

The applicable laws and the terms of the IBO Agreement and all ACN support materials differ from country to country to take account of local rules, laws and customs.

As an ACN IBO, it is important that if you are promoting your ACN business internationally that you familiarise yourself with the rules and documents for each market and use only the local country materials available from ACN at all times.

An IBO acting for ACN can either be an individual, a trust, a company or a partnership.

A) Starting as an Individual IBO (Includes Sole Traders)

Individual applicants must inform ACN of their Australian Business Number (ABN) in order to receive Customer Acquisition Bonuses (CAB) and commission payments.

Refer to section C on how to apply for an ABN.

As a Private IBO you are responsible for your tax registration and for declaring your earnings in your Annual Income Tax Return.

B) Starting as a Business IBO (includes Companies, Trusts and Partnerships)

A business can apply to become an ACN IBO as a company, a trust or a partnership. Business applicants must inform ACN of their Australian Business Number (ABN) in order to receive Customer Acquisition Bonuses (CAB) and commission payments.

A company or partnership must provide ACN with a list of all partners/shareholders with more than 5% ownership or a list of beneficiaries by completing the appropriate form on IBO Back Office. It is the IBO's responsibility to ensure that ACN has received all the required documentation to list the IBO's position as a company or partnership. If ACN has not received the appropriate documentation within 30 days, ACN will suspend the IBO's position until all of the documentation is received and processed by ACN.

C) Applying for an Australian Business Number (ABN)

Registering for an ABN number is FREE. You can apply for an ABN electronically via www.business.gov.au or obtain a registration application from your local Taxation Office or Post Office.

To apply online, click on the 'ABRpublic – Australian Business Number search/apply' option on the menu bar on the left-hand side of the homepage, and then click on the 'Apply for an ABN' link.

As soon as you have received your ABN, you must inform ACN in order to receive Customer Acquisition Bonuses (CAB) and commission payments.

D) Goods & Services Tax (GST)

As sole trader, company (Pty Ltd), trust, or partnership, the Australian Taxation Office (ATO) dictates that you must register for GST if your annual turnover exceeds \$50,000. If this happens, you must inform ACN of your GST registration.

You may choose to register for GST if your annual turnover is below the registration turnover threshold. To claim back GST for any business related expenses as an ACN IBO you must be GST registered and inform ACN of your GST registration.

ACN will charge you GST on the Team Trainer Fee and Renewal Fee. If you are registered for GST purposes you will be able to use this invoice to claim a refund of GST as an input tax credit in your Business Activity Statement.

GST is also payable by you to the ATO (if you are registered for GST) in connection with the supply of IBO services to ACN. Commission and CAB payments are paid on a GST inclusive basis and ACN will issue you with a recipient created tax invoice. To register for GST visit www.business.gov.au or call 13 28 66.

E) Billing

ACN will take care of the billing of CABs and Commissions for IBOs. Part of the cost will be covered via a nominal administrative charge, while the remaining part is financed from the yearly renewal fee.

For more information regarding the treatment of taxes and tax rates visit www.ato.gov.au or consult your tax advisor.