

DEXTRANS GROUP COMPENSATION & INCENTIVE PROGRAM

OBJECTIVES

The overall objective is to institute and use an incentive program to encourage likeminded employees to think like business owners so as to be results driven. The ultimate aim is to have a good balance of 70% (fixed) and 30% (variable) compensation.

All incentive and compensation schemes must meet the following criteria for both employer and employee. It must be able to engage the participants and allows the following principles;

1. Simple to understand and calculate
2. Fair to all parties
3. Motivating, inspiring and realistic

There are 5 schemes in total and each employee will be fitted into "incentive slots" for qualification. Each scheme is compensated based on a chronological sequence as below and the earlier scheme must be fully satisfied so as to allow for ownership and responsibility. Disbursement of Incentive will take the following fashion;

Disbursement of Incentive

- must less any doubtful or bad debts
- must less any unpaid invoices
- all incentives issued are net off from local government statutory taxes/employees pension fund/insurance etc.
- must take the following payment disbursement sequence;
1st to disburse (direct sales),
2nd to disburse (QIS employees),
3rd to disburse (Unit/Dept/branch mgr),
4th to disburse (country mgr),
5th to disburse (directors/shareholders)
- Quarterly 1 Jan – 31 Mar (paid end April or thereabouts)
- Quarterly 1 April – 30 June (paid end July or thereabouts)
- Quarterly 1 Jul – 30 Sept (paid end Oct or thereabouts)
- Quarterly 1 Oct – 31 Dec (paid end of Jan or thereabouts)

1) QUARTERLY INCENTIVE SCHEME (QIS) – see appendix for latest updates threshold of various Dextrans sites

- a) Employees who qualify – Operations/Customer Service/Accounting/Administration
- b) Monthly minimum GP threshold to qualify is associated with station overall cost.
- eg. USD 20,000 (this will be reviewed periodically to suit the cost components of the company)
- c) Only if (b) is attained - 3% of GP will be set aside for distribution amongst the Dextrans staff from above the minimum GP threshold

d) Purpose – to initiate, inspire and recognize team effort, group synergy/bonding and profitability ownership and celebrate success. Also to bring reality closer on the horizon.

2) CUSTOMER SERVICE PERSONNEL (CSP)

a) Employees who qualify – full or part time indoor customer service personnel who possess a knack for winning business in their course of their work.

b) Monthly 5% of GP after taking into account of QIS.

c) Purpose – to initiate, inspire and allow the individual to win new business at every opportunity

3) BUSINESS DEVELOPMENT PERSONNEL (BSP) or SALES DEVELOPMENT

a) Employees who qualify – directly canvassing or Business Development personnel

b) Monthly minimum GP threshold to qualify is associated with BSP overall cost - generally 2 times his/her direct cost

- eg. USD 5,000 x 2 = USD 10,000 (min threshold – any amount above this amount will be entitled to incentive compensation)

c) Only if (b) is attained - 10% of GP will be set aside for distribution amongst the Dextrans staff from minimum GP threshold

d) Purpose – to initiate, inspire and recognize individual effort towards maximum ability

4) BUSINESS UNIT MANAGER (BUM)

a) Employees who qualify – directly managing a specific operating P&L unit

b) Monthly minimum GP threshold to qualify is associated with BUM overall cost.

- eg. USD 10,000 (this will be reviewed periodically to suit the cost components of the BUM)

c) Only if (b) and QIS/CSP are attained - 5% of GP will be set aside for distribution to BUM from minimum GP threshold

d) Purpose – to initiate team effort, group synergy/bonding and profitability ownership.

5) COUNTRY/PROFIT CENTRE MANAGER (PCM)

a) Employees who qualify – directly managing a specific operating site P&L unit

b) Monthly minimum GP threshold to qualify is associated with PCM overall cost.

- eg. USD 30,000 (this will be reviewed periodically to suit the cost components of the PCM)

c) Only if (b) and QIS/CSP/BUM are attained - 5% of GP will be set aside for distribution to PCM from minimum GP threshold

d) Purpose – to initiate team effort, group synergy/bonding and profitability ownership.

QUALIFICATION

- a) Overseas Agents – this will not be counted into any of the individual's incentive calculation. Instead Overseas agent brought in by individual will be recognize from local account based ie. Qualification of incentive must always be tagged to local based account and not an overseas agent.
- b) Probation Period – where applicable this period needs to be satisfied before entitlement except for CSP/BSP/BUM/PCM.
- c) Final decision – The Incentive Program is a benefit accorded to all Dextrans Group staff. It is not an entitlement. Dextrans management reserves the absolute right to make changes accordingly to any of the Incentive Program.