€$ Commissions = 438€

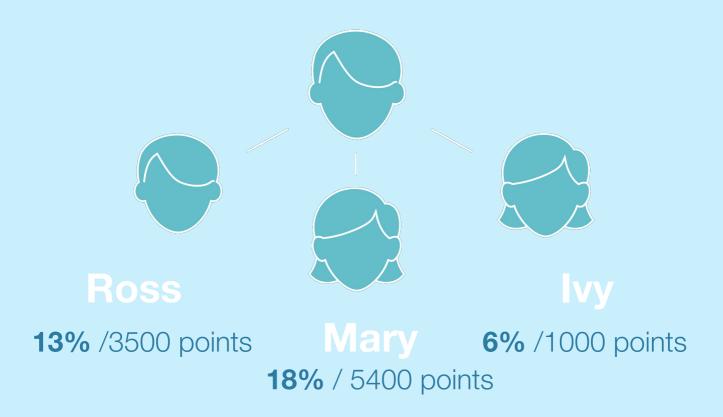
Explanation

1 x 2000 Points with **9** % margin (the difference between the margin of the Distributor with the Effectiveness level 18% and the margin of the Branch with the Effectiveness level 9%)

- + 1 x 1000 Points with margin **12** % (the difference between the margin of the Distributor with the Effectiveness level 18% and the margin of the Branch with the Effectiveness level 6%)
- + 1 x 700 Points with margin **12** % (the difference between the margin of the Distributor with the Effectiveness level 18% and the margin of the Branch with the Effectiveness level 6%)
- + 300 Points with the margin **18** % = 2000 x 0.09 (9%) + 1000 x 0.12 (12%) + 700 x 0.12 (12%) + 300 x 0.18 (18%) = 180p + 120p + 84p + 54p = 438p x 1€ = 438€

Distributor achieved the Effectiveness level 18% during the Decisive period as a Sponsor by supporting his one Branch with the Effectiveness level 9% with a Branch revenue of 2000 Points, two Branches with the Effectiveness level 6% with one of the Branches revenue of 1000 Points and the other Branch revenue of 700 points, while his Personal revenue was 300 Points (Distributor acquired 4000 Points in his Group revenue = level 18%).

You 27% / 300 Personal points



Group Points 300 + 3500 + 5400 + 1000 = 10200 Points

Personal points	$300p \times 0.27 =$	81€
Branch Ross	$3500p \times 0,14 =$	490€
Branch Mary	5400p x 0,09 =	486€
Branch Ivy	$1000p \times 0.21 =$	210€
	Commissions =	<u>1267€</u>

Explanation

1 x 3500 Points with **14** % margin (the difference between the margin of the Distributor with the Effectiveness Level 27 % and the margin of the Branch with the Effectiveness Level 13 %)

- + 1 x 5400 Points with margin **9** % (the difference between the margin of the Distributor with the Effectiveness Level 27 % and the margin of the Branch with the Effectiveness Level 18 %)
- + 1 x 1000 Points with margin **21** % (the difference between the margin of the Distributor with the Effectiveness Level 27 % and the margin of the Branch with the Effectiveness Level 6 %)
- + 300 Points with the margin **27** % = 3500 x 0.14 (14%) + 5400 x 0.09 (9%) + 1000 x 0.21 (21%) + 300 x 0.27 (27%)= 490p + 486p + 210p + 81p = 1267p x 1€ = 1267€

Distributor achieved the Effectiveness level 27% during the Decisive period as a Sponsor by supporting his one Branch with the Effectiveness level 13% with a Branch revenue of 3500 Points, one Branch with the Effectiveness level 18% with a Branch revenue of 5400 Points and an other Branch with the Effectiveness level of 6% with a Branch revenue of 1000 points, while his Personal revenue was 300 Points (Distributor acquired 10 200 Points in his Group revenue = level 27%).

The 2nd part of the Marketing Plan

In the 2nd part of the Marketing Plan, we bring you something more, in addition to the chance to claim a Commission from Group turnover, you also have the chance to claim a Commission from Worldwide Turnover and earn the 2QT Cosmetics Bonus.

A Distributor qualifies for the 2nd part of the Marketing Plan provided when Distributor achieves the DIRECTOR 1 STAR position or higher.

The **DIRECTOR 1 STAR** Position

Effectiveness Level **29%**. (27% + 2%)

The **DIRECTOR 2 STARS** Position

Effectiveness Level 30%. (27% + 2% + 1%)

The **RUBY** Position (27% + 2% + 1% + 1%)

The **EMERALD** Position

Effectiveness Level **32%** (27% + 2% + 1% + 1% + 1%)

The **DIAMOND** Position (27% + 2% + 1% + 1% + 1% + 1%

The **SENIOR DIAMOND** Position

Effectiveness Level **34%** (27% + 2% + 1% + 1% + 1% + 1% + 1%)

The **AMBASSADOR** Position

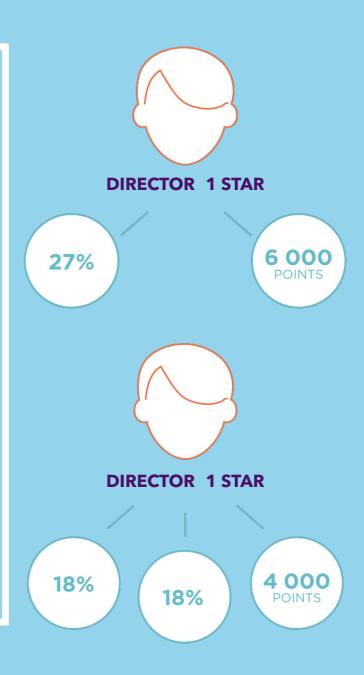
Effectiveness Level **34%** (27% + 2% + 1% + 1% + 1% + 1% + 1%)

DIRECTOR 1 STAR *

The Distributor is qualified for the **DIRECTOR 1 STAR** position when:

Option A (1) he achieved the Effectiveness Level 27% in the Decisive period (2) as a Sponsor he supports in one of his branches another Distributor that also achieved the Effectiveness Level 27% and (3) he generates personally or in his other Branches during the Decisive period revenue of at least 6 000 Points;

or **Option B** (1) he achieved the Effectiveness Level **27%** in the Decisive period (2) he supports as a Sponsor two Branches that achieved the Effectiveness Level **18%** or higher and (3) he generates personally or in his other Branches during the Decisive period revenue of at least **4000 Points**.



Qualification for the DIRECTOR 1 STAR position means:

- Commission of 29% from Personal revenue.
- Commission of **2% from the Branch revenue** from Branches that didn't qualify for position DIRECTOR 1 STAR or higher Effectiveness Level.
- Commission of 2% shared from the World revenue.

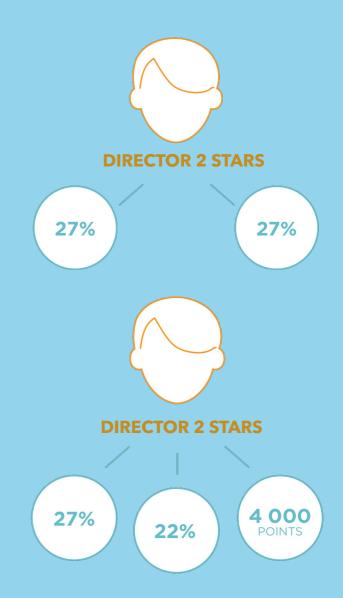
DIRECTOR 2 STARS



The Distributor is qualified for the **DIRECTOR 2 STARS** position when:

Option A (1) he achieved the Effectiveness Level 27% in the Decisive period and (2) he supports as a Sponsor at least two Branches each with the Effectiveness Level **27**%:

or Option B (1) he achieved the Effectiveness Level 27% in the Decisive period and (2) he supports as a Sponsor one Branch that achieved at least the Effectiveness Level 27% and a second Branch with the Effectiveness Level 22% or higher and (3) he generates personally or in his other Branches during the Decisive period revenue of at least 4 000 Points.



Qualification for the DIRECTOR 2 STARS position means:

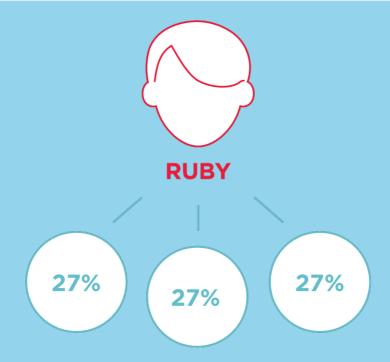
- Commission of 30 % from Personal revenue.
- Commission of **2% from the Branch revenue** from Branches that didn't qualify for the DIRECTOR 1 STAR position.
- Commission of 1% from the Branch revenue from Branches that didn't qualify for the DIRECTOR 2 STARS position or higher Effectiveness Level.
- Commission of 4% shared from the World revenue.
- 2QT Bonus of 3.500 € if he qualifies for the DIRECTOR 2 STARS position during twelve consecutive calendar months; this bonus is available yearly.



The Distributor qualifies for the **RUBY** position when:

(1) he achieves the Effectiveness Level 27% in the Decisive period.

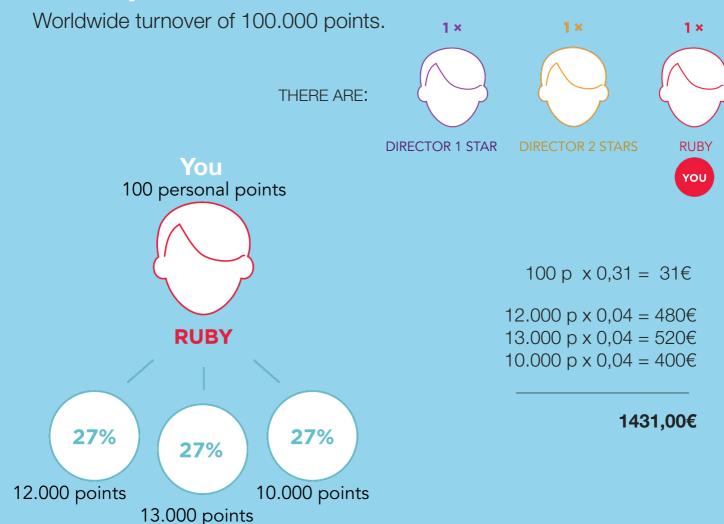
And (2) he supports as a Sponsor at least three Branches each with the Effectiveness Level 27%.

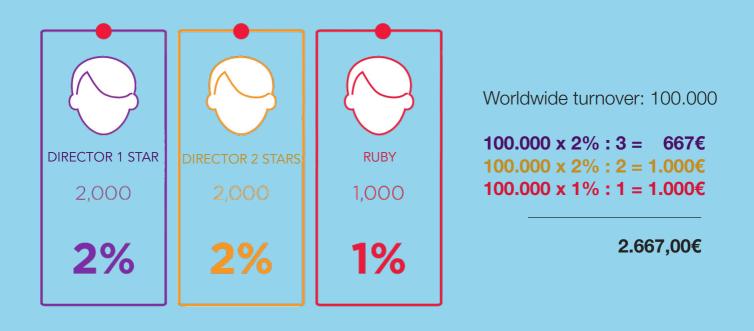


Qualification for RUBY position means:

- Commission of 31 % from Personal revenue.
- Commission of **2% from the Branch revenue** of Branches that didn't qualify for the DIRECTOR 1 STAR position.
- Commission of **1% from the Branch revenue** of Branches that didn't qualify for the DIRECTOR 2 STARS position.
- Commission of **1% from the Branch revenue** of Branches that didn't qualify for the RUBY position or higher.
- Commission of 5% shared from the World revenue.
- 2QT **Bonus of 5.500** € if he qualifies for the RUBY position during twelve consecutive calendar months; this bonus is available yearly.

Example





TOTAL: 1.431€ + 2.667€ = **4.098€**

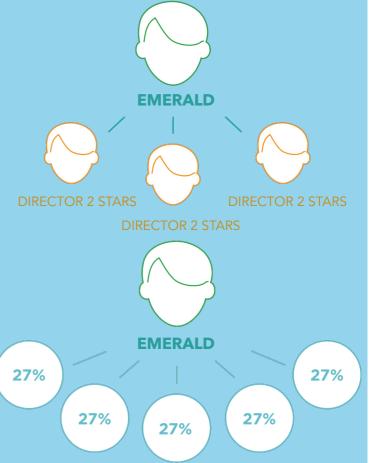


The Distributor is qualified for the **EMERALD** position when:

Option A (1) he achieves the

Effectiveness Level **27%** in the Decisive period and (2) he supports as a Sponsor at least **three Branches** each with the **DIRECTOR 2 STARS** position;

or **Option B** (1) he achieves the Effectiveness Level **27%** in the Decisive period and (2) he supports as a Sponsor at least **five Branches** each with the **Effectiveness Level 27%**.



Qualification for the EMERALD position means:

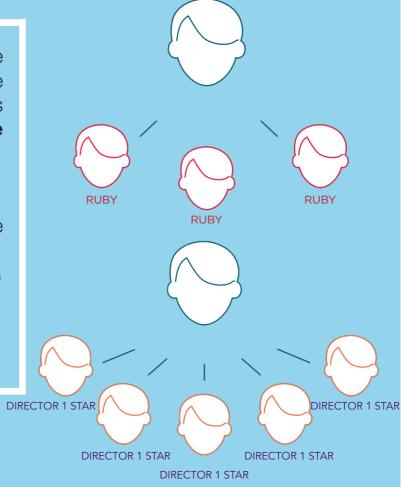
- Commission of 32 % from Personal revenue.
- Commission of **2% from the Branch revenue** from Branches that didn't qualify for DIRECTOR 1 STAR position.
- Commission of **1% from the Branch revenue** from Branches that didn't qualify for the DIRECTOR 2 STARS position.
- Commission of **1% from the Branch revenue** from Branches that didn't qualify for the RUBY position.
- Commission of **1% from the Branch revenue** from Branches that didn't qualify for the EMERALD position or higher.
- Commission of 6% shared from the World revenue.
- 2QT **Bonus of 7.000** € if he qualifies for the EMERALD position during twelve consecutive calendar months; this bonus is available yearly.



The Distributor is qualified for the **DIAMOND** position when:

Option A (1) he achieves the Effectiveness Level 27% in the Decisive period and (2) he supports as a Sponsor at least three Branches each with at least the RUBY position;

or Option B (1) he achieves the Effectiveness Level 27% in the Decisive period and (2) he supports as a Sponsor at least five Branches each with at least the DIRECTOR 1 STAR position.



Qualification for the DIAMOND position means:

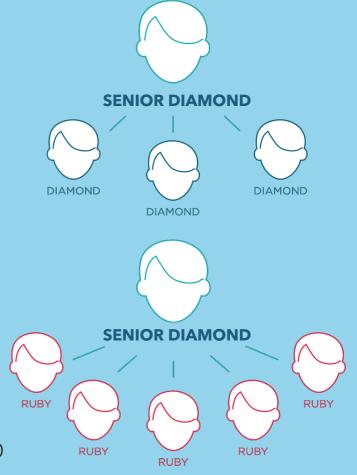
- Commission of 33 % from Personal revenue.
- Commission of 2 % from the Branch revenue from Branches that didn't qualify for DIRECTOR 1 STAR position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the DIRECTOR 2 STARS position.
- Commission of 1 % from the Branch revenue from Branches that didn't qualify for the RUBY position.
- Commission of 1 % from the Branch revenue from Branches that didn't qualify for the EMERALD position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the DIAMOND position or higher.
- Commission of 7 % shared from the World revenue
- 2QT **Bonus of 9.000** € if he qualifies for the DIAMOND position during twelve consecutive calendar months: this bonus is available vearly.

SENIOR DIAMOND **

The Distributor is qualified for the **SENIOR DIAMOND** position when:

Option A (1) he achieves the Effectiveness Level 27% in the Decisive period and (2) he supports as a Sponsor at least three Branches each with at least the DIAMOND position;

or **Option B** (1) he achieves the Effectiveness Level **27%** in the Decisive period and (2) he supports as a Sponsor at least **five Branches** each with at least the **RUBY** position.



Qualification for the SENIOR DIAMOND position means:

- Commission of 34 % from Personal revenue.
- Commission of **2** % **from the Branch revenue** from Branches that didn't qualify for DIRECTOR 1 STAR position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the DIRECTOR 2 STARS position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the RUBY position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the EMERALD position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the DIAMOND position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the SENIOR DIAMOND position or higher.
- Commission of 8 % shared from the World revenue.
- 2QT **Bonus of 26.000** € if he qualifies for the SENIOR DIAMOND position during twelve consecutive calendar months; this bonus is available yearly.



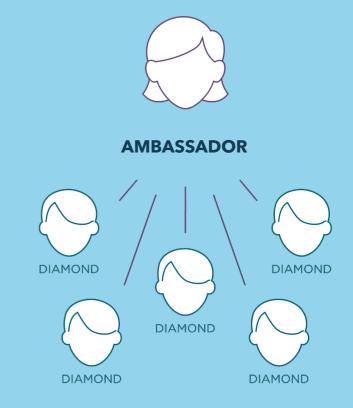
The Distributor is qualified for the **AMBASSADOR** position when:

(1)

he achieves the Level of Effectiveness 27% in the Decisive period and

(2)

he supports as a Sponsor at least **five Branches** each with at least the **DIAMOND** position.



Qualification for the AMBASSADOR position means:

- Commission of 34 % from Personal revenue.
- Commission of **2** % **from the Branch revenue** from Branches that didn't qualify for DIRECTOR 1 STAR position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the DIRECTOR 2 STARS position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the RUBY position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the EMERALD position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the DIAMOND position.
- Commission of **1** % **from the Branch revenue** from Branches that didn't qualify for the SENIOR DIAMOND position or higher.
- Commission of 9 % shared from the World revenue.
- 2QT Bonus of 60.000 € if he qualifies for the AMBASSADOR position during twelve consecutive calendar months; this bonus is available yearly.



The 2QT Cosmetics company reserves the right to change this Marketing Plan any time. This does not affect the Distributors claim for Commissions, the World revenue and the 2QT Bonus that Distributors qualified for before the change of the Marketing Plan.

The 2QT Cosmetics company is not responsible for misprints and misinterpretation of the terms that are part of the Marketing Plan.

2QT Cosmetics does not offer just a business but also a lifestyle, for this reason the Marketing Plan includes awards like Car Bonus and Holidays Bonus. More informations about our awards will be available on the official 2QT Cosmetics website.



