



Understanding the Earnings Plan

FAQs

1. What do I get for the AUD\$65 annual fee?

When you sign up as an Advisor, you'll receive:

- Your own personal link (URL). For example: creativememoriesau.com/user/janedoe. This is what you'll share with customers so they can order products from you 24/7. All sales coming through your link will be credited to your Advisor account. There is no monthly fee for your personal site.
- Access to Advisor-only Facebook communities
- Electronic sales tools, like promotional banners/product offers to post on social media, a blog or website, or to send to customers via email.
- Access to the Advisor back office, which includes marketing tools Advisors can print...like product flyers, promotional flyers, a 'flippable' electronic catalog, order forms and more.
- Support from the CM Home Office customer service team.
- A weekly newsletter, events and more from the Home Office



2. Is there a start-up Kit? How do we Advisors get initial product?

There is not a physical start-up Kit in addition to the electronic Marketing Tools mentioned. We believe Advisors should be free to choose which products they want to feature, demonstrate, and share. When you need new product to show customers, you can order whatever you'd like at your Retail Profit Rate, and then receive Earnings while growing your Account Balance.

3. When you say Advisors need to renew annually, is that from the date you sign up, or a calendar year?

Your Advisor term starts on the date you sign up and lasts for 12 months. So, if you sign up on the 2nd of June, you will need to renew by the end of the day (11:59pm CST) the following 1st



of June. Your term will Auto-Renew 14 days prior to your renewal date, unless you chose to Opt-Out of Auto-Renewal or have not designated a card for Auto-Renewal.

4. How should Advisors refer to ourselves?

We call Advisors “CM Advisors.” We ask that you identify yourself as an “Independent Advisor” in emails, on business cards or any customer-facing marketing.

5. How does the Advisor Account Balance (annual sales) work?

Upon signup, every Advisor starts with a \$0 balance, which you can grow as quickly or as gradually as you like.

Your Account Balance = your product orders at retail + your customers’ product orders at retail

(An easy way to remember: your Account Balance will show what people paid for the product.)

In this structure, all compensation is based on your Account Balance, which will grow throughout your first year. After the first 12 months, it will become a rolling year, which means your account balance will reflect the current day plus 364 days of history.

You will earn:

- Profit at your Profit Rate (see example below) on your own retail purchases and your customers’ retail purchases.

You may also earn a AUD \$160 account credit when:

- You have \$3200 in personal sales (at retail) in a calendar month (your purchases at retail + your customers’ retail purchases).



Example:

At the beginning of the month, Sarah is at level 1, earning 10% with an Account Balance of \$800. A customer follows her link and places a \$95 retail order. \$95 is added to Sarah's Account Balance.

Level	Profit rate	Account balance	Commission rate
1	10%	\$0-880	2%
2	25%	\$881-4,000	5%
3	30%	\$4,001-12,000	6%
4	35%	\$12,001-24,000	7%
5	40%	\$24,001	8%

Starting balance:
\$800
+ 95 order
\$895 balance

+ 100 order
\$995 balance

+3625
\$4620 balance

Because the order crossed to Level 2, Sarah will receive 10% profit on the first \$80 of the order and 25% profit on the rest of the order (\$15). *If Sarah is signed up for direct deposit, her Retail Profits will be paid weekly into her bank account.*

Sarah is now earning 25% because she is at Level 2.

The next day, Sarah places a \$100 order of her own,* so the amount that goes into her Account is \$100. ***See note regarding Advisor personal purchases at the end of this document.**

Level	Profit rate	Account balance	Commission rate
1	10%	\$0-880	2%
2	25%	\$881-4,000	5%
3	30%	\$4,001-12,000	6%
4	35%	\$12,001-24,000	7%
5	40%	\$24,001	8%

Starting balance:
\$800
+ 95 order
\$895 balance

+ 100 order
\$995 balance

+3625
\$4620 balance

Sarah's Account Balance now sits at \$995, and between customers ordering through her link (on which she's now earning 25% profit), a few parties and a crop, Sarah's Account Balance grows by additional \$3625, for a total of 4620.



(The system is smart – it knows when an order crosses a Level. On any single order that straddles a level, Advisors are paid both profit levels on the appropriate amounts.)

<u>Level</u>	<u>Profit rate</u>	<u>Account balance</u>	<u>Commission rate</u>
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3	30%	\$4,001-12,000	6%
4	35%	\$12,001-24,000	7%
5	40%	\$24,001	8%

Starting balance:
\$800
+ 95 order
\$895 balance

+ 100 order
\$995 balance

+3625
\$4620 balance

Sarah is now at level 3. She will earn 30% on the \$620 that is over \$4000 and 30% on future orders. And since Sarah added more than \$3200 to her Account Balance in a calendar month, she will receive a \$160 Account Credit.

If you have Advisors who have signed under you, the commission rate you earn on your Group’s Account Balances is based on YOUR Account Balance.

So, the higher your personal Account Balance, the higher Commission Rate you earn on your Group.

- You will receive Commissions on the growth of your downline Advisors’ Account Balances paid weekly.
- You may also earn \$160 Account Credits when:
 - The Advisors who have signed under you (your group) have \$3200 or more in sales in a calendar month. *(For Account Credits, it does not matter the level of your account balance.)*

<u>Level</u>	<u>Profit rate</u>	<u>Account balance</u>	<u>Commission rate</u>
1	10%	\$0-880	2%
2	25%	\$881-4,000	5%
3	30%	\$4,001-12,000	6%
4	35%	\$12,001-24,000	7%
5	40%	\$24,001	8%



Example:

Sarah is at level 3, earning a 6% Commission Rate, due to her Account Balance of \$4620. She has 20 Advisors in her Group.

In December, each member of her group purchases \$160 in products for a total of \$3200. Sarah will receive \$192 in Commission and an Account Credit of \$160 because her Group reached \$3200 in a calendar month.

If those same 20 Advisors purchase \$320 each in December (\$6400 total) Sarah would receive \$384 in Commissions plus \$320 in credits.

6. How do I increase my account balance?

The first thing we recommend is setting up your link/URL and sending it out to everyone you know, sharing it via email, social media, putting it on your blog or website, etc. As customers order products from you and you place orders yourself, your Advisor Account Balance will start growing, and will grow throughout the year.

Your balance will continue to build as you work to share with customer and increase your business during your first 12 months. As you cross different sales levels, you will earn at an increasingly higher Profit Rate on sales to customers and a higher Profit Rate on your own purchases. If you have Advisors who sign under you, as you reach new levels you'll also earn higher Commission Rates on your Group.

7. How does the rolling year work?

As an Advisor, your first 12 months will be the period you build your Account Balance.

When you've been an Advisor for more than 12 months, your Account Balance will reflect the current day plus 364 days of history. So as long as you continue the same level of activity consistently over time (your purchases and your customers' purchases), you should be able to maintain your level indefinitely.

Beginning with your renewal date, your account balance will begin going day-by-day. So, if you had a few big orders in a month the prior year, you will want to plan for similar sized orders at the same time the following year to maintain the same Account Balance.



Example:

Debra, who started in November, does a consistent business all year, averaging about \$1,000 per month.

Her peak month was November, with Holiday Open Houses and a large crop

<u>Level</u>	<u>Profit rate</u>	<u>Account balance</u>	<u>Commission rate</u>
1	10%	\$0-880	2%
2	25%	\$881-4,000	5%
3	30%	\$4,001-12,000	6%
4	35%	\$12,001-24,000	7%
5	40%	\$24,001	8%

Debra’s Account Balance is \$15,500 at the end of her first year, which puts her at Level 4, earning 35% profit and 7% on Advisors on her team.

Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct
\$4,500	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000

When it’s time for Debra to renew the following November, her account balance will begin looking back to the last 364 days. This means that as the calendar advances, the orders from the prior November will start to drop off.

For instance, let’s say Debra’s November orders were on three separate days, 2nd Nov, 15th Nov and 25th Nov.

- One year later, on 3rd Nov the prior year’s 2nd Nov order will fall off.
- On 16th Nov, the prior year’s 15th Nov order will fall off.
- On 26th Nov the prior year’s 25th Nov order will fall off.

So, you can see that Debra will want to repeat or exceed what she did the prior year in order to maintain her Account Balance.

8. If I have an account credit when it’s my renewal time, can I use it to pay my annual fee?

Account Credits can only be used to purchase product; they cannot be used to Join or Renew.

9. How often will I be paid, and how?

Advisors who have signed up for direct deposit are paid their earnings weekly.

You receive:

- Retail Profit from that week’s personal purchases
- Retail Profit from that week’s customer orders
- Commissions on your group’s weekly activity



Profits/commissions run each Sunday morning, 12:01 am. People who are signed up for direct deposit get their deposits each Wednesday (barring Public holidays) the week after an order is placed. You can find your earnings for the week on your My Earnings page.

Please note that, if you do not enter your banking information for Direct Deposit, your Payouts will accrue throughout the year, then a check for the year's accumulated Earnings is sent at the end of the year, minus the \$5 processing fee

Monthly: If you're due to receive Account Credits, they will appear in your Account at the beginning of the next month, for the prior month's activity.

10. Do I have to sign up for direct deposit?

To be paid Retail Profits and Commissions weekly, Advisors need to sign up for direct deposit. If we do not receive direct deposit information for an Advisor, he/she will be paid annually via cheque, minus the \$5 processing fee.

11. Are levels retroactive? For example, if I reach the 30% profit level, can I get "back pay" for the prior two levels?

The levels are not retroactive. You'll receive Retail Profit (and Commissions, if you have Advisors under you) based on your level at the time orders come in.

For example, once your Account Balance reaches \$4001, your next order will be at the 30% Retail Profit Rate, whether that's in your first month as an Advisor, your 5th month or your 11th month. If you have an order that crosses over a level threshold, the first portion of the order will be paid at your current level and the remaining portion at the next level.

12. Can you tell me more about Account Credits?

You can earn \$160 Account Credits two ways:

1. You have \$3200 in purchases/sales in your Account in a calendar month, and/or
2. Your Group adds \$3200 or more in purchases to their Accounts (collectively) in a calendar month.

Account Credits can be used to purchase product. These Account Credits expire one year from the date of issue.



Customers

13. When customers order through my link, are they paying full price (retail)?

Yes, customers will pay retail prices. If there is a CM Home Office-initiated customer promotion (buy-one get-one, bundles, gift with purchase, etc.), the amount that goes into your Account Balance will be what the customer paid for the product.

14. Will I be able to see the name of the customer who purchased from me?

Yes, you'll receive an email when a customer orders from you and, you'll also see their name in your Advisor back office on your My Earnings page. Additionally, when a customer orders through you, they are added to your Contact Report found in your Reports in the back office.

15. Will customers visiting creativememoriesau.com (not coming through an Advisors' link), be forced to affiliate with an Advisor?

The website will not force affiliation. We offer an Advisor lookup on the site, so in the event a customer intends to shop with an Advisor, they will be able to find their Advisor by name. If they're looking for an Advisor near them, there's also a zip/postal code search.

When you're working with your customers, you'll want to be sure they have your link and encourage them to bookmark it so they click through and order with you each time. If they do not use your link or see your name on the site or in checkout, there is a prompt that pops up asking them to confirm that it was their intention to shop direct. If they intended to shop with you, they can search for you by name to get their order credited appropriately.

Advisors will only appear in the Checkout search if they are opted-in to the Advisor Locator and have their link personalised.

Groups

16. Is my Commission Rate, on the Advisors who sign under me, based on *their* Account Balances, or on *my* Account Balance?

Your level of compensation, both Retail Profit Rate and Commission Rate, are always based on ***your*** Account Balance (*your purchases at retail + your customers' purchases at retail*).



The more you do and the higher *your* Account Balance, the more you earn on the Advisors who have signed under you.

17. Are there ‘ranks’ or titles?

Everyone is an Independent CM Advisor, whether or not you have Advisors who have signed under you. There are no other titles or ranks.

18. When Advisors sign up under me (join my Group), I understand I will earn a Commissions at my Commission Rate on their sales. If they bring Advisors into *their* Group, will I earn on that second level?

This plan pays on one level, so you will not earn Commission on additional lines below your Group. However, because the Commission structure is based solely on each Advisor’s Account Balance, Advisors in your group are motivated to increase their own Account Balances, which will in turn benefit you by adding to your Group Commissions.

19. If there aren’t “leaders,” what is the role of an upline Advisor?

We expect upline Advisors to provide support and encouragement to their team members; it is up to each upline to offer what their team members need. If team dynamic, idea sharing and encouragement are important to you, you may want to talk with your potential upline Advisor and see what sort of support/team-building they plan to offer, to ensure the best fit before you sign under them.

20. If one of the Advisors under me (call her Beth) chooses not to renew, will the Advisors Beth has signed up move under me (i.e., bump-up)?

Bump-ups are not part of the plan. However, if one of the Advisors who signed under Beth would like you as an upline Advisor instead, she can request that change if Beth does not renew. Because there are no minimums, volume or leadership requirements for Advisors to stay active, many common reasons for deactivations do not apply. As long as an Advisor pays her Annual Fee to cover the cost of the electronic Sales Kit he/she will remain in active status.

21. When it comes time to renew each year, will Advisors have to confirm that they wish to stay with their upline?

When Advisors renew each year, they will remain affiliated with their current upline, as long as that upline also renews.



Downline Advisors may opt to change their upline at their renewal time, and may do so by contacting customer service: customerserviceau@creativememories.com

22. When new Advisors join, do they have to sign under an existing Advisor?

No. The Advisor opportunity is open to everyone, so people can sign up directly with CM if they wish. If someone wants to sign under a particular Advisor, they will need to come to the site through their desired upline Advisor's link and/or choose them during signup.

Shipping

23. What are the rates for shipping and handling?

You will find the rates for shipping and handling to your country in the footer link of your country's website.

Signing up as a CM Advisor

24. Can we have other businesses in addition to being a CM Advisor?

Yes. CM Group will not restrict Advisors from being part of others' affiliate programs nor having other businesses, as long as you're not selling CM products from a fixed retail location and do not lead people to believe CM and your other business are affiliated.

25. I do not have a leader, but like being part of a team. Can you help me connect with someone?

You're welcome to use the Advisor locator on the site to find someone near you, or ask for recommendations from other Advisors. People who love their upline are usually very happy to share who and why!