

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number; and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person.

Terms and Conditions:

**I UNDERSTAND AND AGREE that:**

1. I am of the age of majority in my state of residence at the time of application for an AMSOIL Dealership. Upon acceptance by AMSOIL, I will be an Independent Dealer responsible for my own business and for all self-employment, state and federal income and other taxes required by law. I will not be employed by AMSOIL nor covered as an employee with regard to any law, including but not limited to the Federal Insurance Contribution Act, Social Security Act, Federal Unemployment Tax Act and income tax withholding at source.
2. No purchase is necessary to become an AMSOIL Dealer. A Starter Kit is provided at company cost. The registration fee entitles me to a subscription to *AMSOIL MAGAZINE*, the company's official publication, and indemnification from damages should AMSOIL products fail to perform properly when used according to the manufacturer's recommendations.
3. AMSOIL reserves the right to accept or reject any application.
4. In a separate attachment hereto, I have described all commercial, criminal or employment law matters in which I have been involved during the past five years.
5. **I will carefully review the Starter Kit upon receipt, and I WILL ABIDE BY THE POLICIES as set forth in the AMSOIL MARKETING PLAN, as amended from time to time, and acknowledge that they are incorporated herein as part of this Agreement.** I further understand AMSOIL, at any time at its discretion, with notification to its Dealers, may amend the AMSOIL MARKETING PLAN, its Warranties, and terms of this Agreement.
6. **Penalties may apply and/or my Dealership may be revoked if I fail to comply with the policies of the AMSOIL MARKETING PLAN.**
7. I must apply to renew my Dealership status and may cancel my Dealership at any time. Upon written notification of cancellation or termination, AMSOIL INC. will repurchase inventory and refund fees in accordance with the policies stated in the AMSOIL MARKETING PLAN then in effect.
8. The AMSOIL Marketing Plan shall be governed by the laws of the State of Minnesota.



**CONFIDENTIAL**

# Marketing Plan

## **POLICIES**

AMSOIL INC., hereinafter referred to as AMSOIL, is a corporation existing and operating under the laws of the State of Delaware with its principal place of business located at the AMSOIL Building, 925 Tower Ave., Superior, Wisconsin 54880. This corporation is engaged in the formulation, manufacturing and distribution of numerous products that are marketed through this Marketing Plan.

The following pages outline the Marketing Plan by which AMSOIL products are distributed throughout the United States and Canada.

The use of the terminology "AMSOIL products," "AMSOIL literature," "AMSOIL sales aids" and "AMSOIL logos" is all encompassing and includes all AMSOIL divisions and their individual logos, products, literature and sales aids distributed by AMSOIL.

AMSOIL retains the right to decide all matters regarding interpretation and enforcement of all policies contained in this Marketing Plan and other AMSOIL publications. Any requests regarding special exceptions, enforcement of policies or Dealer disputes should be submitted in writing to the AMSOIL Review Committee.

This Agreement and disputes arising hereunder shall be governed by the laws of the State of Minnesota. In the event of any litigation involving the interpretation of this Plan or Agreement, the parties to this Plan and Agreement agree to submit to the jurisdiction of the St. Louis County District Court, State of Minnesota or United States District Court, District of Minnesota, Fifth Division, Duluth, Minnesota for purposes of said litigation. Each Party to this Agreement hereby appoints the Office of Secretary of State of the State of Minnesota as his Agent for the purpose of accepting service of process in any litigation arising out of this Agreement. Participants residing in Louisiana may choose Louisiana law, jurisdiction and venue.

**Effective November 1, 2013**

# PART I: *AMSOIL Conduct Code*

Since 1973, AMSOIL INC. has provided a marketing opportunity to individuals based on quality products, professional service and the utmost regard for integrity. As an AMSOIL Dealer you will conduct your business in accordance with these principles. You will uphold the image and reputation of AMSOIL INC. and AMSOIL Dealers by representing AMSOIL products, policies and marketing procedures in an honest and professional manner. AMSOIL Dealers must also abide by AMSOIL INC. anti-harassment policies when communicating with AMSOIL employees, Dealers and customers.

Actions, either verbal or written, that adversely affect AMSOIL INC. and/or AMSOIL Dealers will result in immediate disciplinary action, up to and including de-sponsorship or termination of your rights as an AMSOIL Dealer. You will respect the rights of other Dealers and refrain from actively soliciting other Dealers' current customers and the prospective customers who have committed to registering with other Dealers.

## PART II: *Your AMSOIL Dealership*

### A. APPLICATION

1. Applicants must be at least of the age of majority as defined in the laws of the state in which the applicant resides.
2. In order to maintain the integrity of the AMSOIL Marketing Plan, owners of some businesses are restricted from becoming AMSOIL Dealers. These businesses include but are not limited to:
  - businesses with 12 or more retail establishments.
  - businesses that resell through the Internet or retail catalogs.
  - businesses that are primarily engaged in the regional or national distribution of auto/truck/industrial supplies to retailers.
  - businesses that are primarily engaged in the distribution of fuel or petroleum products to retailers or commercial users.
  - businesses that are engaged in the export or distribution of products outside of the 50 United States and Canada.
3. Only individuals or husbands and wives may jointly register as AMSOIL Dealers. Only one Dealership will be recognized for a husband and wife combination.
4. An AMSOIL Dealership may be organized and operated as a corporation, LLC, non-profit or other legally structured entity. Upon request, AMSOIL may issue commission checks to the entity. AMSOIL will not issue commission checks to an entity that qualifies as an AMSOIL commercial or retail account. Contact the AMSOIL Dealer Registration Department for appropriate forms.
5. All Applicants must disclose any litigation to which they are a party or have been a party as a condition prior to acceptance as a Dealer.
6. An Applicant will be recognized as a Dealer when the completed original application form is accepted and approved by AMSOIL. Dealership cards with an identification number (ZO) will then be issued.
7. Registration as an AMSOIL Dealer authorizes a Dealer to purchase products at wholesale cost for personal use and for the purpose of resale. It entitles the Dealer to indemnification in the event of damages resulting from the failure of AMSOIL products to perform properly when used according to the manufacturer's recommendations. The Dealer shall also be entitled to a subscription to AMSOIL MAGAZINE, the AMSOIL official company publication.
8. An Applicant must purchase an official AMSOIL Dealer Business Manual or Starter Kit to obtain information concerning procedures, policies and products.
9. Every AMSOIL Dealer must agree to conduct his/her AMSOIL business in strict compliance with all policies contained in the AMSOIL Marketing Plan in effect at the date of registration and all subsequent amendments. AMSOIL retains the right to modify, amend and change its policies and all terms and conditions of your AMSOIL Dealership, including the calculation of commissions and commission credits. AMSOIL will provide 30 days written notice of amendments through electronic and/or print media. The most current copies of the Marketing Plan are posted in the Dealer Zone.
10. Applicants will only be accepted from the United States and Canada.
11. AMSOIL reserves the right to accept or reject any application.

### B. CANCELLATIONS

1. The AMSOIL registration fee is refundable, provided notification of intent is made within three (3) days of the date shown on the application. Notification may be made either to the sponsor or AMSOIL.
2. If a new Dealer decides not to continue, the Dealer may return the Business Manual, complete and in good condition, to the Dealer from whom it was purchased or AMSOIL within thirty (30) days of the purchase date, and the money paid for the Business Manual will be promptly refunded.

3. **A Dealer may cancel this Agreement at any time upon written notice to AMSOIL.**
4. AMSOIL retains the right to make modifications and/or revisions to this plan as deemed appropriate.
5. Failure to comply with AMSOIL policies and regulations may result in termination of the AMSOIL Dealership.

### **C. RENEWAL OF DEALERSHIP**

1. Dealerships are granted for an initial term of 6 months or 1 year and may be renewed for subsequent terms of 1 year, 5 years or 10 years and terminate on the last business day of the month at the end of each term.
2. Failure to renew will result in termination of the Dealership.
3. In the event of termination, customers will be reassigned to the sponsoring Dealer and all privileges relative to the Dealership will be cancelled.
4. Renewal application forms and online renewal services are available in the **Dealer Zone** at [www.amsoil.com](http://www.amsoil.com) or by calling AMSOIL INC.
5. AMSOIL retains the right to deny the renewal of a Dealership.

### **D. DEALER STATUS**

1. An AMSOIL Dealer operates his/her business as an independent Dealer of AMSOIL products. As such, there is no employee relationship with AMSOIL. The relationship between AMSOIL and its Dealers is on a vendor/vendee basis. No AMSOIL Dealer shall verbally, or in writing, use the terms “agent,” “supervisor,” “manager,” “company representative” or any other similar terminology that implies employer/employee relationship.
2. No Dealer shall incur any liability on the part of AMSOIL.
3. No Dealer shall represent to anyone that there are exclusive franchises or territories available. No

Dealer shall represent that the Dealer or anyone else has the authority to designate territories or imply that the Dealer has a given territory. AMSOIL Dealers are prohibited from pursuing, for either sponsoring or sales purposes, other Dealers’ registered AMSOIL Dealers, Preferred Customers and accounts, in accordance with the *Initial Contact Guidelines for Registering Dealers, Preferred Customers and Accounts (G2194)*.

4. No Dealer shall register an individual as an AMSOIL Dealer, Preferred Customer, account or catalog customer without the individual’s knowledge and consent.
5. Dealers should be aware of and abide by all applicable federal, state and local laws relating to sale of products, including business licenses, disclosure of warranties, taxation and other laws and regulations.

### **E. TRANSFER OF DEALERSHIP**

1. An AMSOIL Dealer has the right to sell the Dealership. However, because the sale of any Dealership may affect the income and rights of Dealers up the line of sponsorship, the sale of a Dealership in most cases is best made to someone directly above or directly below in the line of sponsorship. In order to protect the rights of all Dealers involved, no sale shall be completed without written approval by AMSOIL. Specific details regarding the sale of an AMSOIL Dealership may be obtained by contacting AMSOIL.
2. An AMSOIL Dealer has the right to devise and bequeath the Dealership. However, it must be remembered that AMSOIL conducts business with registered AMSOIL Dealers only. Therefore, an heir or trustee must qualify as an AMSOIL Dealer and fulfill the appropriate requirements to receive any commissions. In the case of minor heirs, a trustee or guardian may maintain the registration and requirements. Instructions for disposition of a Dealership must be received within 12 months. Contact AMSOIL for further information.

## ***PART III: Your Promotional Activities***

### **A. LITERATURE, PRODUCT, SALES PLAN**

1. Only official company literature shall be used in promoting AMSOIL products and the AMSOIL Marketing Plan without written approval by AMSOIL. No AMSOIL literature or sales aids shall be reproduced in whole or in part without written approval by AMSOIL.
2. No Dealer shall make claims concerning AMSOIL products or the Marketing Plan other than those contained in current official company literature.
3. Only current, authorized logos, slogans, graphs, statistical comparisons, non-confidential items and product information may be used in the promotion of an AMSOIL business.

### **B. TRADE NAME, TRADEMARK AND LOGO**

1. The AMSOIL logo is a registered trademark and is intended to be used in corporate image building and as a corporate identifier. **NO DEALER MAY REPRODUCE THE AMSOIL LOGO IN ANY FORM WITHOUT WRITTEN AUTHORIZATION FROM AMSOIL.**
2. Authorized logos suitable for reproduction are available from AMSOIL upon request. In cases where the logo is used to identify an individual Dealer’s business, the words “Independent Dealer,” “Account Direct,” “Direct Dealer” or “Direct Jobber” must appear immediately adjacent to the logo.

3. Dealers are restricted in their use of the AMSOIL logo and corporate artwork in creating promotional items (e.g. coffee mugs, shirts, hats and similar products). Quantities must be limited and intended only for personal use. Creation of promotional items for mass marketing or resale is prohibited. Promotional items should in no way present false representation of AMSOIL products or associated marketing messages and should not be used to represent an individual as anything other than an independent AMSOIL Dealer, Account Direct, Direct Dealer or Direct Jobber. Dealers must submit proposals to the communications department and receive written approval from AMSOIL INC. before producing any promotional item.
4. All content appearing in AMSOIL literature, videos, sales aids and on AMSOIL websites, as well as all content created for AMSOIL-affiliated companies, is protected by applicable copyright and trademark laws. You may not reproduce any trademarked or copyrighted AMSOIL material for use without express written permission from AMSOIL.

### C. ADVERTISING

1. All direct mail pieces and print and broadcast advertisements produced by Dealers must be approved in writing by AMSOIL prior to release.
2. The Dealer placing the advertisement must be identified as an independent AMSOIL Dealer, AMSOIL Account Direct, AMSOIL Direct Dealer or AMSOIL Direct Jobber in the advertisement. Paid advertisements (Google ads, Facebook ads, etc.) must clearly link to an independent Dealer website. Approved banner ads may direct to www.amsoil.com using ZO-transferring links.
3. At no time may a Dealer represent him or herself as AMSOIL INC. or any division, subsidiary or official representative of AMSOIL, nor should there be anything causing confusion regarding whether activities online are from an individual's business or the AMSOIL corporate presence.
4. AMSOIL Dealers may place approved script and graphics on the World Wide Web. Approved formats are available from AMSOIL. Individually created material must be submitted to AMSOIL for authorization.
5. No Dealer shall advertise prices of AMSOIL products in any national medium, including broadcast, print and electronic formats. Prices are to be provided to customers and potential customers by directing them to the AMSOIL Online Store, through the AMSOIL retail catalog or through personal communications.
6. No Dealer shall directly or indirectly advertise or imply the offer of free or discounted Dealership opportunities or Preferred Customer memberships in any national medium, including broadcast, print and electronic formats.
7. AMSOIL Dealers may advertise "free shipping" as offered by AMSOIL for orders placed by online/catalog retail customers using only the language

in the pre-approved free-shipping advertisement available in the Dealer Zone (Business Tools > Digital Assets > Web Banners). *No other advertising of free or discounted freight on AMSOIL product purchases is allowed in any medium, whether broadcast, print or electronic format.*

8. No Dealer shall advertise incentives of clear and obvious monetary value as inducements to solicit sales or Dealer and Preferred Customer registrations in any national advertising medium, including broadcast, print or electronic formats.
9. No Dealer shall directly or indirectly advertise, imply or encourage potential customers to email, call, submit web forms or take other actions to receive special product, membership or freight prices, rebates, scholarships or discounts in any national medium, including broadcast, print and electronic formats.
10. Dealers may not sell or advertise AMSOIL products or memberships at online auction sites (e.g. eBay) or comparison shopping sites (e.g. Amazon). Discontinued products may, however, be offered on sites such as eBay after the product has officially been discontinued and no longer available from AMSOIL INC. for not less than six (6) months.
11. Tampering with advertising campaigns of other Dealers is prohibited.
12. Advertising may not be targeted toward or intended to recruit customers from outside the United States and Canada.
13. Advertisements may not be placed in magazines, websites or other mediums that don't uphold the corporate image or reputation.
14. AMSOIL Dealers may only make presentations to audiences of more than 50 individuals if approved in writing by AMSOIL INC. Requests must be submitted in writing at least 30 days prior to the presentation date and must contain a copy of the proposed presentation material, as well as details regarding time, location and nature of the audience. AMSOIL INC. reserves the right to approve or deny presentations, require changes or provide corporate assistance developing, editing or presenting materials. AMSOIL Dealers making presentations to fewer than 50 individuals may only present information that has been published by AMSOIL INC. All Dealers making presentations must identify themselves as independent Dealers, Account Directs, Direct Dealers or Direct Jobbers.
15. Articles, letters or editorial content that is created by Dealers and include the AMSOIL registered trade name must be approved by AMSOIL INC. prior to submission to publications or posting in electronic format. All submissions for publication or posting in electronic format that are created by Dealers and include the AMSOIL registered trade name must also include the independent Dealer, Account Direct, Direct Dealer or Direct Jobber identifier.

16. Online Dealer advertisements using the keyword “AMSOIL” must link directly to the homepage of the Dealer’s website. At a minimum the homepage must provide features and benefits of synthetic lubricants, details of the main AMSOIL marketing programs, options for buying AMSOIL products, links to the AMSOIL corporate site and contact information for the Dealer. The homepage may not contain contact forms for collecting consumer information or Google ads or other advertisements for non-AMSOIL products and marketing opportunities.
17. Dealers engaged in location-based Internet advertising must clearly identify themselves as an independent AMSOIL Dealer and must accurately identify their physical location (city and state).

#### **D. BUSINESS NAMES AND ONLINE DOMAINS**

1. The name of an individual business **may not** include the AMSOIL registered trade name.
2. Dealers **cannot** use the name AMSOIL, or any derivative, variation or other word or phrase trademarked by AMSOIL in any domain name or URL – even if the pages are “parked,” “under construction,” forwarded to an allowed domain, etc. Examples of prohibited names include:
  - [www.amsoil\(your name\).com](http://www.amsoil(your name).com)
  - [www.\(your name\)samsoildealership.com](http://www.(your name)samsoildealership.com)
  - [www.amsoil-motor-oil-dealer.com](http://www.amsoil-motor-oil-dealer.com)
3. The word AMSOIL is allowed in the subdirectory name of domain names. Examples include:
  - [www.synthetic.com/amsoilproducts](http://www.synthetic.com/amsoilproducts)
  - [www.oilandlubespecialists/ordering-amsoil-products](http://www.oilandlubespecialists/ordering-amsoil-products)
4. Registered domains for AMSOIL Dealerships must link directly to an AMSOIL Dealer Website and may not link directly to the AMSOIL website using ZO-transferring CGI links.

#### **E. PRINTED CHECKS**

1. The AMSOIL registered trade name and logo SHALL NOT be reproduced on printed checks used by Dealers, nor shall any Dealer be referred to as anything other than an independent AMSOIL Dealer, AMSOIL Account Direct, AMSOIL Direct Dealer or AMSOIL Direct Jobber on the checks.

#### **F. UNSOLICITED PHONE, E-MAIL AND FAX COMMUNICATION FOR THE PURPOSE OF SELLING OR ADVERTISING AMSOIL PRODUCTS AND MARKETING PROGRAMS IS PROHIBITED AND MAY BE ILLEGAL**

1. Unsolicited selling means the initiation of a telephone call, email, fax or digital message for the purpose of encouraging the purchase of goods, services or participation in one of the AMSOIL marketing programs.

2. Unsolicited advertising means the initiation of a telephone call, email, fax or digital message for the purpose of advertising the availability or quality of goods, services or marketing programs.
3. The use of programmed equipment, recorded messages, digital message “spamming,” hired services or other automated communication devices and techniques is prohibited, except when contacting current customers and others who have requested information or granted permission to be contacted.
4. Telephone “cold calls” are allowed to businesses that qualify as commercial or retail accounts. Cold calls cannot be intended to conclude a transaction but to schedule a face-to-face presentation in order to complete the intended transaction. Telephone calls to individuals for the purpose of selling AMSOIL products or presenting business opportunities are only allowed if a prior relationship or affiliation exists. For example, Dealers may contact friends, neighbors, members of the same church or club, coworkers or individuals that have been referred by friends or existing customers.

#### **G. ONLINE CONTENT AND REGISTRATION OF AUTHORIZED AMSOIL DEALER WEBSITES**

1. Regardless of who develops a website or where it is hosted, all AMSOIL Dealer websites must be approved by AMSOIL, registered and maintained in compliance with all AMSOIL policies. From the Dealer Zone homepage, visit My Business > My Dealer Website > Register Your Site.
  - *Authorization of a website does not necessarily indicate the content on the site complies with AMSOIL policies and procedures.* It is the Dealer’s responsibility to ensure that the content is and remains in compliance with the most current policies and procedures. AMSOIL reserves the right to control the content of Dealers’ websites. Failure to comply may result in disconnection of the Dealer’s ZO link, the loss of Dealership rights or other sanctions.
2. All AMSOIL Dealer websites must host standardized code provided by AMSOIL INC. for an authorized logo which:
  - Identifies the site as belonging to an independent Dealer and not AMSOIL INC.
  - Identifies the Dealer’s name and physical geographic location (city and state), unless the Dealer’s name and valid contact information is provided elsewhere on the website (such as Contact Us or About Us page).
  - Is displayed at the top of all pages
  - Is standardized so the size, color, font and location cannot be altered
  - Is available in the Dealer Zone under My Business > My Dealer Website > Authorized Dealer Logo

3. All online contact forms must contain the following disclaimer: "Personal contact information will only be used to provide requested information or assistance. You will not be enrolled in advertising or marketing programs and your information will not be shared or sold."
4. Dealer sites that collect contact information or encourage personal contact through phone or email must contain a privacy statement. Examples are available in the Dealer Zone (My Business > My Dealer Website > Privacy Statement Examples).
5. AMSOIL Dealers may use AMSOIL and approved aftermarket partners' trademarked logos, artwork and language for the sole purpose of promoting AMSOIL products and business opportunities.
6. Authorized AMSOIL Dealer Website logos and Authorized AMSOIL links will be available solely from AMSOIL.
7. Only AMSOIL products and business opportunities are allowed to be advertised and promoted on Authorized AMSOIL Dealer websites. Authorized and registered websites may use the Authorized AMSOIL Dealer Website logos and ZO-transferring CGI links.
8. AMSOIL Dealers with websites that sell products not available from AMSOIL can:
  - Host a separate authorized Dealer website.
  - Link directly from the unauthorized site to the AMSOIL corporate site using an approved ZO-transferring CGI link available in the Dealer Zone. No other AMSOIL information can be posted on the unauthorized site.
  - If special circumstances exist, submit details in writing to the AMSOIL Review Committee for evaluation.
9. Pricing of AMSOIL products shall not be posted anywhere on the Internet with the exception of the AMSOIL Online Store and the electronic AMSOIL retail catalog. All sales and price inquiries shall be conducted by directing customers to the AMSOIL Online Store, AMSOIL retail catalog or through personal communications.
10. Any mention of wholesale or discounted prices must clearly indicate it is available only through registration as a Preferred Customer or Dealer.
11. Dealers are authorized to reference the *AMSOIL Limited Warranty (G1363)*. Other guarantees, discounted freight, money-back offers or other claims not authorized by AMSOIL are strictly prohibited when using links to the AMSOIL corporate website and Online Store.
12. No magazine or newspaper articles, stories, literature or graphic images may be reproduced on a Dealer's website or elsewhere without the express written consent of the author or creator. This includes both AMSOIL content and content from any other parties.
13. No portion of another website may be copied without permission.
14. Audio and video materials may not be reproduced in any digital form without permission.
15. AMSOIL reserves the right, in its sole discretion, to enforce the removal of AMSOIL content from any

website containing sexual, political, religious or any other content that AMSOIL deems inappropriate.

16. Policies apply to all content on website pages, including META tags, keywords, page titles, databases and any content used in mass media.
17. Dealers may develop websites *only* for their downline Dealers and are prohibited from charging any fees for development of websites or consultation regarding Internet services to members of their downline or any other Dealer outside of their downline group.
18. AMSOIL policies apply to all websites and social media accounts used by Dealers to promote their AMSOIL businesses.

## H. DEALER & RETAIL ACCOUNT LISTINGS

1. Dealers may host a locator service for their personally sponsored Dealers and retail accounts with the following condition:
  - Every page or map must specifically identify "this locator is hosted by Independent Dealer <insert Dealers' name> and is not a listing of all AMSOIL Dealers or retail accounts."

## I. DIGITAL MESSAGING

1. No Dealer shall engage in verbal abuse, commercial messaging (spamming), fraudulent activities or other actions that reflect poorly on the company or other Dealers (see section F).
2. Dealers may conduct business through e-mail, text-messaging and instant messaging services, but under no circumstances will AMSOIL be held liable for any damages caused by content or by lost or stolen Internet transmissions or digital communications. Messages must identify the user as an independent AMSOIL Dealer, Account Direct, Direct Dealer or Direct Jobber.

## J. SOCIAL MEDIA

1. All social media pages and/or profiles, etc. **must** clearly identify the user as an independent AMSOIL Dealer, Account Direct, Direct Dealer or Direct Jobber. All social media accounts and usernames including the name AMSOIL must be accompanied by one of the titles above or include your business name behind it.
2. Dealers must not create profiles that are misleading or offensive to the general public.
3. Dealers must abide by rules and guidelines of any social media services including but not limited to: Facebook, MySpace, Twitter, YouTube or any forums, message boards or news groups.
4. Dealers are prohibited from posting AMSOIL pricing information in any public social media platform. Prices are to be provided to customers and potential customers by directing them to the AMSOIL Online Store, through the AMSOIL retail catalog or through personal communications.
5. Dealers may use ZO-transferring links to the AMSOIL website provided communications, or the accounts they generate from, clearly identify the sender as an independent AMSOIL Dealer, Account Direct, Direct Dealer or Direct Jobber.

# PART IV: *Purchase and Sale of Products and Literature*

## A. INDIVIDUAL PURCHASES

1. A Dealer may use a credit card to purchase products and literature directly from AMSOIL through the Online Store at [www.amsoil.com](http://www.amsoil.com) or by calling (800) 777-7094. A Dealer may also purchase product by mailing a completed order form (**G29**) with a credit card number or check. Product may be picked up or will be shipped from the appropriate product distribution center.
  2. A Sales Draft (direct withdrawal) Program is available for Dealers who wish to pay by check and use the toll-free telephone ordering line. Applications are available from the AMSOIL Account Services Department.
  3. A Dealer may also purchase products from their sponsor or Direct Jobber or other AMSOIL Dealer with the completion of a *Transfer of Commission Credit Form (G01)*. See section C for details.
  4. Dealers and other customers must receive products from an AMSOIL distribution center in the country in which the products are going to be used, sold or distributed. Products shipped or picked up within the United States cannot be sold, shipped or transported into Canada and vice versa.
- more than 24 individual retail outlets that are owned by the same business.
  - businesses that resell through the Internet or retail catalogs.
  - businesses that are primarily engaged in the regional or national distribution of auto/truck/industrial supplies to retailers.
  - businesses that are primarily engaged in the distribution of fuel or petroleum products to retailers or commercial users.
  - businesses that are engaged in the export or distribution of products outside of the 50 United States and Canada.
6. AMSOIL reserves the right to investigate Dealers' sales of products directly to customers to ensure compliance with policies and to protect the business opportunity for all Dealers. Upon request, Dealers must provide sales records and other information including, but not limited to, customer names, addresses, prices and product selection.
  7. Dealers advertising or selling AMSOIL products and marketing programs at public events cannot advertise or sell currently marketed products at less-than-current wholesale prices.

## B. SALES POLICY

1. Only registered AMSOIL Dealers or their registered retail accounts are authorized to resell AMSOIL products.
  2. No Dealer shall make claims concerning AMSOIL products other than those on the product label or contained in official company literature.
  3. There will be no repackaging of AMSOIL products for resale by any Dealer.
  4. No Dealer has the right to sell literature or sales aids (including software) unless the literature and sales aids have been purchased from AMSOIL for resale or have been specifically approved by AMSOIL in writing.
  5. AMSOIL has established minimum suggested retail prices, but Dealers may sell products to individuals at prices they determine. However, if an AMSOIL Dealer sells products to or through any company that would be or is qualified as a commercial or retail account as described in the *Commercial and Retail Marketing Procedures (G1097)*, the selling price must be **NOT LESS THAN** the prices established in the current *AMSOIL Wholesale Price List (G3500/G8500)*. Dealers may sell to individual outlets of a business that owns more than 12 retail outlets under the established guidelines. The individual outlets must place their own orders. Orders cannot be grouped, use centralized billing or be transferred to other outlets owned by the same business. No Dealer may supply products for redistribution, either directly or indirectly to:
10. No Dealer may contact any business partner of AMSOIL INC. unless otherwise authorized. Such partners include, but are not limited to, aftermarket product manufacturers, raw material vendors, independent test laboratories, race teams, event promoters, trade associations and customers featured in publications. Unauthorized contact with such parties is strictly prohibited.

## C. TRANSFER OF COMMISSION CREDIT

1. AMSOIL Dealers receive commissions each month on their purchases and the purchases of their downline Dealers.
2. Each month AMSOIL records all sales through the product distribution centers and commissions are paid. Sales between Dealers are recorded by using a *Transfer of Commission Credits*. When transfers are submitted, the proper commissions can be paid.



3. When qualifying a new Dealer, the transfer of commission credits is only allowable to record the actual sale of products.
4. No Dealer is required to sell products to non-personally sponsored Dealers. However, if such sales are made, a *Transfer of Commission Credits* **must be completed and signed by the selling Dealer and must be submitted to AMSOIL by the purchasing Dealer.**
5. Dealers also have the option to sell products to non-personally sponsored Preferred Customers. If such sales are made, a receipt **must be provided to the customer and a *Transfer of Commission Credits* must be submitted to AMSOIL by the selling Dealer.**
6. Failure to comply with the above policies shall result in disciplinary action up to and including the termination of Dealerships.

#### D. TAXES

1. All Dealers are responsible for paying federal, state/provincial and local taxes as they may apply on all product and literature sold at retail, used personally or used in the operation of their business. Dealers must become acquainted with local, state/provincial and federal tax laws as they may apply to the business.
2. AMSOIL will collect all applicable state sales tax on orders and pay the respective state. The Dealer is responsible for collecting and paying any other applicable tax. Refer to the *AMSOIL Wholesale Price List (G3500)* and the *U.S. AMSOIL Dealer and Preferred Customer Ordering Information Flyer (G2604)*, for current tax information.
3. When claiming tax exemption, a signed *Uniform Sales Tax and Use Certificate (G495)* must be sent to AMSOIL.

#### E. BUSINESS MONTH

1. Orders must be received by the last business day of the month to be included in that month's business. Please allow Postal Service delivery time as AMSOIL will process the order according to the date it is received.
2. Certain product distribution centers may have a cut-off date earlier than the last business day of the month. It is the Dealer's responsibility to be aware of this date.

#### F. RETURN OF THE PRODUCT WHEN LEAVING THE BUSINESS

1. Upon written request from a currently registered Dealer leaving the business, and receipt of a copy of the original sales slip or product order form, AMSOIL will authorize the return of any unused, currently marketable AMSOIL products. Products should be shipped F.O.B. to the nearest AMSOIL product distribution center.
2. Products must be less than three months old (no time limit in GA, ID, LA, MA, MD, MT, NE, OK, PR, SD, TX, WA and WY), and only full cases and drums with unbroken seals and all product labels intact may be returned.
3. Upon inspection of such products, AMSOIL will return the Dealer's cost of the product minus a 10 percent restocking fee and all Commissions previously paid on the products.



# Marketing Plan

## **COMPENSATION**

Effective May 1, 2009

# PART I: *Commissions*

## COMMISSION SCHEDULE

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

\*\* Earn 25% at the 5000 level with the personal sponsorship or registration of two *qualified* Dealers and/or accounts for the month.

\* Earn 24% at the 4000 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

- 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 AMSOIL Commission Schedule, provided:
  - 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.
  - 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.
- 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 generation of a minimum of 50 individual 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).

- Every dollar available to you in this commission schedule results directly from product sales and purchases, and never from the act of sponsoring a new Dealer. You are compensated only when and if a new Dealer generates sales and purchases, and not for introducing a new Dealer.
- 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 Dealers/accounts in their group. See the Commission Schedule.
  - 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

- 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 through December 31 of the following year.
- 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.
- 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.
- 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

- 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.
- 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.
- You will retain Direct Jobber status through December 31 of the year following the year in which you reached the Direct Jobber level. Requirement 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.

#### 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 Marketing Plan.
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 5% 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 5% 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.

#### 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

### 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	5¼	5½	5¾	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9
	6000	5¼	5½	5¾	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9	
	9000	5½	5¾	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9		
	12000	5¾	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9			
	15000	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9				
	18000	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9					
	21000	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9						
	24000	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9							
	27000	7	7¼	7½	7¾	8	8¼	8½	8¾	9								
	30000	7¼	7½	7¾	8	8¼	8½	8¾	9									
	33000	7½	7¾	8	8¼	8½	8¾	9										
	36000	7¾	8	8¼	8½	8¾	9											
	39000	8	8¼	8½	8¾	9												
	42000	8¼	8½	8¾	9													
45000	8½	8¾	9															
48000	8¾	9																
51000	9																	

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.

## **PART II: *Terms and Definitions***

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**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 Dealer Profit List (G3501).

**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 wholesale, 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 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.

**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, catalog customer, Preferred Customer and account purchases from an AMSOIL Distribution Center or from another Dealer using a Dealer-to-Dealer order form (G01).

**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.

**PERSONAL MINIMUM REQUIREMENT** — The generation of a minimum of product with 50 individual commission credits or sponsoring one qualified Dealer/Preferred Customer/account for the month. The 50 individual commission credits can be satisfied through the purchases of a Dealer's catalog customers, Preferred Customers, commercial accounts, retail accounts, or the purchases of newly sponsored Dealers, as well as personal purchases. Any combination of those different purchases that totals 50 commission credits is acceptable.

**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 or Preferred Customer who purchases product with a 50 Commission Credit value or a commercial or retail account that purchases \$100 of product.

**RETAIL 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, and is local or regional with up to 12 outlets. The business does not sell AMSOIL products through the Internet or retail catalogs, 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 and retail 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.

**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.