

# NEW DISTRIBUTOR PRICING (NDP)

## Your Automatic Retail Profit!

The New Distributor pricing structure has been designed to motivate each new Distributor to move to the Assistant Supervisor level as soon as possible, while ensuring an immediate income source for the sponsor. In order to maintain the integrity of our retail business, FLP has introduced NDP into its marketing program so that it protects the additional source of income which should come in from retail sales.

As of April 1, 2010 any Distributor at the Distributor level must purchase directly from FLP at the New Distributor Price. The New Distributor Price (NDP) is based upon an approximate 21% mark up from the whole sale price (WHP) of any product. Those at the Distributor level will purchase at the NDP until they complete their personal purchases of 2ccs in 2 consecutive calendar months. The difference between the NDP and the Wholesale price will be paid to the sponsor. This is Automatic Retail Profit or NDP profit.

### New Distributor Price (NDP)

1. This program affects all purchases by Distributors as of April 1, 2010 who are at Distributor level on the Marketing plan.
2. An order will be priced in its entirety. Therefore, if a particular order or combination of orders exceeds the 2 case credits that are required for move-up to Assistant Supervisor, the pricing of the entire order will be based on the NDP. Any overpayment will be refunded to the purchasing Distributor with their NDP profit payment.
3. For the initial months, in India, this amount (NDP profit) will be paid to the sponsors on the 15<sup>th</sup> of the following month of billing, along with their regular bonus payments and recap statements.

### Changes for the New Distributor

1. New Distributors may now start sponsoring and building their team

2. New Distributors will also receive a 21% automatic profit or NDP profit on the purchases made by any new distributors directly sponsored by them
3. New Distributors will continue to purchase at NDP until they make personal purchases of 2ccs in 2 consecutive calendar months, **irrespective of their level** changes by any push ups made from their team business. This means that NO new Distributor can evade from purchasing their 2ccs at NDP.
4. New Distributors may now retail their product to their customers at up to 18% retail profit
5. **New Distributors will still not be receiving any Bonus** as detailed in FLP Marketing Plan until they move to the level of Assistant Supervisor and above.
6. A New Distributor has to purchase at NDP for only his first 2cc purchases, and can yet start enjoying the benefits of 21% automatic retail profit that the company collects from their new distributors

### Changes for Assistant Supervisors and Above

1. All sponsors, including Assistant Supervisors and above will start receiving automatic retail profits (NDP profits) of 21% from the purchases of their personally sponsored New Distributors.
2. This profit is in ADDITION to the various incentives received by them in the marketing plan
3. Assistant Supervisors and above may count the case credits received from the downlines of their New Distributors (as long as they have not completed their 2ccs or moved up to Assistant Supervisor) as their personal case credits.
4. In simpler terms each New Distributor can provide the sponsor only up to 2cc in active qualification case credits, either from his personal purchase, or the purchase of his personally sponsored downline(s)

### Frequently Asked Questions (FAQs)

1. Can a New Distributor sponsor distributors into the Marketing Plan?

*Answer:* Yes, from the 1st April 2010, distributors who have just joined into the business and have not yet reached the level of Assistant Supervisor can sponsor New distributors under him.

2. How many times in a month will a distributor receive NDP profit?

*Answer:* In India, the program will allow NDP profit payments to be made to the distributor once a month. This is only for the initial months, until we have enough distributors that sign up for electronic payment modes.

3. After deducting the tax how much will reach to the hand of a Distributor as Retail Profit?

*Answer:* When NDP Profit payments are made the same amount of tax that is deducted on your bonus payments, will apply as TDS deductions.

4. I have recently heard that in NDP instead of 15% for New Distributor and 15% for Upline as Retail Profit, it has become 21%. Is it right? And if it is right please kindly explain me little bit about it with an example.

*Answer:* There is no change in the NDP rate. It is just a matter of perception. NDP is still calculated as a 15% discount from the SRP or you could even say that it is a 21% mark up from the WHP. The amounts are the same just when you calculate a discount from a bigger figure, the percentage is smaller than when you mark up from a smaller figure. Calculate it yourself for a bottle of gel without tax, the figures are as follows: WHP- 595; NDP- 722.5, SRP – 850

5. Can a New Distributor Earn New Distributor Profit from his new Downlines?

*Answer:* Yes, a New Distributor will earn 21% new distributor profit from the purchases of his new downlines from day one.

6. Are there different percentages of NDP profit depending on their level in the Marketing Plan

*Answer:* No, NDP is an automatic retail profit of 21% of the WHP for the sponsor. This rate of NDP is applied for all distributors at all levels.

7. Once a New Distributor reaches the 2cc threshold, when will his pricing drop to Wholesale Price?

*Answer:* The price drops to full Wholesale on the very next order, even if it is placed on the same day.

8. When a New Distributor's order brings him over the 2cc, why doesn't he receive the wholesale price on the excess over 2cc on that same invoice?

*Answer:* The order system does not allow two pricing tiers on the same invoice. Even though he pays the higher price on the entire order, the distributor will be refunded the overpayment on the products over 2cc on his next NDP profit payment.

9. What if a New Distributor is pushed to a higher level before he purchases the 2cc at New Distributor Price?

*Answer:* All Distributors, regardless of their position in the marketing plan, must purchase an accumulated total of 2cc at the New Distributor Price within 2 consecutive calendar months before they will receive the privilege of ordering at wholesale price.

10. Do I as the Sponsor receive case credits on the orders placed by my New Distributors?

*Answer:* If you are an Assistant Supervisor (or higher), the case credits from your personally-sponsored distributor (or his downline distributors), while he is at the level of a New Distributor are counted towards your active qualification.

11. If a Distributor has been pushed to a higher level, and is still purchasing at the New Distributor Price, what happens to the New Distributor Profit on his orders?

*Answer:* The immediate upline Sponsor receives the New Distributor Profit until the Distributor has fulfilled the 2cc requirement in 2 consecutive calendar months.

12. How do I receive my NDP Profit if I am not signed up for direct deposit?

*Answer:* Your NDP Retail Profit will be added to your regular monthly bonus cheque on the 15<sup>th</sup> of the month following the purchase; however the company is working on clearing NDP profit payments 2 times a month. If a distributor wants to avail this facility, he must submit his account detail form (available at all counters) and will be subject to availability of facility by the distributor's bank.

New Distributor Pricing and New Distributor Profit are two of the many exciting features of the Forever Living Products Marketing Plan! As you and your Distributors experience the NDP Profit flowing into your bank account you will quickly realize the power of this tool in motivating and solidifying your business! As always, we wish you all the best as you work to build your Forever business!

Please write to [ndp@flpindia.net](mailto:ndp@flpindia.net) for any NDP related queries.

**EXAMPLE**

**Anthony Receives:**

1. 2ccs as his active qualification as follows: 0.5ccs from Ina's purchase, 1cc from Dika's Purchase and 0.5cc (from 1.5ccs) of Mina's Purchase
2. Personal Bonus as per marketing plan level on 2ccs as above, and volume bonus on the remaining 1cc of Mina's purchases as per the marketing plan
3. 21% NDP profit on only 0.5 ccs of Ina's purchase

**Ina Receives:**

1. 21% NDP profit on 1.5ccs of Mina and 1 cc of Dikas purchases
2. Completes the level of Assistant Supervisor with his purchase of 0.5cc+ 1cc from Dika's Purchase and 0.5cc (from 1.5cc) of Mina's Purchase
3. He will receive 5% Personal Bonus on the 1cc (from the 1.5cc) of Mina's Purchase
4. He will continue to purchase at NDP until he purchases 2 ccs in 2 consecutive calendar months in his personal name. These will NOT then count for Anthonys active qualification.

Mina and Dika receive no income from the company in this example

1. Mina and Dika receive no income from the company in this example
2. They will continue to purchase at NDP, until they complete their personal purchases of 2cc in 2 consecutive calendar months
3. They may sponsor new downlines from whom they can earn NDP profits

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3. They may sponsor new downlines from whom they can earn NDP profits