

TRADING REGULATIONS FM WORLD AUSTRALIA

As an FM WORLD AUSTRALIA Distributor, it is important that you familiarise yourself with the rules and documents necessary to operate your business in Australia and always use only the Australian materials available from FM WORLD AUSTRALIA. All FM WORLD AUSTRALIA materials have been prepared in order to comply strictly with the law, but your attention is specifically drawn to the following:

I. TRADING REGULATIONS

1. Basic principles

As an FM WORLD AUSTRALIA Distributor promoting FM WORLD AUSTRALIA products and services in Australia you operate in your own name and on your own behalf as a self-employed independent contractor. The independent nature of your business operations remains the same irrespective of whether you additionally perform the very important functions of enrolling new Distributors i.e., recruiting, training and supporting other FM WORLD AUSTRALIA Distributors.

2. Trading Schemes Regulations

In Australia the FM WORLD AUSTRALIA opportunity has been designed to comply with the provisions of THE AUSTRALIAN CONSUMER LAW(ACL) These principally regulate the format and terms of our agreement with you, the FM WORLD AUSTRALIA Distributor, the Compensation Plan and advertising and training and how you deal with consumers.

3. Advertising

3.1. General

Under the Regulations a promoter i.e. FM WORLD AUSTRALIA, or a participant i.e. an FM WORLD AUSTRALIA Distributor, in a trading scheme must not issue, circulate or distribute any advertisement “which contains information likely to lead directly or indirectly to persons becoming participants in a trading scheme by any means”, unless that advertisement contains both the Distributor’s name and address and that of FM WORLD AUSTRALIA as the promoter of the opportunity and a description of the goods or services being promoted.

The following statutory warning must also be included:

a) “It is illegal for a promoter or a participant in a trading scheme to persuade anyone to make a payment by promising benefits from getting other to join the scheme. Do not be misled that high earnings are easily achieved.”

b) The warning must be easily legible or audible, must appear at the beginning or the end of the advertisement or the heading.

c) If the advertisement contains any information as to the sources of income for Distributors, the statutory warning must appear with such information and be given no less prominence than such information. These rules do not apply to any advertisement which forms part of a newspaper or magazine related only to products.

All FM WORLD AUSTRALIA marketing material complies with the Regulations. You must ensure that if you produce any material yourself to promote your FM WORLD AUSTRALIA business that it complies both with the Company's advertising guidelines contained in the Policies and Procedures and with the requirements of the Regulations set out above.

3.2. Earnings Claims

If you make any earnings claims in connection with your promotion of the FM WORLD AUSTRALIA business opportunity in addition to complying with the terms of your Distributor Agreement and the Regulations, you must also ensure that you do not breach the ACL laws [on advertising and promotion in all forms of media](#). [More information at CONSUMER LAW.GOV.AU](#)

Earnings figures should not be exaggerated and when claims as to earnings attainable are made the advertiser should have available evidence that such earnings are currently obtained by existing Distributors.

II. TAXATION

1. Income Tax

If you are trading as an individual as a Business Partner and are resident in Australia then you will be taxed in Australia as a self-employed individual on your worldwide income. As a self-employed Business Partner, it is your responsibility to file the appropriate tax returns and to make all payments of tax due in connection with your FM WORLD AUSTRALIA, unless you buy products for your own use only. FM WORLD AUSTRALIA recommends that you seek the assistance of a suitably qualified accountant or tax adviser if you are unsure what to do. Also [WWW.ATO.GOV.AU HAS HELPFUL INFORMATION](#)

[AUSTRALIAN BUSINESS NUMBER](#)

[If you are going to be a business enterprise you need to obtain a ABN and include this number on your documents and invoices. Sometimes the ATO will not issue an ABN if they believe you are just a hobby so important to point out FM involves buying and selling products and making profit from sales and also possibly commission as well.](#)

2. Goods and Services Tax

The standard GST rate is 10.00%. As a self-employed Distributor it is your responsibility to register for [GST](#) once your turnover exceeds the threshold for compulsory registration currently \$75,000 in the preceding 12 months. If you are GST registered, then you will need to provide the company with a GST invoice each month for the GST on your commission to be paid.

If at any time whilst you are a Distributor you register or deregister for GST it is essential that you advise the company as soon as possible. If you are GST registered or become GST registered the company will require Information on GST registration certificate and confirmation of your status on renewal each year thereafter. The information on GST registration is available from the [Australian Taxation Office \(ATO\)](#) website at www.ATO.GOV.AU

III. PARTNERSHIP/COMPANIES

FM WORLD AUSTRALIA accepts as Distributor as individuals, partnerships and limited companies. If you plan to operate your FM WORLD AUSTRALIA business as a partnership, even if your proposed partner is your spouse, you need to carefully consider the business relationship between you and your partner, and we strongly advise you to have a written partnership agreement and/or to take professional advice in this respect.

IV. DATA PROTECTION

FM WORLD AUSTRALIA has a policy on how it processes and treats your personal data and that of all FM WORLD AUSTRALIA Distributors. If you maintain a database of your contacts and/or customers including personal information such as addresses, and telephone numbers then you should check carefully that you are complying with the applicable legislation in how you deal with this information.

[DOOR TO DOOR SALES AND TELEMARKETING ARE REGULATED BY THE ACL AND ARE NOT ALLOWED BY FM WORLD YOU CAN FIND OUT MORE INFORMATION ON THE ACCC WEB SITE ACCC.GOV.AU](#)

VIII. INDIVIDUAL EXPERT ADVICE

Please take the above information merely as general guidelines that do not claim to be complete. Obviously, this information cannot take into consideration all the legal, tax and social security aspects of each individual so please engage an accountant, lawyer or tax adviser as appropriate.

[THESE REGULATIONS WILL BE UPDATED FROM TIME TO TIME PLEASE CONSULT REGULARLY FOR ANY UPDATES](#)