



Marketing Plan

COMPENSATION

Seventh Edition • Effective January 1, 1996

PART I: *Commissions*

COMMISSION SCHEDULE

Personal Group Commission Credits	Percentage
5000	25% **
4000	24% *
3000	23%
2500	20%
2000	17%
1500	14%
1000	11%
500	8%
300	5%
100	2%

** Earn 25% at the 5,000 level with the personal sponsorship or registration of two *qualified* Dealers and/or accounts for the month.

* Earn 24% at the 4,000 level with personal sponsorship or registration of one *qualified* Dealer and/or account for the month.

NOTE: "Qualified Dealer" is a new Dealer who purchases product with a 50 Commission Credit value. "Qualified account" is a commercial or retail account that purchases \$100 of product.

A. HOW TO EARN A COMMISSION

1. As an AMSOIL Dealer you buy products at Wholesale (Dealer) Cost and sell them at a retail cost to your customers, making a retail profit. You are entitled to earn a Commission on your purchases each month according to the Commission Schedule, provided:
 - a. You make not less than one sale at retail to each of five different customers during the month. A record of these retail sales must be kept.
 - b. You sell 70% of the total amount of product purchased during the month to receive the Commission due. AMSOIL will not allow "erratic buying" for the purpose of receiving higher Commissions than would normally be earned if Commissions were based on actual sales receipts. It is understood that you must buy ahead and the 70% policy allows you to build additional inventory.
2. You can increase your profits by sponsoring other people into the AMSOIL business opportunity. You may earn a Commission on both your individual purchases and on the individual purchases of Dealers you have sponsored provided you fulfill the personal minimum requirement. The personal minimum requirement is satisfied by the purchase of a minimum of product with 50 Commission Credits or by being incentive qualified. i.e., sponsoring or registering one qualified Dealer, Preferred Customer or account

for the month or sponsoring or registering 12 qualified Dealers, Preferred Customers or accounts in the past 12 months.

3. Each Dealer in your personal group fulfilling the minimum personal requirement and retail sales requirement is also entitled to a Commission on their individual purchases and on the individual purchases of Dealer/accounts in their group. See Commission Schedule.
4. A 20% commission on a Dealer's Personal Group Commission Credits is guaranteed to any incentive qualified Dealer that develops a qualified Direct Group, either personally or down group, but is not a qualified Direct Dealer or Direct Jobber.

B. HOW TO BECOME A DIRECT DEALER

1. You will earn the title of DIRECT DEALER any month you have 3000 or more personal group Commission Credits and meet the personal minimum requirements. You will retain this title for the balance of the calendar year in which you reach that level of performance.
2. Following your first month of qualification you may participate in the Direct Reserve Account that is designed to assist you in reaching the 3000 qualification level each month.
3. In each month that you have 3000 or more personal group Commission Credits and meet the personal minimum requirements, you will achieve the status of *QUALIFIED* DIRECT DEALER.
4. As a Direct Dealer you should become knowledgeable of the responsibilities of a Direct Jobber to prepare you for the management of your Personal Group.

C. HOW TO BECOME A DIRECT JOBBER

1. To become a Direct Jobber, a Dealership must reach and maintain 3000 Personal Group Commission Credits and meet the personal minimum requirements each month for three months.
2. Following three consecutive months of qualification, you will attain the status of Direct Jobber. Your Dealership will be officially promoted effective the first business day of the following month and recognized as achieving Direct Jobber status.
3. You will retain Direct Jobber status through December 31 of the year following the year in which you reached the Direct Jobber level. Requirements to regain this status are the same as those to initially become a Direct Jobber.
4. To be a Qualified Direct Jobber, in addition to the Personal Group Commission Credits and meeting the personal minimum requirements in the month, you must be willing to accept the responsibilities of leadership and management of your group.

D. ALTERNATE METHODS TO RETAIN QUALIFICATION

1. Once you have attained Direct Jobber status, you may use one of the following qualification methods, or any combination, to retain qualification. (May not be used for original qualification):
 - a. Be an incentive qualified sponsor of one qualified* Direct Jobber Group and maintain at least 2000 Personal Group Commission Credits each month.
 - b. Be an incentive qualified sponsor of two qualified* Direct Jobber Groups and maintain at least 1500 Personal Group Commission Credits each month.
 - c. Be an incentive qualified sponsor of three qualified* Direct Jobber Groups and maintain at least 1000 Personal Group Commission Credits each month.

*Must be qualified for the month.

2. The Direct Jobber Performance Commission percentage will be determined by:
 - a. The number of your first level Qualified Direct Jobbers and
 - b. Your Personal Group Commission Credits.
This Commission will be paid on all of your first level Qualified Direct Jobbers' Personal Group Commission Credits. (See Schedule A.)
3. A 3% Performance Commission will be paid on your first level qualified Direct Dealers' Personal Group Commission Credits. A Direct Dealer will remain part of your Personal Group until the Dealership qualifies as a Direct Jobber. The 3% Performance Commission must be passed to the upline Direct Jobber if the Direct Dealer's Personal Group Commission Credits are used for your Direct Jobber qualification.

E. HOW TO EARN THE DIRECT JOBBER PERFORMANCE COMMISSION

1. AMSOIL will pay a 5% to 9% Performance Commission on your first level Qualified Direct Jobbers' Personal Group Commission Credits for fulfilling the following requirements:
 - a. Be a Qualified Direct Jobber as set out in Section C, Part 1.
 - b. Purchase products with a minimum value of 100 Commission Credits or sponsor two qualified Dealers/accounts in the month or 24 in the last 12 months.
 - c. Provide leadership and training to your first level Direct Jobber Groups.
 - d. Conduct your business in strict compliance with the AMSOIL Sales Plan and Statement of Policies.

F. PERFORMANCE COMMISSION GUARANTEE

1. The Performance Commission is paid to a Qualified Direct Jobber by AMSOIL based on their Personal Group Commission Credits and the number of first level Direct Jobber groups. Because the AMSOIL Sales Plan provides an opportunity for Direct Jobbers to be qualified by methods other than 3000 Personal Group Commission Credits, it is appropriate that a Direct Jobber, who so qualifies under the alternative method, receives a 5% Performance Commission and guarantees to the upline Direct Jobber a Performance Commission income.
Therefore, if a Direct Jobber earns a Performance Commission on a downline Direct Jobber yet does not generate Performance Commission of \$150-\$270 to their upline, the difference between the amount actually generated and the amount of Performance Commission due the upline will be passed up to the upline Direct Jobber.

SCHEDULE A - The Direct Jobber Performance Commission

		FIRST LEVEL QUALIFIED DIRECT JOBBERS																
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
PERSONAL GROUP COMMISSION CREDITS	3000	5	5 ¹ / ₄	5 ¹ / ₂	5 ³ / ₄	6	6 ¹ / ₄	6 ¹ / ₂	6 ³ / ₄	7	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9
	6000	5 ¹ / ₄	5 ¹ / ₂	5 ³ / ₄	6	6 ¹ / ₄	6 ¹ / ₂	6 ³ / ₄	7	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9	
	9000	5 ¹ / ₂	5 ³ / ₄	6	6 ¹ / ₄	6 ¹ / ₂	6 ³ / ₄	7	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9		
	12000	5 ³ / ₄	6	6 ¹ / ₄	6 ¹ / ₂	6 ³ / ₄	7	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9			
	15000	6	6 ¹ / ₄	6 ¹ / ₂	6 ³ / ₄	7	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9				
	18000	6 ¹ / ₄	6 ¹ / ₂	6 ³ / ₄	7	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9					
	21000	6 ¹ / ₂	6 ³ / ₄	7	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9						
	24000	6 ³ / ₄	7	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9							
	27000	7	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9								
	30000	7 ¹ / ₄	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9									
	33000	7 ¹ / ₂	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9										
	36000	7 ³ / ₄	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9											
	39000	8	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9												
	42000	8 ¹ / ₄	8 ¹ / ₂	8 ³ / ₄	9													
	45000	8 ¹ / ₂	8 ³ / ₄	9														
	48000	8 ³ / ₄	9															
	51000	9																

G. HOW TO EARN THE 2% INCENTIVE BONUS

1. AMSOIL will pay a 2% Incentive Bonus to the upline Direct Jobber that received the 3% Direct Dealer Performance Commission on the Personal Group Commission Credits generated by a Direct Dealer during the three months of their qualification as a Direct Jobber.
2. This Bonus will be paid the month following qualification as a Direct Jobber.

H. HOW TO EARN AN INTERNATIONAL COMMISSION

Dealers in New Zealand, Puerto Rico and the United States-Canada (combined) will receive Commissions on their Personal Group Commission Credits within

their country according to the Commission Schedule. International Personal Group Commission Credits will not generate up a line-of-sponsorship that crosses national boundaries, except between the United States and Canada.

Once your International Dealer reaches the Direct Jobber Status and you are a Qualified Direct Jobber, AMSOIL will pay a 3% INTERNATIONAL DIRECT JOBBER PERFORMANCE COMMISSION to you each month your first level International Direct Jobber meets qualification.

This Commission takes the place of the DIRECT JOBBER PERFORMANCE COMMISSION paid on the first level Qualifying Direct Jobbers within your country. The International Direct Jobber may be counted for the purpose of determining the Direct Jobber Performance Commissions payment.

PART II: *Terms and Definitions*

ACCOUNT NUMBER — The identification number assigned to each registered account.

BUSINESS MONTH — The period from the first business day of the month through the last business day of the month for which commissions are calculated.

COMMERCIAL ACCOUNT — A commercial or industrial end user of the product which purchases product for company vehicles, machinery, equipment, etc., to be used in the performance of the business and not for resale.

COMMISSION CREDITS — The value placed on each product upon which commissions will be paid. Refer to the current AMSOIL Confidential Price List.

COMMISSIONS — The percentage paid on the Personal Group Commission Credits generated each month.

DEALER — A person currently registered with AMSOIL authorized to purchase product at Dealer Cost, sponsor other Dealers and register accounts.

DEALER PERSONAL GROUP — All the Dealers, Preferred Customers and accounts a Dealer sponsors either directly or indirectly further down the line-of-sponsorship, but not including any Direct Dealer or Direct Jobber or any Dealers sponsored by those Directs.

DEALERSHIP — The business of an individual or husband/wife partnership currently registered with AMSOIL as a Dealer.

DIRECT DEALER — A Dealer who has fulfilled in any one month the qualification requirements of 3000 Personal Group Commission Credits.

DIRECT JOBBER — A Dealer who has fulfilled the requirements of a Direct Dealer for three consecutive months.

DIRECT JOBBER PERSONAL GROUP — All the Dealers, Preferred Customers and accounts a Direct Jobber sponsors either directly or indirectly further down the line-of-sponsorship, but not including any Direct Jobber or any Dealers sponsored by those Directs.

EARNINGS — All of the commission amounts as well as performance commissions, bonuses, awards and commission adjustments.

FUND RAISING ACCOUNT — Legally organized organization that sells AMSOIL products through the retail catalog or internet online store for the purpose of fund raising.

INCENTIVE QUALIFIED — Sponsoring one qualified Dealer, Preferred Customer or account in a month or twelve qualified Dealers, Preferred Customers or accounts in the past 12 months.

INDIVIDUAL COMMISSION CREDITS — All commission credits generated by personal, Preferred Customer and account purchases from an AMSOIL Distribution Center or from another Dealer using a Dealer to Dealer (G-01).

PERFORMANCE COMMISSION — A 5% - 9% commission paid to qualified Direct Jobbers on the Personal Group Commission Credits of the first Direct Jobber down any line they sponsor.

PERSONAL GROUP COMMISSION CREDIT — All commission credits generated by a Dealer's personal group; therefore, does not include the commission credits of any qualified Direct sponsored. The Personal Group Commission Credits of a qualified Direct Dealer move upline to the first Direct Jobber and are part of that Direct Jobber's Personal Group Commission Credits.

PERSONAL MINIMUM REQUIREMENT — The purchase of a minimum of product with 50 Commission Credits or sponsoring one qualified Dealer/account for the month.

PREFERRED CUSTOMER — An individual currently registered with AMSOIL authorized to purchase product at Dealer cost. They do not earn commissions, bonuses and cannot sponsor Dealers, Preferred Customers or accounts.

QUALIFIED DIRECT — A Qualified Direct is a Direct Dealer or Direct Jobber who maintains the qualification requirements of Direct Dealer or Direct Jobber in any given month.

**QUALIFIED DEALER/
PREFERRED CUSTOMER/ACCOUNT** — A new Dealer, Preferred Customer or Fund Raising Account who purchases product with a 50 Commission Credit value or a Commercial or Retail Account that purchases \$100 of product.

RETAIL ON THE SHELF ACCOUNT — A business that operates out of a storefront or outlet where there is public access for customers. This business normally sells associated merchandise at retail prices or provides product as part of a service. The business must not operate out of the home or be located at a residence, and AMSOIL should not be the primary business.

SERVICING DEALER — A Dealer that services registered commercial, retail and fund raising accounts.

SPONSOR — A currently registered Dealer in good standing who introduces another person to the AMSOIL business or Preferred Customer opportunity by fully completing and submitting to AMSOIL the appropriate Registration Application in behalf of that person.

20% GUARANTEE — A 20% commission guarantee to any incentive qualified Dealer sponsoring a qualified Direct group, either personally or downline.

Z.O. NUMBER — The identification number assigned to each Dealership at the time of registration as an AMSOIL Dealer.