

DXN INTERNATIONAL (AUST) PTY LTD

SERVICE CENTER OPERATIONS MANUAL

Head Office: Suite 504 Level 5 Office Tower
Westfield Shoppingtown 159-175 Church St
Parramatta NSW 2150 Australia
Tel: (02) 96892755 Fax: (02) 96891755
Email: dxnmail@dxnaus.com.au

PART ONE – GENERAL RULES AND REGULATIONS

1.0 Becoming A Service Center

1.1 Qualifications

An applicant must be a registered DXN International (Aust) P/L. Distributor preferably at the Star Agent status either in person or in corporation. The appropriate Application Form must be duly filled and accompanied with required relevant documents and be submitted to the Company.

1.1.a In Person

If the applicant is in person the Application Form must be accompanied with two (2) 1 x 1 size photographs.

1.1.b Corporate

In the case of a corporation, the Applicant Form shall also include the following documents:

- i. Business Registration Certificate (Photocopy)
- ii. Name of Directors/Shareholders/Partners
- iii. Company Resolutions authorizing the person signing the Service Center directorship on behalf of the corporation.
- iv. ACN Certificate

1.2 All applications for all areas nationwide will be subject to cite inspection before approval. The company reserves the right to decline any application as it deems necessary without having to give any reason for doing so.

1.3 An applicant upon being accepted as a Service Center shall fulfill the basic Terms and Conditions for Service Center and sign a Service Center Agreement (MOA) with the Company.

1.4 Once the Service Center Agreement is executed, it shall be legally notarized by distributor. The company shall retain the original copy of the Agreement and the duplicate copy shall be given to the Service Center.

2.0 Basic Terms and Conditions

2.1.a Initial Purchase

An initial deposit worth AUS\$ 5,000 + 10% GST shall be, considered your non-refundable investment as a Service Center director. Stocks worth AUS\$ 5,000 will also be given in exchange for the cash paid to DXN International P/L. Stocks are non-refundable but replaceable only when it involves manufacturing and handling defects.

2.1.b Stock Level

The Service Center must maintain a AUS\$ 2,000 worth of stocks as its minimum level at any given time.

2.2 Service Center

All Service Center are required to have a Center with a training room that can accommodate a minimum of 20 persons and must be equipped with visual aid system (overhead or slide projector), telecommunication facilities (telephone and fax machine) and other necessary items (display cabinet and sales counter). All expenses for the above shall be borne by the Service Center.

2.3 Operating Hours

There must be a fixed business hours (10AM – 6PM) and regular programs for BOM, product training, motivation sessions and healthy activities for all Distributors and potentials of the Company.

2.4 Center Rules & Regulations

2.4.a It must be ensured that the Center shall only be utilized to display DXN products and to transact other business and activities of the Company (Under no circumstances can the Center be used for illegal activities that are of or no interest to the Company).

2.4.b All Service Center are strictly prohibited to establish a sub-center away from the approved location of Center nor within the area of another Service Center.

2.4.c Any Service Center found to be operating in another area outside his approved location will be called at the Head Office for an explanation, and if reason is found to be not valid, this will be considered as a ground for termination of the contract.

2.4.d The Service Centership is non-transferable as the initial deposit worth AUS\$ 5,000 + 10% GST had been placed in the suspended file module.

2.5 Service Center Director Responsibilities

2.5.a The Service Center is obliged to attend the training sessions that may be organized by the company from time to time and all expenses incurred for such activities are borne by the company except transportation expenses.

2.5.b The Center must provide fair services to all DXN International Distributors regardless of upline or network origin. A sufficient number of Distributors of the same nature will be the basis for establishing another Center in the same area.

2.6 Service Center Rubber Stamp

The company shall provide a rubber stamp bearing the Center and the Code Number of the Service Center and it must be kept safely under lock and key. In the event of termination of Service Center, the Service Center is responsible to return the rubber stamp back to the Company.

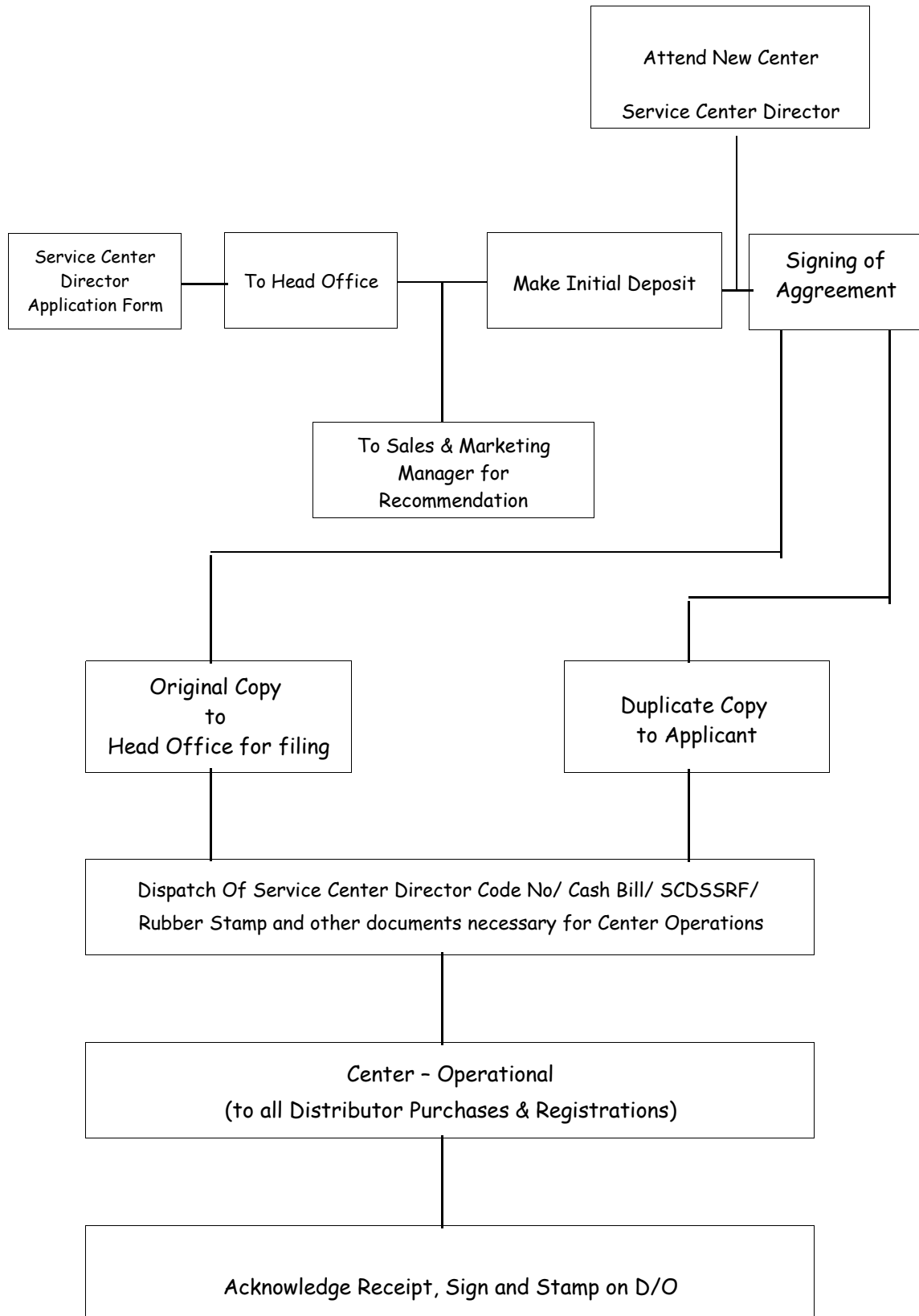
3.0 Service Center Incentive

3.1 Provided that the Service Center Director is able to fulfill the conditions stipulated in the Service Center Memorandum of Agreement, he/she shall receive an additional incentive and it will be as follows:

Distributor's Price	Based on Point Value
A\$1 - A\$1,000	5%
A\$1,001 - A\$2,000	6%
A\$2001 - A\$3,000	7%
A\$3,001 - Above	8%

*The basis of computation for SC bonus is based on Cash Bill PV (% x PV)

4.0 Application Flowchart



DXN INTERNATIONAL (AUST) PRIVATE LIMITED

SERVICE CENTER

OPERATIONS PROCEDURE

5.0 **KEEPING AN INVENTORY**

5.1 A New Service Center must keep a stock card that will contain the following column/data or information:

MAIN COLUMNS

- 5.1.a Item or Product Code – refers to the code given to every product and should appear on the top most part of the stock card.
- 5.1.b Date – refers to the date of transaction or the date of the reference document.
- 5.1.c Reference Document – refers either to Invoice or Cash Bill.
- 5.1.d Quantity (main column should contain the following data).

SUB COLUMNS (Under Quantity)

- A. In – the quantity of stocks received. Get information from Invoice.
- B. Out – the quantity of products sold or issued to each and every distributor. Get information from Cash Bill.
- C. Balance – can be attained by subtracting the figure at the out column from that of the in column (A – B).

5.2 Item code refers to all products plus all of the accountable forms a Service Center has like:

- 1. Cash Bill
- 2. Sales Summary Report
- 3. Temporary Registration Form
- 4. Kits

6.0 **SELLING TO DISTRIBUTORS & CUSTOMERS**

6.1 Upon acceptance of cash, Service Center should fill up the Cash Bill form in triplicate.

HOW TO FILL UP THE CASH BILL:

- 1. Fill up the following data on the Cash Bill (Service Center)
 - ♦ Name – refers to the name of the distributor buying.
 - ♦ Distributor Code – refers to the buying distributor’s number code.
 - ♦ Sponsor – refers to the buying distributor’s sponsor or direct upline.
 - ♦ Sponsors Code – refers to the number code of the buying distributor sponsor.
 - ♦ Date – refers to the date of the transaction.

- ♦ Quantity – refers to the number of product to be issued to a distributor (on a per product basis).
 - ♦ PV – refers to the Point Value of a given product.
 - ♦ DP – refers to a product distributor price.
 - ♦ Total PV – refers to the summed up PV of the entire transaction.
 - ♦ Total DP – refers to the summed up amount of the entire transaction.
 - ♦ Prepared by – refers to whoever accomplished the Cash Bill (e.g. Service Center or an assistant).
 - ♦ Received by – to be signed by the buying distributor.
- 6.2 In selling to your own customers, the Service Center must also issue a cash bill for his/her personal sales.
- 6.3 Service Center must re-validate the item & quantity ordered by the distributor by stating to him/her the order.
- 6.4 Service Center must check the total PV and total DP by row.
- CHECKING TOTAL PV
- Quantity Ordered X Point Value = Total PV
- CHECKING TOTAL DP
- Quantity Ordered X Distributors Price = Total DP
- 6.5 FILING OF DOCUMENTS
- ♦ By date
 - ♦ By series number

7.0 FILING, DOCUMENTATION AND REPORTING TO HEAD OFFICE

A. SALES REPORT

1. *File all Cash Bill forms in order of its control number*
 - Weekly
 - Monthly
2. *Preparation of Service Center Sales Summary Report*
 - ♦ Get all filed cash bills
 - ♦ Fill up data on the Service Center Sales Summary Report form (SCSSR)

How to fill up the SCSSR:

- ✖ Date column – refers to the date of the cash bill or purchase.
- ✖ Cash Bill number – refers to the control number of the cash bill form. It is located at the upper right hand of the form.
- ✖ Distributors Name – refers to the name of the buying distributor. It is found at the cash bill form.
- ✖ Product Column – refers to the quantity of products ordered. It is found at the cash bill form.
- ✖ Total PV – refers to the total PV of one cash bill.
- ✖ Total DP – refers to the total amount purchased of one cash bill
- ✖ Month to date Sales – refers to the total accumulated sales from the start of every month cycle.
- ✖ Ending Inventory – refers to the balance of stocks found at the balance quantity column of the stock card.

- ✱ Signature – the signature of the Service Center or an authorized signatory.

B. RECRUITMENT REPORT

1. Filing

File all Registration Forms alphabetically.

- Weekly
- Monthly

2. Accomplish the Registration summary report

How to accomplish the Registration Summary Report

- ♦ Accomplish it in a manner that, it is by generation or level. The reason for this is that, you might accidentally write the downline first before the upline. It will create confusion in the encoding.
- ♦ Fill up the Service Center Name, Service Center Code & the Date.
- ♦ Fill up the assigned number portion.

WHERE TO GET THE ASSIGNED NUMBER

Every time a Service Center purchases kits at the head office, he/she is automatically given the corresponding number. In short, the numbers are pre-assigned to him/her.

- ♦ Write the name of the new distributor (it is found at the application form).
- ♦ Write the joining date (it is the date when the new recruit accomplished signed the application form & paid the membership fee).
- ♦ Name of sponsor (it is found at the sponsor's name portion of the application form).
- ♦ Sponsor Code (it is found at the sponsor's code portion of the application form).

C. TRANSACTION CUT-OFF/REPORTING

1. Submit the **SCSSR & REGISTRATION** report to Head Office once a week.
2. Weekly cut off dates are as follows:

Weekly Cycle cut-off	Preparation of Reports	Mailing of Reports	Deadline/ Receive at HO
1 st week – 1 st to 7 th	8 th	9 th	12 th
2 nd week – 8 th to 14 th	15 th	16 th	19 th
3 rd week – 15 th to 21 st	22 nd	23 rd	26 th
4 th week – 22 nd to EOM	1 st	2 nd	5 th

8.0 PURCHASES

- ♦ The Service Center can order the products either through the following:
 1. Directly at the Head Office (pick-up)
 2. Via Fax or Mail

How to order by Mail or fax

- i. Prepare a Service Center order form complete with signature in two copies.

How to fill up the Service Center Order Form

- a) Always remember to put the name of the Operations Executive on the attention column and his assigned department.
 - b) Fill up the date, Service Center name and the Service Center code.
 - c) List down the quantity of products desired.
 - d) Write the total DP by multiplying the quantity and the DP column.
 - e) Write the total PV by multiplying the quantity and the PV column.
 - f) Sign the order form and mail it to the head office.
- ii. Deposit money at bank using a cash deposit slip under the account # _____ of DXN.
(Note: Prepare in 2 copies; Head Office copy & File copy)
 - iii. Fax or mail the order form and the deposit slip as proof of payment. (Note: payment is subject to bank confirmation)

- ♦ Purchase of stocks at the Head Office is from Monday to Friday at 10:00 AM to 6:00 PM & Saturday at 12:00 PM to 5:00 PM.

9.0 PRODUCT SHIPMENT

- ♦ The company will charge the Service Center for the cost of delivery.
- ♦ In the case of the Service Center orders more than \$500 of RG/GL at one given time the goods will be delivered free of charge within Australia.
- ♦ IN the case of the Service Center ordering more than \$500 of products other than RG/GL the company will decide on the amount of delivery subsidy to be given.

10.0 CONDITIONS OF RETURN

- ♦ Only stocks of good and saleable conditions will be accepted.

Definition of Good and Saleable Condition:

- 1) Shrink-wraps are not torn away from the boxes.
- 2) Seal not broken.
- 3) Products not soiled.
- 4) Boxes not dilapidated.
- 5) Bottles still full in content.

- ♦ **FINAL ACCEPTANCE IS SUBJECT TO INSPECTION OF WAREHOUSE PERSONNEL AND DULY APPROVED BY THE OPERATIONS MANAGER.**