RRUBY RIBBONSUCCESS PLAN 2024

Shape Your Work, Shape Your Life.

Grow a business on your own terms.

Decide when and where you work.

Spend more time doing what you love.

Welcome to Ruby Ribbon! Our Success Plan give you options – you can be a top seller, a top leader, or both! Our plan is based on 3 key income producing activities: selling, sponsoring, and activating new Stylists. As a seller, you are working towards your individual sales goals and as a Leader, you are working on group volume with your team. This document will describe the Success Plan in detail and help you learn how to optimize your earning potential with Ruby Ribbon.

Sales Commissions

Selling Camis and Demis to customers is at the heart of your business. Happy, satisfied women wearing our products are the foundation of a successful business. No matter how high up the success ladder you climb and no matter how large your organization becomes, everyone leads by example in personal sales. When products are sold, you make money, team members can make money, and everyone is inspired to continue growing their business. Sales commissions are paid out weekly on Fridays, for the preceding weekly period.

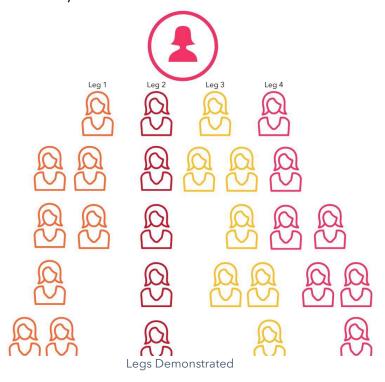
Earn up to 40% on your sales based on your PQV and Career Title*.

A <u>Period</u> refers to a specific timeframe in which qualifications and payouts are calculated. In our Success Plan, we have a weekly period for all Sales Commissions as well as a monthly period for Leadership Bonuses.

<u>Personal Qualifying Volume (PQV)</u> is the amount on which Sales Commissions are paid. It consists of both your personal purchases and your customer's purchases. Product credit, Hostess coupons, and other discounts may reduce the amount of PQV tied to an order.

<u>Sales Commissions</u> are paid on PQV, according to your Paid-As Career Title and PQV level. As you progress in both PQV and Title, you are eligible for a higher earnings percentage.

A <u>Leg</u> is an organization that starts with each of your personally sponsored Stylists and includes all Customers and Stylists in her entire downline.



<u>Paid-As-Career Title</u> is earned by accumulating Personal Qualifying Volume (PQV), Level 1-3 Qualifying Volume, and Personally Sponsored Qualified Stylists in a given commission month. To advance past Star Stylist, you must develop other Star Stylists in your organization to form a "Star Stylist Leg". Beyond Silver Mentor, a Stylist must also accumulate Volume outside of their largest leg. See Career Title Section for full details.

CAREER TITLES	STYLIST							ENTC	R	EXECUTIVE			
CAREER TITLES	Sty	rlist	Active Stylist	Qualified Stylist	Lead Stylist	Star Stylist	Silver Mentor	Gold Mentor	Platinum Mentor	Emerald Executive	Sapphire Executive	Ruby Executive	
TITLE ADVANCEME	NT	RE	QUI	REMEN	TS								
Personal Qualifying Volume (PQV)			100	300	750	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
Levels 1-3 Qualifying Volume					1,000	2,500	5,000	10,000	25,000	50,000	100,000	250,000	
Qualifying Volume Outside Largest Leg								5,000	10,000	25,000	50,000	125,000	
Personally Sponsored Qualified Stylists					1	2	3	4	5	7	12	15	
Legs with at least 1 Star Stylist							1	2	3	4	5	6	
SALES COMMISSIO	ΝS	ΒA	SED	ON PE	RSON	IAL Q	UALIF	YING	VOLU	ME (P	QV)		
PQV: 0-99	5	%											
PQV: 100-299			10%										
PQV: 300-1,499				20%	20%								
PQV: 1,500-2,499				25%	25%	25%	25%	25%	25%	25%	25%	25%	
PQV: 2,500-4,999						30%	30%	30%	30%	30%	30%	30%	
PQV: 5,000-9,999								35%	35%	35%	35%	35%	
PQV: 10,000+	,	,	—	1		1		+	\	40%	40%	40%	

Activity Requirements must be met to keep your Stylist account open and in good standing. Your activity goal as a Stylist is to achieve at least 100 in Personal Qualifying Volume (PQV) every month. Sales commissions will still be paid on any PQV under 100 at the corresponding percentage rate.

<u>Grace Months</u> are given to Stylists in the event they are unable to meet 100 PQV in a commission month. When a Stylist does not reach a minimum of 100 PQV in a month, she is considered inactive. Stylists are given 3 grace months for inactivity in their enrollment year, however, the grace periods cannot be consecutive months. Once a Stylist uses all 3 grace months, she must remain active (100 PQV) each month until her Grace Months reset at the end of her enrollment year, in order to avoid having her Stylist account closed and converted to a Customer account.

Example: Maria Enrolls February 2023

Enrollment Year: February 2023 - January 2024

Maria achieves 100 PQV in February and March, however, in April, her PQV totals 89. This uses one of Maria's 3 Grace Months in this enrollment year, leaving her with 2 remaining until they are reset in February of 2024.

In May, Maria again drops below 100 PQV, however, because Grace Months cannot be used consecutively, Maria is considered inactive, and her account would be closed and converted to a Customer account.

Career Titles

<u>Paid-as-Title</u> is the title given upon meeting rank qualifications in a monthly commission period. The Paid-As rank may different than the Lifetime Title and may fluctuate from month to month based on a Stylist's sales and team activity.

<u>Lifetime Title</u> is the title given upon promotion to a new rank and may also be referred to as your recognition title. With the transition to the Success Plan, new Lifetime Titles have been set for Stylists enrolled before January 2024, based on the Stylist's highest Paid-as-Title in 2023. As a Stylist promotes beyond this title, their Lifetime Title will change.

<u>Stylist Career Titles</u> are a new gal's entry level positions with Ruby Ribbon. As you develop your business acumen and start selling to customers and enrolling your first Stylist teammates, you will advance through these titles. This grouping of titles is focused on these consistent activities leading to Star Stylist. KEYWORD: BUILD

<u>Mentor Career Titles</u> are for those Goal-Getters who are selling those camis while expanding their teams and building Star Stylists in their organization. This grouping of titles is focused on teaching, supporting, and mentoring your teammates to the Career Title of Star Stylist and beyond. KEYWORD: EXPAND

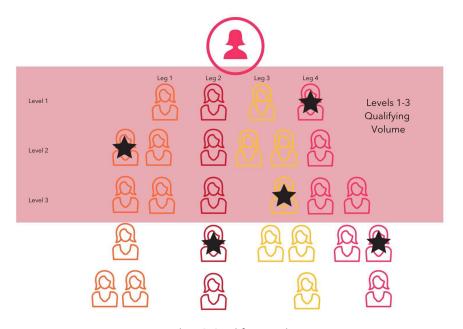
<u>Executive Career Titles</u> are the crowning jewels of our community! These gals are selling, mentoring, and leading *bust*-ling (hehe) organizations of Stylists to advance in the Success Plan. KEYWORD: LEAD

CAREER TITLES	STYLIST							ENTC	R	EXECUTIVE			
CAREER TITLES	Sty	/list	Active Stylist	Qualified Stylist	Lead Stylist	Star Stylist	Silver Mentor	Gold Mentor	Platinum Mentor	Emerald Executive	Sapphire Executive	Ruby Executive	
TITLE ADVANCEME	NT	RE	QUII	REMEN	TS								
Personal Qualifying Volume (PQV)			100	300	750	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
Levels 1-3 Qualifying Volume					1,000	2,500	5,000	10,000	25,000	50,000	100,000	250,000	
Qualifying Volume Outside Largest Leg								5,000	10,000	25,000	50,000	125,000	
Personally Sponsored Qualified Stylists					1	2	3	4	5	7	12	15	
Legs with at least 1 Star Stylist							1	2	3	4	5	6	
SALES COMMISSIO	NS	B/	SED	ON PE	RSON	IAL Q	UALIF	YING	VOLU	ME (P	QV)		
PQV: 0-99	5	%											
PQV: 100-299			10%										
PQV: 300-1,499				20%	20%								
PQV: 1,500-2,499				25%	25%	25%	25%	25%	25%	25%	25%	25%	
PQV: 2,500-4,999						30%	30%	30%	30%	30%	30%	30%	
PQV: 5,000-9,999								35%	35%	35%	35%	35%	
PQV: 10,000+	,	,						+	+	40%	40%	40%	

<u>Title Advancement Requirements:</u> PQV, Levels 1-3 Qualifying Volume, Qualifying Volume Outside Largest Leg, Personally Sponsored Qualified Stylists, Star Stylist Legs

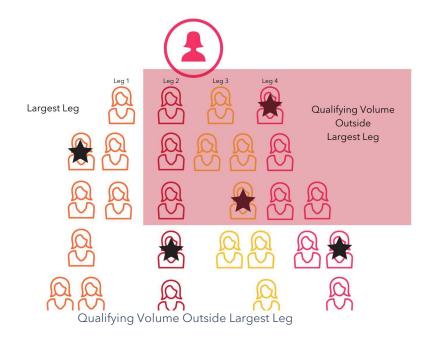
<u>PQV</u> must be within the range required for each Career Title.

<u>Levels 1-3 Qualifying Volume</u> is the total PQV of all Stylists in your first three levels.



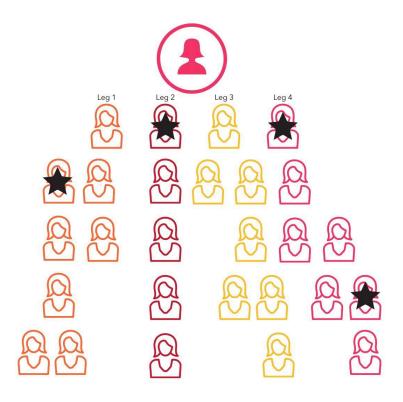
Levels 1-3 Qualifying Volume

<u>Qualifying Volume Outside Largest Leg</u> is the total PQV generated from all Stylists in your first three levels who are NOT members of your leg with the largest volume.



<u>Personally Sponsored Qualified Stylists</u> have at least 300 PQV in a commission month and are on your first level. Stylists that have rolled up to you due to a resignation/closure are considered your personally sponsored.

<u>Legs with at Least 1 Star Stylist (Star Stylist Leg)</u> must contain at least one Paid-As Star Stylist somewhere in the leg. The leg may contain more than one Paid-As Star Stylist, however, it will still only count as one Star Stylist leg.



Star Stylists Legs

Leadership Bonuses (Paid on CV)

Your earning potential grows as you build a strong team. All Leadership bonuses are paid on your Team's sales based on Commissionable Volume (CV). Leadership bonuses will be calculated and paid out on the 10th of each month for the previous month's commission period, along with any additional sales commission earnings due based on the period's final PQV and Career Title.

<u>Commissionable Volume (CV)</u> is the volume on which all Leadership Bonuses (Q-300, Generations, Executive Pool shares) are paid. CV is calculated at 70% of PQV, unless otherwise stated (promotions, special offers, etc).

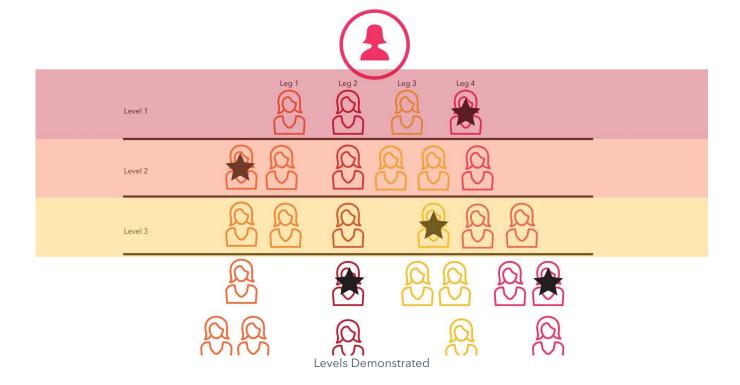
Q-300 Bonus

Get a taste of leadership early! As early as Qualified Stylist, earn on the sales of your team with the Q-300 Bonus. This is a Stylist's first dip into Leader bonuses, as she can begin earning with as little as 300 PQV! As you progress further through the Success Plan, you can earn anywhere between 5 -10% of your team's Q-300 CV, up to 3 levels deep. You can expand that success by becoming a Star Stylist to gain access to Generation Bonuses.

CAREER TITLES		S	TYLIS			М	ENTO	R	EXECUTIVE		
	Stylist	Active Stylist	Qualified Stylist	Lead Stylist	Star Stylist	Silver Mentor	Gold Mentor	Platinum Mentor	Emerald Executive	Sapphire Executive	Ruby Executive
TITLE ADVANCEMENT REQUIREMENTS											
Q-300 BONUS PAID	ON THE	CV OF FI	RST 300								
Level 1			5%							10%	10%
Level 2				5%	5%	5%	5%	5%	5%	5%	5%
Level 3					5%	5%	5%	5%	5%	5%	5%

Q-300 Volume is up to the first 300 PQV of a Stylist in any given commission month. Earnings are paid on the CV of any volume between 1-300.

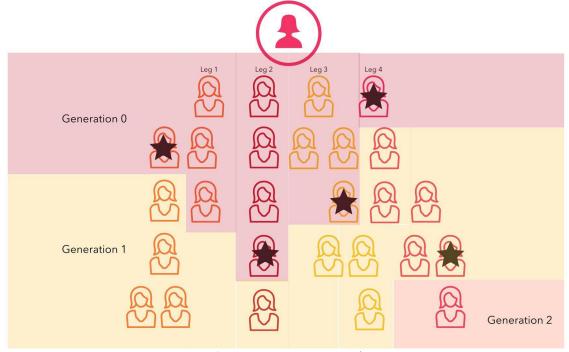
A <u>Level</u> is a person-to-person relationship on your Team. If you personally enroll Kim, she is on your Level 1. If she enrolls Pam, Pam is on your Level 2



Generations Bonus

Congratulations! You're a Star! As a "Leader of Leaders," you are eligible to earn Generation Bonuses when your downline team members advance to Star Stylist or higher titles. This bonus includes payment on your own personal generation.

<u>Generation</u> Your Personal Generation begins with your Level 1 volume and goes down to and includes the CV of the first Paid-As Star Stylist in each leg. Each subsequent Generation begins on the Level 1 of said Paid-As Star Stylist's organization and goes down to and includes the CV of the next Star Stylist in each leg, and so on.



Generations Demonstrated

Generation Bonuses are calculated by adding up the CV of each member in a Star Stylist's Generation, and then applying the pay rate shown below.

CAREER TITLES	STYLIST						MENTOR			EXECUTIVE		
	Stylist	Active Stylist	Qualified Stylist	Lead Stylist	Star Stylist	Silver Mentor	Gold Mentor	Platinum Mentor	Emerald Executive	Sapphire Executive	Ruby Executive	
GENERATIONS B	ONUS	PAID O	N ALL CV	OF STAR	STYLIST C	SENERATI	ONS					
Personal Generation (Generation 0)					2%	3%	4%	5%	5%	6%	6%	
Generation 1						2%	2%	3%	3%	4%	4%	
Generation 2							1%	1%	2%	2%	3%	
Generation 3										1%	2%	
Generation 4											1%	

1% Executive Pool

Like a treasure chest of precious Gemstones! The 1% Executive Pool is accessible only to Emerald, Sapphire, and Ruby Executives. This Bonus is designed to reward a Stylist for her contributions to the growth of the company by sharing a portion of the company's overall CV.

Executive Pool A bonus pool based on the CV of 1% of the company volume for the month and prorated by shares. Executive ranked Stylists can earn up to three shares.

<u>Executive Pool Share</u> The value of each share is determined by taking 1% of the Company's CV and dividing it by the total number of eligible shares earned by all Stylists with a Paid-As Title of Emerald Executive or above. Example: If the company's CV is 1,000,000, then the value of the total pool is \$10,000. If the total of all eligible Pool Shares is 10, then the value of each share is \$1,000 (\$10,000/10).

CAREER TITLES	STYLIST						ENTC	R	EXECUTIVE				
	Stylist	Active Stylist	Qualified Stylist	Lead Stylist	Star Stylist	Silver Mentor	Gold Mentor	Platinum Mentor	Emerald Executive	Sapphire Executive	Ruby Executive		
1% EXECUTIVE P	1% EXECUTIVE POOL PAID ON CV												
Number of Shares									1	2	3		

RUBY RIBBONSUCCESS PLAN 2024

CAREER TITLES			9	TYLIS	Т		М	ENTO	R	EXECUTIVE			
	Sty	list	Active Stylist	Qualified Stylist	Lead Stylist	Star Stylist	Silver Mentor	Gold Mentor	Platinum Mentor	Emerald Executive	Sapphire Executive	Ruby Executive	
TITLE ADVANCEME	ΝT	RE	QUIF	REMEN	TS				ı				
Personal Qualifying Volume (PQV)			100	300	750	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
Levels 1-3 Qualifying Volume					1,000	2,500	5,000	10,000	25,000	50,000	100,000	250,000	
Qualifying Volume Outside Largest Leg								5,000	10,000	25,000	50,000	125,000	
Personally Sponsored Qualified Stylists					1	2	3	4	5	7	12	15	
Legs with at least 1 Star Stylist							1	2	3	4	5	6	
SALES COMMISSIO	NS	ΒA	ASED	ON PE	ERSO1	VAL Q	UALIF	YING	VOLU	ME (P	QV)		
PQV: 0-99	59	%											
PQV: 100-299			10%										
PQV: 300-1,499				20%	20%								
PQV: 1,500-2,499				25%	25%	25%	25%	25%	25%	25%	25%	25%	
PQV: 2,500-4,999						30%	30%	30%	30%	30%	30%	30%	
PQV: 5,000-9,999								35%	35%	35%	35%	35%	
PQV: 10,000+		,		1	V	\		\	\	40%	40%	40%	
BONUSES & POOLS						NABLE VO	DLUME (C	V = 70% (OF PQV)				
Q-300 BONUS PA	ID OI	N TH	E CV OF	FIRST 300	PQV				I		1		
Level 1				5%	5%	10%	10%	10%	10%	10%	10%	10%	
Level 2					5%	5%	5%	5%	5%	5%	5%	5%	
Level 3						5%	5%	5%	5%	5%	5%	5%	
GENERATIONS B	ON	US	PAID	ON ALL CV	OF STAR	STYLIST (GENERATI	ONS					
Personal Generation 0						2%	3%	4%	5%	5%	6%	6%	
Generation 1							2%	2%	3%	3%	4%	4%	
Generation 2								1%	1%	2%	2%	3%	
Generation 3											1%	2%	
Generation 4												1%	
1% EXECUTIVE P	OC) L I	PAID ON	CV									
Number of Shares										1	2	3	

Personal Qualifying Volume (PQV): PQV is the amount on which Sales Commissions are paid. It is also the volume on which 70% CV is calculated for other bonuses.

Commissionable Volume (CV): CV is calculated at 70% of PQV, used for Q-300 Bonuses, Generation Bonuses, and the Executive Pool shares.

Leg: A leg is an organization that starts with a personally sponsored Stylist and includes all Customers and Stylists in her entire downline.

Star Stylist Leg: A leg that contains at least one paid-as Star Stylist.

 $\textbf{Active Stylist:} \ \textbf{A Stylist who achieves 100 PQV for the month}.$

Qualified Stylist: A Stylist who achieves 300 PQV for the month. Qualified Stylists are eligible for Q-300 Bonuses on all of their Level 1 Stylists.

Star Stylist: The rank that determines the boundaries of Generation Volume. It is the first leadership rank where a Stylist can earn both Q-300 Bonuses and Generation pay.

Generation Volume: As a Star Stylist or above, a generation begins with all Level 1 volume and goes down to and includes the PQV of the next qualified Star Stylist in each leg. **NOTE:** A Star Stylist could have a Star Stylist under her which would stop her Generation 0. Until she reaches a higher rank, she will not get paid past her Personal Generation. (Gen 0)

Levels: A level is a basis of pay for the Q-300 Bonus. Each Stylist and her PQV takes up one level.

Q-300 Bonus: A bonus paid on CV of volume up to the first 300 PQV. Based on Rank, a Qualified Stylist and above can begin earning up to 3 levels deep in Q-300 Bonuses.

Executive Pool: A bonus pool based on CV of 1% of company volume for the month and prorated by shares. Executive ranked Stylists can earn up to three shares.

See Success Plan Overview for full details.