

NEW DISTRICT MANAGER

Compensation Plan: Months 1-8

New DM Start Up Package

**\$6,000 issued upon lease approval

**\$3,000 payouts occur on the following dates:

9/1- \$3,000

11/15- \$3,000

4/15- \$3,000

BM to DM promo receives \$3k, upon DM promo, 3k on 11/15, and 3k on 4/15

Overrides

Title	Career Sales	Rep %	DM %
Trainee	\$0-1k	10%	25%
SR	1k-3k	15%	20%
ASR	3k-6k	20%	15%
ADV	6k-10k	25%	10%
SADV	10k-20k	30%	10%
JFSL	20k-30k	30%+5%	10%
FSL	30k-50k	30%+10%	10%
SFSL	50k-150k	30%+10% or 15%	10%
FSM	150k +	30%+10% or 15% or 20%	5%

Weekly recruiting bonus= \$25/Launch(paid weekly)



Monthly Bonus

DM/DVC/DVM Bonus:

Minimum bonus is \$300

\$20 increases per \$375 (new) tabbed in camp 1 & 3

\$20 increases per \$750 (new) tabbed in camp 2

See Chart for pre-set monthly quotas

BONUS DOUBLED DURING 1st Fall!!!

Basic Expenses

Comm Account		Paid By MGR
Craigslist	Web ads	Office Rent
Sample kit charges	AM Pay	Rec pay check
DRM/DRA charges	Mailers	Phone Bill
Fast Start prizes	Literature	PR program
Call Center charges	Promo orders	Flyers
Rec. Program	Base Pay	
Order charges	Rec. taxes	

****This is not a complete list****

Other Revenue Streams

Holiday Bonus- Based on time in the business

Catalog Bonus- Half in Dec. & half in Jan.

Savings Bonus- Save \$5,000 in C2 & company adds \$1,000

Cutco at Home- 3% override

Anyone personally referred to the program

E-commerce



FIRST FULL YEAR DISTRICT MANAGER

Compensation Plan

Start Up

**\$6,000 issued upon receipt of an approved lease (Paid)
 **Payouts of \$3,000 each occur on the following dates:
 9/1- \$3,000 (Paid in 2015)
 11/15- \$3,000 (Paid in 2015)
 4/15- \$3,000

BM to DM promo receives \$3k upon DM promo,
 \$3k on 11/15 (Paid in 2015)
 \$3k on 4/15

Monthly Bonus

DM/DVC/DVM Bonus:

Minimum bonus is \$300

\$20 increases per \$375 (new) tabbed in camp 1 & 3
 \$20 increases per \$750 (new) tabbed in camp 2

See Chart for pre-set monthly quotas

Campaign Bonus

Bonus is based on pre-set campaign quotas for total business
 First Full Year quotas:

C1 (50k/75k/100k)
 C2 (200k/275k/350k)
 C3 (75k/125k/175k)

Bonus amounts: \$3k/\$5k/\$7k

*pays after campaign concludes

Commission Draw Program

Vector offers an alternative compensation structure where he/she will receive prepayment of future commissions, overrides, and bonuses to the point where the DM shall receive a minimum amount in compensation each week.

First Full Year= \$500 + weekly rebates

Overrides

Title	Career Sales	Rep %	DM %
Trainee	\$0-1k	10%	25%
SR	1k-3k	15%	20%
ASR	3k-6k	20%	15%
ADV	6k-10k	25%	10%
SADV	10k-20k	30%	10%
JFSL	20k-30k	30%+5%	10%
FSL	30k-50k	30%+10%	10%
SFSL	50k-150k	30%+10% or 15%	10%
FSM	150k +	30%+10% or 15% or 20%	5%

Weekly recruiting bonus= \$25/Launch(paid weekly)

Basic Expenses

Charged through Vector Account		You pay on your own
Craigslist	Web ads	Office Rent
Sample kit charges	AM Pay	Receptionist pay check
DRM/DRA charges	mailers	Phone bill
Fast Start prizes	Literature	PR program
Call Center charges	promo orders	Flyers
Rec. Program	Base Pay	PR Calling help
Rec. taxes	Order charges	

This is not a complete list

Monthly PACE Bonus

\$1000 stipend paid monthly

Bonus begins at the start of a mgrs first full year

Bonus is to be used for office expenses

Bonus also be used for saving and investing to build wealth

Minimum sales performance to extend program=\$225,000

Must recruit minimum of 5 in previous 4 weeks

See attached P.A.C.E promotion piece

Other Revenue Streams

BM/DM overrides

DM promotion

\$5,000 when lease is approved
 2nd \$5,000 paid on 11/15
 \$3,000 Bonus 9/1 the following year
 (Both offices must be open to receive bonus)

BM promotion

5% of branch mgr's total sales
 (see attached Panna document)

Panna

Holiday Bonus

Based on time in the business

Catalog Bonus

Half in Dec. & half in Jan.

Savings Bonus

Save \$5,000 in C2 & company adds \$1,000

E-Commerce

Paid monthly, Sept-May

VETERAN DISTRICT MANAGER

Compensation Plan



BMW Lease Program!
District/Division Managers
\$500 stipend monthly
All new DM promotions receive stipend at the end of first full year (month 20)
See attached C.A.R Bonus promo

Monthly Bonus
DM/DVC/DVM Bonus:
<u>Minimum bonus is \$300</u>
\$20 increases per \$375 (new) tabbed in camp 1 & 3
\$20 increases per \$750 (new) tabbed in camp 2
See Chart for pre-set monthly quotas

Monthly PACE Bonus
\$1000 stipend paid monthly
Bonus begins at the start of a mgrs first full year
Bonus is to be used for office expenses (rent, receptionist, phones etc.)
Bonus may also be used for saving and investing to build wealth
Minimum sales performance in 2015 to extend program into 2016 is \$225,000cpo
See attached P.A.C.E bonus promo piece

Other Revenue Streams
BM/DM overrides
DM promotion: (Both offices must be open to receive bonus)
\$5,000 when lease is approved
2nd \$5,000 paid on 11/15
\$3,000 Bonus 9/1 the following year
BM promotion: 5% of branch mgr's total sales
Panna: (see attached Panna document)
Holiday Bonus: Based on time in the business
Catalog Bonus: Half in Dec. & half in Jan.
Savings Bonus: Save \$5,000 in C2 & company adds \$1,000 (Paid monthly, Sept-May)
E-Commerce:

Basic Expenses		
Charged through Vector Account		You pay on your own
Craigslit	Web ads	Office Rent
Sample kit charges	AM Pay	Receptionist pay check
DRM/DRA charges	mailers	Phone Bill
Fast Start prizes	Literature	PR program
Call Center charges	promo orders	Flyers
Receptionist Program	Base Pay	
Order charges	Rec. taxes	
This is not a complete list		

Overrides			
Title	Career Sales	Rep %	DM %
Trainee	\$0-1k	10%	25%
SR	1k-3k	15%	20%
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Weekly recruiting bonus= \$25/Launch(paid weekly)			

Commission Draw Program
Vector offers an alternative compensation structure where he/she will receive prepayment of future commissions, overrides, and bonuses to the point where the DM shall receive a minimum amount in compensation each week.
2nd full year= \$500 or \$750
3rd year on= \$500, \$750, or \$1,000
Prior year sales:
Below \$500,000= \$500 + weekly rebates
\$500,000-\$750,000= \$750 + weekly rebates
above \$750,000= \$1,000 + weekly rebates

Campaign Bonus
Bonus is based on pre-set campaign quotas for total business
Veteran District Manager quotas:
C1 (125k/175k/225k)
C2 (300k/400k/500k)
C3 (125k/175k/225k)
Bonus amounts: \$4k/\$7k/\$10k
*pays after campaign concludes

SOUTHWEST REGION

Monthly Bonus Tracker

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	BONUS	MONTHLY
6,000	6,000	6,500	6,000	14,500	41,000	36,000	15,000	6,000	6,000	6,000	11,000	300	600	
7,125	7,125	7,625	7,125	16,750	43,250	38,250	17,250	7,125	7,125	7,125	12,125	360	720	
8,250	8,250	8,750	8,250	19,000	45,500	40,500	19,500	8,250	8,250	8,250	13,250	420	840	
9,000	9,000	9,500	9,000	20,500	47,000	42,000	21,000	9,000	9,000	9,000	14,000	460	920	
10,125	10,125	10,625	10,125	22,750	49,250	44,250	23,250	10,125	10,125	10,125	15,125	520	1,040	
11,250	11,250	11,750	11,250	25,000	51,500	46,500	25,500	11,250	11,250	11,250	16,250	580	1,160	
13,125	13,125	13,625	13,125	28,750	55,250	50,250	29,250	13,125	13,125	13,125	18,125	680	1,360	
15,000	15,000	15,500	15,000	32,500	59,000	54,000	33,000	15,000	15,000	15,000	20,000	780	1,560	
16,125	16,125	16,625	16,125	34,750	61,250	56,250	35,250	16,125	16,125	16,125	21,125	840	1,680	
17,250	17,250	17,750	17,250	37,000	63,500	58,500	37,500	17,250	17,250	17,250	22,250	900	1,800	
18,000	18,000	18,500	18,000	38,500	65,000	60,000	39,000	18,000	18,000	18,000	23,000	940	1,880	
19,125	19,125	19,625	19,125	40,750	67,250	62,250	41,250	19,125	19,125	19,125	24,125	1,000	2,000	
20,250	20,250	20,750	20,250	43,000	69,500	64,500	43,500	20,250	20,250	20,250	25,250	1,060	2,120	
25,125	25,125	25,625	25,125	52,750	79,250	74,250	53,250	25,125	25,125	25,125	30,125	1,320	2,640	
30,000	30,000	30,500	30,000	62,500	89,000	84,000	63,000	30,000	30,000	30,000	35,000	1,580	3,160	
35,250	35,250	35,750	35,250	73,000	99,500	94,500	73,500	35,250	35,250	35,250	40,250	1,860	3,720	
35,625	35,625	36,125	35,625	73,750	100,250	95,250	74,250	35,625	35,625	35,625	40,625	1,880	3,760	
40,125	40,125	40,625	40,125	82,750	109,250	104,250	83,250	40,125	40,125	40,125	45,125	2,120	4,240	
45,000	45,000	45,500	45,000	92,500	119,000	114,000	93,000	45,000	45,000	45,000	50,000	2,380	4,760	
50,250	50,250	50,750	50,250	103,000	129,500	124,500	103,500	50,250	50,250	50,250	55,250	2,660	5,320	
55,125	55,125	55,625	55,125	112,750	139,250	134,250	113,250	55,125	55,125	55,125	60,125	2,920	5,840	
60,000	60,000	60,500	60,000	122,500	149,000	144,000	123,000	60,000	60,000	60,000	65,000	3,180	6,360	
65,250	65,250	65,750	65,250	133,000	159,500	154,500	133,500	65,250	65,250	65,250	70,250	3,460	6,920	
70,125	70,125	70,625	70,125	142,750	169,250	164,250	143,250	70,125	70,125	70,125	75,125	3,720	7,440	
75,000	75,000	75,500	75,000	152,500	179,000	174,000	153,000	75,000	75,000	75,000	80,000	3,980	7,960	
80,250	80,250	80,750	80,250	163,000	189,500	184,500	163,500	80,250	80,250	80,250	85,250	4,260	8,520	
85,125	85,125	85,625	85,125	172,750	199,250	194,250	173,250	85,125	85,125	85,125	90,125	4,520	9,040	
90,000	90,000	90,500	90,000	182,500	209,000	204,000	183,000	90,000	90,000	90,000	95,000	4,780	9,560	
95,250	95,250	95,750	95,250	193,000	219,500	214,500	193,500	95,250	95,250	95,250	100,250	5,060	10,120	
100,125	100,125	100,625	100,125	202,750	229,250	224,250	203,250	100,125	100,125	100,125	105,125	5,320	10,640	
110,250	110,250	110,750	110,250	223,000	249,500	244,500	223,500	110,250	110,250	110,250	115,250	5,860	11,720	
120,000	120,000	120,500	120,000	242,500	269,000	264,000	243,000	120,000	120,000	120,000	125,000	6,380	12,760	

DOUBLE

*** FOR EVERY INCREASE IN NEW BUSINESS OF \$375 NON SUMMER AND \$750 SUMMER ADD \$20 IN BONUS ***
 *** NEW DISTRICT MANAGERS ARE ELIGIBLE FOR DOUBLE MONTHLY BONUS THEIR FIRST FALL CAMPAIGN ***



P.A.C.E. BONUS

For all levels of qualification, the bonus requires that the manager is actively running their office with recruiting, training and motivating reps. Active shall be defined as having 5 recruits launched in the previous month.

2016 Eligibility

	Eligible	Min Tabs
Veteran Managers open prior to 1/1/15	1/1/16	\$225,000 Total year 2015
5/1/15 DM Promotions	1/1/16	\$150,000 CII & CIII 2015
9/1/15 DM Promotions	5/1/16	\$80,000 CIII 2015 & CI 2016
1/1/16 DM Promotions	9/1/16	\$150,000 CI & CII 2016

2017 Eligibility

	Eligible	Min Tabs
Veteran Managers open prior to 1/1/16	1/1/17	\$225,000 Total year 2016
5/1/16 DM Promotions	1/1/17	\$150,000 CII & CIII 2016
9/1/16 DM Promotions	5/1/17	\$80,000 CIII 2016 & CI 2017
1/1/17 DM Promotions	9/1/17	\$150,000 CI & CII 2017

SUPER BONUS PROGRAM

General Outline:

1. The Super Bonus program is based on New Business Tabs.
2. Each manager has a set, three-year term to earn a bonus. These terms are based from your 'Super Date' (see below) and will always begin and end on a campaign date.
3. In order for a manager to receive payment of this bonus the below levels must be achieved AND their office must be open and active at the end of their consecutive three year Super Bonus period.
4. The Bonus Level is determined by your New Business Tab Level for each 3-year term:

<u>Tab Level</u>	<u>Bonus Level</u>
\$1,000,000	\$ 10,000
\$1,200,000	\$ 20,000
\$1,500,000	\$ 30,000
\$2,000,000	\$ 40,000
\$2,500,000	\$ 60,000
\$3,000,000	\$ 80,000
\$3,500,000 \$100,000	"Top Award Level"

Super Date:

To streamline the disbursement schedule, all managers are assigned a Super Date. This date represents each manager's beginning under the Super Bonus program and is used to determine future Super Bonus periods.

Most likely, a manager's Super Date will equal their DM Promotion Date. For example, if a manager was promoted in May 2004, their Super Date would be May 2004. This qualifies the manager to earn their first Super Bonus in May 2007.

If a promotion occurs at a non-Campaign Date, the manager's Super Date will be adjusted to a Campaign Date. Contact your region headquarters for additional information. Super Bonus standings are also available on Vector Connect in the document library. Those standings are updated on a monthly basis.

Questions:

If you have additional questions, please contact your Region headquarters or Olivia Morris in Olean, NY (omorris cutco.com).

