



## **21% to Foster Sponsor FAQs**

### **Q1 What is 21% above Foster?**

The Performance Percent for a Foster Sponsor as well as his/her upline will be at the maximum percent (21%) once his/her downline has achieved the maximum Performance Percent as if there is no Foster Sponsor. This change only affects Performance Bonus/Rebate and Differential payments. There is no impact on any other annual or monthly awards as well as rewards.

### **Q2 Why is this change being implemented now?**

This modification to the core bonus/rebate plan is being implemented globally. The primary purpose for the change is to compensate all sponsors of downlines who have reached the maximum Performance Bonus/Rebate Percent in a consistent manner. With this change the Foster Sponsor of a downline who has reached Maximum Performance Bonus/Rebate Percent will also be compensated at the maximum Performance Bonus/Rebate percent.

Before if anyone below Foster Sponsor reaches the maximum Performance Bonus/Rebate level, volume accumulation starts over from zero for Performance Bonus/Rebate calculation. This change encourages Foster Sponsor and above distributors to support downline to reach the maximum Performance Bonus/Rebate level. Secondly, it strives toward more global consistency to be less confusing for those who internationally sponsor or have businesses in multiple markets.

### **Q3 What is the background of this 21% above Foster Program?**

Twenty-one percent above Foster Program started with the launch of the Philippines in 1996, because Global Leaders hoped that this program would encourage local Foster Sponsors to work hard to assist downline to reach the maximum Performance Bonus/Rebate level. This program has been implemented in all new markets since then. Affiliates that opened before the Philippines opening were given an opportunity to implement it at their discretion. North America implemented this program soon thereafter. A few others have implemented as well. Now Amway feels that it is time to implement it globally for the reasons stated above. By September, 2011 two thirds of Amway markets have implemented 21% above Foster Sponsor program with the intent for all others to implement.

### **Q4 What is the difference between the two approaches?**

The only difference between the two approaches is the Performance Bonus/Rebate (personal and differential) calculation. While the 21% rolls up and everyone in the line of sponsorship enjoy it, their volume no longer pass up the upline. Also, a new term "Leadership Percent" is introduced when 21% to Foster is implemented. While it has no impact on the payment amounts for Foster Leadership bonus/rebate, Leadership Percent will be based on the Leadership group volume which will start over once a Foster Sponsored Distributor has reached the maximum percent (21%).

#### **Q5 How will my monthly Performance Bonus/Rebate income be affected with this change?**

Since this will result in re-distributing Performance Bonus/Rebate, total payout as Performance Bonus/Rebate will not change. However, it is possible that Performance Bonus/Rebate amount would decrease for some distributors while it would increase for others. It depends on group structure and volume of the business. If there are many distributors above Foster Sponsor, those who are close to the Foster Sponsor tend to gain. If there are not many in-between, there would not be any changes in the amount. However, this program will encourage everyone in the Foster line of sponsorship above the distributor who reaches the highest Performance Bonus/Rebate level, because they still get the maximum Performance Bonus/Rebate percent regardless of his/her group volume. For upline leaders, this program would strengthen a leg as many more distributors would get the maximum Performance Bonus/Rebate percent.

Another merit would be for international sponsors. Since Foster Sponsor and his/her uplines continue to get the maximum Performance Bonus/Rebate percent, an internationally sponsored distributor is likely to get better services from a Foster Sponsor.

#### **Q6 How will it impact on SP, GP, and Platinum qualification?**

There will be no impact on SP, GP, or Platinum qualification. It is determined in the same way as it has been based on Award PV. Hence, it has no impact on in-country qualification or internal qualification.

#### **Q7 How will it impact awards and rewards in general?**

There is no impact at all on any awards or rewards including FAA.