# dōterra

### I. What is Direct Selling?

Direct Selling (DS) refers to the practice of directly engaging with end-consumers via means other than through conventional sales methods, such as advertisements, retail outlets, etc. Companies which engage in this business are known as Direct Selling Entities (DSE). DSE engage customers directly through demonstrations and presentations at their households and/or office workspaces. Direct selling is a business model where entrepreneurial-minded people can work independently to build a business with no cost to join and which is based on their own efforts to sell product while helping others do the same.

As per the World Federation of Direct Selling Associations (WFDSA), direct selling business worldwide accounts for about \$186.1 billion in business across more than 170 countries. It is estimated that about 120 million people are engaged in the industry and earn their living through the same.

In India, the figure during the last reported survey was about ₹180,670 million. It is estimated that more than 7.9 million people are engaged in the industry and provide livelihood to many families.

As per FICCI, it is estimated that the Indian direct selling industry has the potential to surpass ₹500 billion by FY 2030. The recent trends have contributed significantly towards the same.

### II. Benefits: DS offers various benefits and advantages to people associated with it, including:

- 1. No entry costs.
- 2. An entrepreneurial opportunity to become independent and earn income.
- 3. Freedom to choose whether to work full or part-time at the business.
- 4. People, especially women, have an opportunity to provide a secondary source of income in households and to eventually become financially independent.
- 5. A convenient and flexible opportunity for supplemental income.
- 6. Reduces product costs due to savings from no advertisement and promotional expenses.
- 7. Distributors/Wellness Advocates earn the trust of their customers and become a close-knit community.
- 8. Helps boost the economy and finance of a country.
- 9. Provides quality products to customers due to a successful marketing strategy.

Account Types: dōTERRA India is excited to open the India market by offering the Wellness Advocate, Preferred Customer, and Retail Customer account types.

The direct selling industry has changed the lives of millions worldwide and helped people achieve their dreams. The returns come over time and depend on the hard work and networking efforts put in by the distributor/Wellness Advocate. Direct selling is not a one-time scheme but requires constant nurturing. With sustained effort, a direct selling business may become a source of income and also shift to a full-time business.

Women around the world have found direct selling to be a way they can contribute financially to the household and earn independence. The WFDSA has stated that among all direct sellers (persons engaged in direct selling) about 74% are women.

### III. Why Choose Direct Selling?

India has an untapped potential for direct selling and the industry has shown exponential growth in recent years. Although there have been ups and downs, with the right mindset and clear focus, distributors in the industry are well-positioned to take advantage of projected upward trends. At present, direct selling accounts for only 0.4% of total retail sales in India. This percentage is lower than other developing countries. In addition, the direct selling business model often benefits from tight knit communities, such as those in India. Direct selling in India has barely begun to reach its potential. Thus, it makes sense to get on board early.

## doterra

### IV. About Us:

Founded in 2008, dōTERRA's mission from the beginning was to share the highest quality essential oils with the world. dōTERRA sources, tests, manufactures, and distributes essential oils and related products to millions of dōTERRA Wellness Advocates and customers in many countries around the globe.

Through industry-leading, responsible sourcing practices, dōTERRA maintains the highest levels of quality, purity, and sustainability in partnerships with local growers around the globe through Co-Impact Sourcing<sup>®</sup>. The dōTERRA Healing Hands Foundation<sup>®</sup>, a registered 501(c)(3) non-profit organization, offers resources and tools to sourcing communities and charitable organizations to raise self-reliance, increase access to healthcare, promote education, advance sanitation, and fight against human trafficking. dōTERRA is committed to sharing the life-enhancing benefits of its pure essential oils with the world.

dōTERRA India Private Limited was incorporated as a dōTERRA wholly owned subsidiary under the Companies Act 2013 on 10th December 2019 bearing CIN No. U51397MH2019FTC334241, and having a registered office at 307, Windfall, Sahar Plaza, Andheri Kurla Road, Andheri (E), Mumbai, MH–400059, IN.

### V. Why Choose us:

In order to facilitate the best personal essential oil experiences, dōTERRA utilizes a direct selling model. This approach allows distributors/Wellness Advocates to work directly with customers, which allows customers to learn and experience essential oils from somebody they know and trust. This business model also creates the opportunity for individuals and families to achieve their dreams of financial independence.

### VI. Dos and Don'ts:

The direct selling industry is regulated by the Consumer Protection (Direct Selling) Rules, 2021 published under the Consumer Protection Act, 2019, issued by the India Ministry of Consumer Affairs and adopted by various states. Accordingly, in compliance with the same, doTERRA India insists that each Wellness Advocate abide by the following principles and requirements in building their business.

- 1. Always carry your ID card when visiting a prospect.
- 2. Never visit uninvited, or force or coerce your prospects for sales.
- 3. Never mislead, misguide or misrepresent dōTERRA India, its products or compensation plan to prospective Wellness Advocates and/or prospective customers.
- 4. Keep a record of every sale made in a register along with the details of the purchaser or prospects.
- 5. Explain the entire policies governing the goods being sold including the warranty, the return and refund, etc.
- 6. Provide complete and correct information about doTERRA India and its products to all prospects.
- 7. Maintain a book of accounts.
- 8. Do not use tele-marketing or e-commerce platforms of any kind to sell doTERRA India products.
- 9. Never make a claim that any remuneration is given other than as mentioned in doTERRA India's compensation plan, or that mere recruitment is enough to earn a commission.
- 10. Provide all documentation (whether physical or online) to prospects.
- 11. Never state or take any fee of any kind for the registration of a Wellness Advocate, Preferred Customer, or Retail Customer. Becoming a dōTERRA India Wellness Advocate, Preferred Customer, or Retail Customer is completely free of charge.
- 12. Follow all applicable laws and regulations.
- 13. Be civilised and courteous in your behaviour towards all prospects.

### VII. Steps to become a doTERRA Wellness Advocate:

Anyone legally permitted to enter into an enforceable contract can become a doTERRA Wellness Advocate. There is no joining fee and doTERRA India provides a 30-day period to rescind the contract without penalty. To become a doTERRA Wellness Advocate, any person qualified can contact any existing doTERRA Wellness Advocate or contact doTERRA India through its website (https://www.doTERRA.com/IN/en\_IN).

You will require an existing doTERRA Wellness Advocate to sponsor you. The below mentioned steps and documents will aid you to complete a seamless and successful registration

- 1. Sign-up with doTERRA online.
- 2. Submit the following KYC documents online or send the scan copies to indiakyc@doterra.com within 15 days of signing up:
  - Copy of Government issued identity proof\*
  - Copy of Government issued address proof\*
  - Copy of PAN card
  - Cancelled bank cheque
    - \* The documents which can be provided for identity proof and address proof are: Aadhar card, voter ID, passport, driver license, PAN card etc.
- 3. Be of legal age in your state of residence and be competent to enter into the Agreement;
- 4. Be of sound mind and not disqualified from contracting by any law;
- 5. For registrations under a business name, please contact memberservice at india@doterra.com

All the information on the above documents must match and not contradict any other information submitted.

### VIII. Signing up as a Preferred Customer

A Preferred Customer has all the same benefits of a Wellness Advocate, including the wholesale discount on products and the opportunity to participate in the Loyalty Rewards Program (LRP), but are not permitted to sign-up others and do not qualify to earn commissions. A Preferred Customer may choose to upgrade to a Wellness Advocate at a later date.

The below mentioned steps will aid you to complete a seamless and successful registration:

- 1. Sign-up with doTERRA online as Preferred Customer. KYC documents are not required to sign -up.
- 2. Be of legal age in your state of residence and be competent to enter into the Agreement.



### IX: Signing up as a Retail Customer

A Retail Customer pays the MRP price for all product and does not have the opportunity to participate in the LRP. A Retail Customer does not have the option to switch account types, and would instead create a new account as the desired type (Wellness Advocate or Preferred Customer).

To complete a seamless and successful registration:

1. Place an order on a Wellness Advocate's doTERRA generated website.

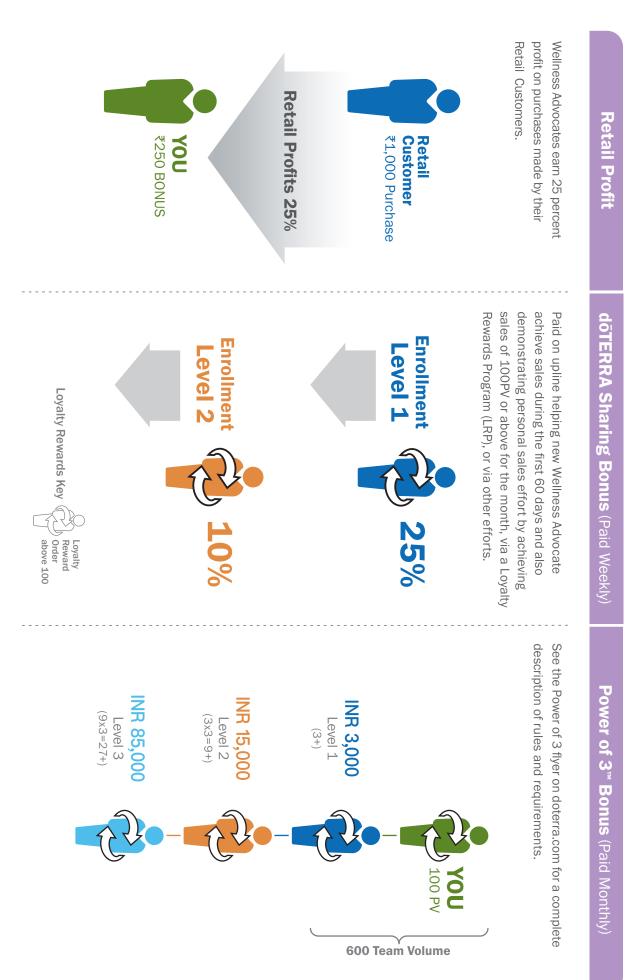
### X. Our Products:

dōTERRA essential oils and wellness products offer natural solutions for you and your loved ones. With responsible and sustainable sourcing, our mission is to improve the lives of your whole family and families around the globe with every dōTERRA purchase.



# India Compensation Plan: Getting Started

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\* Must be qualifying as a Wellness Advocate to receive these bonuses.

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**GOTERRA** India Compensation Plan: Group Sales Earnings

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Dynamic Compression	Level 7	Level 6	Level 5	Level 4	Level 3	Level 2	Level 1	Leg Requirements	Qualified Legs*	Monthly OV	Monthly PV	Paid as Title	Unilevel Group Sales Bonus (paid monthly on compressed group sales volume)
ression							2%	I	I	I	50	Wellness Advocate	Group Sa
						3%	2%	I	I	500	100	Manager	ales Bor
					5%	3%	2%	I	I	1,000	100	Director	IUS (paid n
				5%	5%	3%	2%	I	I	2,000	100	Executive	nonthly on c
			6%	5%	5%	3%	2%	I	I	3,000	100	Elite	compressec
		6%	6%	5%	5%	3%	2%	Executive	2	5,000	100	Premier	l group sale
	7%	6%	6%	5%	5%	3%	2%	Elite	ω	I	100	Silver	s volume)
	7%	6%	6%	5%	5%	3%	2%	Premier	ω	I	100	Gold	
	7%	6%	6%	5%	5%	3%	2%	Silver	ω	I	100	Platinum	
	7%	6%	6%	5%	5%	3%	2%	Silver	4	I	100	Diamond	
	7%	6%	6%	5%	5%	3%	2%	Gold	ហ	I	100	Blue Diamond	
	7%	6%	6%	5%	5%	3%	2%	Platinum	0	I	100	Presidential Diamond	

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# **DOTERRRA** India Compensation Plan: Leadership Pools

The Leadership Pools are earned and paid each month to Premier Ranks and above.

Leadership Pools (paid monthly on compressed organizational volume)

Paid as Title	Premier	Silver	Gold Pl	Platinum e Pool	Diamond	Diamond P	Presidential Diamond Pool
	# of shares	-1	JI	10		2	ω
	Additional Shares	1+	1+	1+	1+	1+	1+
			2%			1%	
		Empowerment Pool	ž		Diamond Pool	Blue Diamond Pool	Presidential Diamond Pool
	1 shar	1 share per 100 PV enrollment	llment	# of shares	З	З	З
# of possible shares	1	1	2	Additional Shares	1+	1+	1+
		1.25%			1%	1%	1%

Empowerment Pool. A Gold may qualify for a second share if they achieve an additional sale of 100PV or more. Empowerment Pool: A Wellness Advocate that qualifies as a Premier, Silver or Gold and achieves a sale of 100PV or more in a month, will receive one share in the

Leadership Pool: Each Silver earns one share, each Gold earns five shares, and each Platinum earns ten shares

Diamond Performance Pool: Each Diamond earns one share, each Blue Diamond earns two shares, each Presidential Diamond earns three shares.

**Diamond Pool:** Each Diamond receives three shares

Blue Diamond Pool: Each Blue Diamond receives three shares

Presidential Pool: Each Presidential Diamond receives three shares

Additional Shares: Wellness Advocates can earn additional shares of the pool for which they qualify by helping their personally enrolled Wellness Advocates advance to Elite (Leadership Performance Pool), Premier (Diamond Performance Pool, Diamond Pool, and Blue Diamond Pool), and Silver (Presidential Diamond Pool). Personally enrolled Wellness Advocates must be first-time qualifiers. There is no limit to how many additional shares can be earned

\*Legs must be personally enrolled