

# ESSENTIAL REWARDS

## Philippines

### ON THE GROUND (OTG) vs NOT FOR RESALE (NFR) TRANSITION

#### What are the important changes when we start On-the-Ground (OTG) selling?

When we switch to OTG, the Philippines will join other Southeast Asian (SEA) Young Living offices in setting a 100 Purchase Volume (PV) minimum Essential Rewards (ER) purchase to maintain ER membership and to earn both points and gifts. Reward percentage will remain the same.

Loyalty gifts will be shipped out of the Philippines and will be as follows:

- 3 consecutive months: Orange Essential Oil 15 ml\*
- 6 consecutive months: Lemongrass Essential Oil 15 ml\*
- 9 consecutive months: Melaleuca Alternifolia Essential Oil 15 mL\*
- 12 consecutive months: Loyalty Blend, an exclusive blend formulated by Young Living Founder D. Gary Young specifically for Essential Rewards members who order for 12 months!

\*Loyalty gift oils identified above are only available while quantities last. An oil will be sent out as a replacement in the event that quantities of the above oils are exhausted.

#### When the NFR status is over, can I still order products from U.S. ER?

Yes. You are allowed to maintain two ER templates – one for NFR and another for Philippine OTG, but only in February and March. This limited time period is in place to allow adequate time to transition your teams. **(Note: Dropship ER will be transitioned the same way as NFR ER. All references to NFR ER from hereon will also apply to dropship ER.)**

#### During the transition months of February and March, what are the critical things that I need to watch out for?

##### Gift & Point Qualification

- For **OTG Essential Rewards (ER)**, your order must be a minimum of 100PV to earn points and gifts.
- For **Not for Resale (NFR) ER**, there is no minimum PV to earn points for as long as you do NOT change your template in February and March. If you decide to change it, PV needs to be at 100 for you to earn points. NFR ER does not qualify for any gift.

**Note:** Due to a system limitation, the minimum PV for both OTG and NFR templates has to be at 100PV. If you wish to keep your NFR ER template below the minimum, do not change it in February and March AND cancel your PV Assist for NFR ER.

##### Maintenance of Essential Rewards Membership

- To **maintain ER** (no skip month), a member must reach 100PV in the OTG or the NFR template.
- PV cannot be combined for the 2 templates to qualify for points, gifts or to maintain their membership.

##### Creation of OTG ER & NFR ER

- Important to note that when we shift to OTG, ALL products available in OTG will be automatically moved to the OTG ER template. **You may hence end up with two ER templates that are below 100PV. On February 1, please make sure that you adjust your OTG ER template to reach 100PV. (Note that we are on soft launch on February 1. System may hence be slow.)**

- Also, your ER templates are considered as two separate orders and will therefore be charged two shipping fees.

#### **Grandfathering**

- All points earned by qualified ER members before the migration to OTG will be carried over. If you have 300 points in January, this will be carried over to February for as long as you maintain your ER membership.
- Qualified OTG ER members will get all 4 loyalty gifts over a 4-month period. For example:
  - 3-month gift will be given on month 1
  - 6-month gift on month 2
  - 9-month gift on month 3
  - 12-month gift on month 4

**Gift issuance, however, will depend on stock availability. Members will be given a monthly update on when the gifts would be available.**

#### **What is the difference between NFR ER and OTG ER?**

NFR ER ships from the U.S. and can only include products that are NOT available in the Philippines. The Philippine OTG ER, on the other hand, will ship from the Philippine warehouse and will be composed of locally available products. Once OTG selling starts, products available in the Philippines that are in your NFR ER template will be automatically moved to your Philippine ER template.

ER orders for NFR and Philippine OTG are separate and can be managed individually in the Virtual Office.

#### **If I have an ER template for both Philippine OTG and NFR during the transition, do I have to process both orders every month?**

No. As long as one NFR or OTG ER order processes at a minimum of 100PV, all progress toward increased percentage for point accumulation will continue. Qualification for the loyalty gift, however, will only be applicable for OTG ER.

#### **Do NFR and Philippine OTG ER orders process separately?**

Yes. NFR and Philippine OTG templates and order processing are entirely separate. Processing dates for these templates can be set up as the same date or different dates for each.

#### **During the transition, am I still able to switch between Philippine OTG and the NFR market ER and still qualify?**

Yes. You earn points as long you maintain the required monthly PV consecutively, irrespective of where the order is placed (NFR or OTG). Gifts are

earned only on OTG ER with a minimum purchase requirement of 100PV.

#### **How do I cancel my NFR ER and start my Philippine OTG ER?**

Members need to call Member Services to cancel their NFR ER. It is recommended that they properly set-up their OTG ER before the NFR ER is cancelled.

#### **If I only have an NFR ER template (no OTG ER template yet) when we finally close NFR ER, what will happen?**

You will forfeit all your unused Essential Rewards points. Moreover, your qualification count for the Rewards Point Accumulation Percentage and Loyalty Gift will start from the beginning. No further notice will be sent to members and no compensation will be offered for any loss to members who failed to setup and run the OTG Essential Rewards template before the switch. With this, it is important for you to set up the OTG Essential Rewards template before NFR ER is closed.

#### **Will we continue to have dropship ER during the transition?**

Yes. Same as NFR ER, dropship ER will continue in February and March and will be automatically cancelled in April. This is to again allow members time to transition their teams to OTG ER. Again, all transition changes to NFR ER also apply to dropship ER.

#### **How will I receive my loyalty gifts?**

Loyalty gifts will be added automatically to the next processed Philippine OTG Essential Rewards order. Gifts will not be added to NFR Essential Rewards orders.

#### **Will we still enjoy discounted shipping for ER?**

Yes. Both NFR and Philippine OTG ERs will have discounted shipping. Details of the discounted rate for the Philippines will be shared in the coming week.

#### **What will happen to my NFR ER after March?**

After March, we will be on full OTG selling. By this time, your NFR ER will be cancelled.

To ensure that you maintain your ER membership and keep your points and gifts, it is important that you create an OTG ER before March or when full OTG happens.

#### **Will I continue to have discounted shipping on my NFR purchases after March?**

No. During the transition, we will continue to have discounted shipping for NFR products on Quick Order.



After March, all Quick Orders will not have discounted shipping.

#### **Do I still have access to NFR products when we are on OTG selling?**

Yes. Philippine members will continue to have access to the NFR products even beyond the transition period.

In February and March, they can continue their NFR ER and have access to US promotions (subject to the conditions set by the US). After March, they cannot subscribe to NFR ER and will not have access to US promotions. They can, however, still order at regular prices via Quick Order.

## **THE BASICS**

#### **How do I subscribe to the Essential Rewards program?**

You can subscribe in one of two easy ways:

1. Online through [Virtual Office](#)
2. By phone at +632 249-9555.

#### **Is there a minimum PV for my monthly Essential Rewards subscription order?**

Yes. Your monthly order in Young Living Philippines must be at least 100 PV to qualify for both the gift and the reward points.

#### **Can I change the items in my Essential Rewards subscription order and still receive all the benefits of the program?**

Yes. You can change the items any time until 12 a.m. (midnight), Philippine time, on your processing date, which is determined by you when you subscribe to the program.

#### **Can I make changes to my Essential Rewards subscription order online?**

Yes. You can make changes to your Essential Rewards subscription order online at any time.

#### **Can I customize my Essential Rewards order every month or do I have to order the same thing?**

You can change the products you order each month at any time by editing your ER template.

*During the transition, this can be done separately for both NFR and Philippine OTG.*

#### **Do I need to place an order every month?**

Yes. The Essential Rewards program offers rewards for shipments that process each month. Earning loyalty gifts, reward points, and maintaining higher reward point percentages are contingent upon placing consecutive orders. There are other benefits, e.g., special promotions, that are only available for members on ER.

#### **If I want to cancel my subscription to the Essential Rewards program, can I do so online?**

No. All Essential Rewards subscription cancellations must be over the phone with one of our helpful Member Services agents.

#### **Do I need to be on Essential Rewards in order to receive commissions?**

No, only if you would like to earn the Rising Star Bonus (Please refer to compensation plan for further details.).

#### **Is a grace month still offered?**

As of November 1, 2016, the option to select a grace month is no longer available. Members will not be able to select this option online and must call and request it through Member Services. If a member misses two or more orders within a year, he or she will have to start over with loyalty gift qualification and will begin accumulating points again at the 10 percent level. Any previously earned loyalty gifts will not be available upon requalification.

## **LOYALTY GIFTS**

#### **How do I earn gifts through the Essential Rewards program?**

When you automatically place consecutive Essential Rewards subscription orders of a minimum of 100 PV, you can earn exclusive gifts. You'll qualify for these gifts after you place consecutive Essential Rewards subscription orders for 3, 6, 9, and 12 months. After 12 months, you'll receive gifts after every additional 12 months of consecutive orders.

(The gifts are detailed on page 1.)

#### **How will I receive my gifts?**

The gifts will be added automatically to the next processed Essential Rewards subscription order. For example, if a member reaches his/her third month in April, the gift for the third month would be added to the Essential Rewards subscription order in May.

### **If I earn a gift and then don't process an order, can I re-earn that gift?**

No. You can only earn each gift one time. For example, you might earn the three-month gift and later cancel your subscription to Essential Rewards. If you subscribe to Essential Rewards again, the next gift you'll be eligible for will be the six-month gift, not a second three-month gift. If you cancel your Essential Rewards subscription the month after you've earned a gift, the gift will come with your next processed Essential Rewards subscription order, should you choose to subscribe to the program again.

### **What happens if a loyalty gift is out of stock?**

If a loyalty gift is out of stock, a substitute will be made for another product of similar value.

## **ESSENTIAL REWARD POINTS**

### **How many points do I earn for my Essential Rewards order?**

You will receive points based on a percentage of your PV for each Essential Rewards order. The percentage you receive depends on how many months you have consecutively placed Essential Rewards orders. There is no limit to the amount of points you can earn in a month.

- 1–3 months: 10% of each ER order PV
- 4–24 months: 20% of each ER order PV
- 25+ months: 25% of each ER order PV

### **What products are redeemable with Essential Reward points?**

Any product showing the blue flag next to the PV value in the Standard Order screen can be redeemed for ER points. Products are based on availability.

### **Can I buy NFR products using my points?**

Yes. You can use your points to buy either NFR or OTG products.

### **How do I redeem my reward points?**

You can go to the applicable Virtual Office, i.e., NFR or OTG, and redeem your points online at checkout by selecting "Apply Points." You may also contact Member Services (MS) – the US MS for NFR products or the Philippine MS for OTG products.

### **How many points can I redeem each month?**

You can redeem up to 375 points each month against OTG or NFR products.

### **Do ER point orders count toward my consecutive monthly Essential Rewards orders?**

No. ER point orders are processed as standard orders and do not qualify for PV, which means they will not meet the minimum 100 PV requirement for Essential Rewards.

### **If I cancel my enrollment in Essential Rewards, do I lose my points?**

If you choose to cancel your enrollment in the Essential Rewards program, you forfeit all of your unused Essential Rewards points. You must contact Member Services to cancel enrollment. Your monthly participation in the program, if resumed, will accumulate points again at the 10 percent level.

### **Do I retain points earned for returned products?**

No. You forfeit any points earned on products that you later return.

### **How soon can I redeem points that I earn?**

You earn points the minute your subscription order is shipped. You can redeem points any time after you have been subscribed to the program for two months.

### **When redeeming Essential Rewards points, do I go by the amount or the PV?**

When redeeming points, use the PV amount rather than the value. For example, if you have 50 points, you can redeem them for any product with a PV value up to 50. Essential Rewards points can only be redeemed against the full PV values.

Not all products are eligible, and items purchased with Essential Rewards points are not returnable.

### **Can I use my points for promotional products such as discounted items?**

You can use your ER points on discounted, promotional and regular-priced products. You will, however, not receive the discounted or promotion pricing but will have to redeem based on the full PV value of the item. Some promotional items may not be available for purchase at all using Essential Rewards points. Essential Rewards kits are not eligible, and some products are restricted for a time after they are released, such as products launched during our annual International Grand Convention. Contact Member Services if you have questions about specific items.



### Do my points expire?

Yes. Unused points expire on a 12-month rolling basis, meaning they expire 12 months from when they were earned.

### How do I redeem ER points outside my market?

To redeem ER points in a market that is not your home market, you must be present in the market. You cannot redeem ER points on behalf of another member.

The market you are visiting may limit quantities or restrict products that you can redeem ER points for. You will be allowed to place only two orders per month with ER points and can redeem only up to 125 ER points total per month in any market other than your home market. If you redeem 125 points on your first order, a second order will not be allowed.

## OTHERS

### What is the PV Assistant?

With PV Assistant, you can create a monthly PV goal, as well as a wish list of your favorite Young Living products. If your next Essential Rewards order ever falls below your customizable PV goal, the PV Assistant will automatically add an item from your wish list so that you always meet your goal.

*Note: During the February and March transition, please delete products in your PV Assist in your NFR ER template if you don't wish your order to go up to 100PV.*

### Why is it important to have the PV Assistant setup for Essential Rewards?

PV Assistant is an invaluable tool to ensure your ER order never falls below your chosen PV goal. There are times when an item or items included in your monthly ER order may be out of stock or unavailable.

ER orders with out of stock/unavailable items on them will automatically have those items removed in order to continue processing and the PV of that order will drop. With PV Assistant, an item from your wish list would automatically be added to ensure your PV goal is met on every order.

If your ER order drops below 100 PV or does not process for two or more months within a year, all progress toward gift qualifications and increased percentage for point accumulation will restart from the beginning. Any previously earned loyalty gifts will not be available upon requalification.

### What happens if the items on my ER template go out of stock?

ER orders will continue processing and remove any out of stock items, which will lower the PV total on the order. This is why we encourage the use of PV Assistant to ensure PV goals are met.

### What happens if I cancel my Essential Rewards order after 3 months and then restart Essential Rewards again later?

Quitting and restarting Essential Rewards will restart the counter for the loyalty gift program. However, any previously earned loyalty gifts will not be available upon requalification. For example, you might earn the three-month gift and later cancel your Essential Rewards orders. If you start Essential Rewards again, the next gift you'll be eligible for will be the six-month gift, not a second three-month gift. If you cancel your Essential Rewards order the month after you've earned a gift, the gift will come with your next processed Essential Rewards order, should you choose to reactivate in the program.

**For additional questions and clarifications, please contact +632-249-9555 or email [custserv.ph@youngliving.com](mailto:custserv.ph@youngliving.com).**