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The compensation plan provides ways for reps to advance, make more profits as their team grows, earn profits on wholesale orders of their second and third generations of their teams, and earn bonus money along the way!

The compensation chart

The compensation plan is outlined in the **Compensation Chart**. We highly suggest that you print it out and follow along; it will help you to understand all the steps. It may be seem like a lot to comprehend at first, but after studying it for a bit and reading about it below, it will all hopefully become super clear! (and exciting!!)

First of all, the chart is based on a 6 month sales period. Sales periods are from Jan-June and then July-December.

The top row is a list of the possible titles/ranks of reps.

The next row is **Personal Volume (PV)**. This is the amount of personal orders, retail orders, and fundraisers. This is the same exact number that is listed in the "Commissioned Orders" on the spreadsheet on the right hand side. (Remember to go to the drop down box and click on the sales period total).

The next row is **Direct Recruits**. This is simply the number of recruits that you have directly recruited. In order to advance to the next rank, this row shows how many direct recruits you must have and what rank level a certain number are required to be before you can advance. (more explanation in the Details on the Compensation Plan)

The next row is **Team Volume**. This is the total of all your team members personal volume, plus this includes your personal volume as well (for 6 months).

Level 1, 2, and 3 Rows- This is the amount of percentage you earn from your downline members. Level 1 is for your direct downline, level 2 is for reps that your Level 1 have recruited. and then level 3 is people your Level 2 have recruited.

Free Recruits (Indirect)- This is the percentage you earn on free recruits once you get to this rank. The company will take reps that sign up with the company without a sponsor and assign free recruits to you, based on a rotation basis.

Whip It Up Bonus- A bonus that you will receive if you reach that particular goal within the said months of joining. Each bonus rank is a one time bonus, and it will be given as a credit on your spreadsheet to be applied to any future order, or it can be cashed in at anytime. If you meet these levels after the said month period, you will receive half of this bonus amount.

Matching Sponsor Bonus- If your sponsor is the same rank (or higher), then they will also receive this same matching bonus (only if met during the said months)

Details on the Compensation Plan

With this plan, all reps will join at the **Basic** level, and they will automatically advance to the advanced level once certain criteria are met. So those who wish to remain basic, are welcome to do so, and still are required to place a total of \$100 in orders during a sales period in order to remain a rep. Basic reps will be able to receive free host/hostess items plus a free mix for every \$50.00 spent. They will also be listed on the distributor locator map.

A rep will automatically become an **Advanced Rep** once they recruit one person, but they will not make any commission off their downline member or members until they have met a PV (personal volume) of \$200.00. Once they do this, they will be considered a **Chef de Partie**, and they will receive 5% in all wholesale order sales from their downline. Once someone reaches the title, Chef de Partie, their title will be listed beside their name on the distributor locator map.

Example....

Suse Q joins. She is Basic. She recruits Bob. Susie Q is now an Advanced Rep. Once Susie Q has \$200 in orders (this includes personal orders, retail orders, and fundraisers) she will receive 5% in sales from Bob's wholesale orders. This PV number is the same total amount listed in the "Commissioned Orders" on your spreadsheet on the right hand side. (Remember to go to the drop down box and click on the sales period total).

A rep will be promoted to **Sous Chef** once they have a personal volume of \$300.00 (this does include fundraisers and retail orders) and has at least one recruit. You will then receive 7% in all wholesale order sales from your direct downline and 3% in the second generation. Once someone reaches this rank, their title will be listed beside their name on the distributor locator map.

Example.....

Suzie Q places another \$100.00 in orders. Her PV is now \$300.00. Bob is still her recruit, and he has recruited Amy. Now, Suzie Q will receive 7% commission from Bob's wholesale orders and 3% from Amy's wholesale orders.

You can see below that Suzie's personal volume is \$796 which is past Kitchen Wizard, but....her team volume is \$977.00, and she has several recruits. All she has to do is encourage her team to place more orders to reach the \$1500.00 (which is only \$523 more total) and then she'll move up to Senior Sous Chef!

Suzie Q, PV- \$796

Team volume- \$977 Salt, Bob 0

Pepper, Amy 0

Paprika, Bill 0

Parsley, Jane 0

Dill, Don 0

Garlic, Gia 21

Onion, Ornolda 160

A rep will be promoted to **Senior Sous Chef** once they have a personal volume of \$400.00, has at least 2 recruits, and the total team volume in sales is at least \$1500.00. This total volume does include your personal volume as well. You will then receive 10% in all wholesale order sales in their direct downline and 5% in the second generation. If you reach this goal within 3 months of your joining date, you will receive a one time "Whip it up bonus" of \$40.00 credit. This credit will be added to your personal spreadsheet and can be applied to any future order or can be cashed in at anytime! If your sponsor is the same rank (or higher), then they will also receive this same matching bonus! If you meet this level after the 3 month period, only you will receive half of this bonus amount. Once someone reaches this rank, their title will be listed beside their name on the distributor locator map.

A rep will be promoted to **Top Chef** once they have a personal volume of \$500.00, has at least 3 recruits, (one has to be a Sous Chef) and the total team volume in sales is at least \$3000.00. This total volume does include your personal volume as well. You will then receive 12% in all wholesale order sales in their direct downline, 6% in the second generation, and 3% in the third generation. If you reach this goal within 4 months of your joining date, you will receive a one time “Whip it up bonus” of \$50.00. Your sponsor will also receive this same matching bonus! If you meet this level after the 4 month period, only you will receive half of this bonus amount. Once this goal is achieved, you will begin receiving free recruits. These are reps who join without a sponsor. You will receive 5% in all their wholesale order sales. Once someone reaches this rank, their title will be listed beside their name on the distributor locator map.

A rep will be promoted to **Master Chef** once they have a personal volume of \$600.00, have at least 4 recruits, (and two of them have to be Senior Sous Chefs) and the total team volume in sales is at least \$5000.00. This total volume does include your personal volume as well. You will then receive 12% in all wholesale order sales in their direct downline, 7% in the second generation, and 4% in the third generation. If you reach this goal within 5 months of your joining date, you will receive a one time “Whip it up bonus” of \$80.00. Your sponsor will also receive this same matching bonus! If you meet this level after the 5 month period, only you will receive half of this bonus amount. Once this goal is achieved, you will receive 7% in commission in wholesale orders from all the free, indirect recruits. Once someone reaches this rank, their title will be listed beside their name on the distributor locator map.

A rep will be promoted to **Kitchen Wizard** once they have a personal volume of \$700.00, has at least 5 recruits, (and two of them have to be Top Chefs) and the total team volume in sales is at least \$8000.00. This total volume does include your personal volume as well. You will then receive 12% in all wholesale order sales in their direct downline, 7% in the second generation, and 5% in the third generation. If you reach this goal within 6 months of your joining date, only you will receive a one time “Whip it up bonus” of \$100.00. Your sponsor will also receive this same matching bonus! If you meet this level after the 5 month period, only you will receive half of this bonus amount. Once this goal is achieved, you will receive 9% in commission from all the wholesale orders from the free, indirect recruits. Once someone reaches this rank, their title will be listed beside their name on the distributor locator map.

Once a rep reaches Kitchen Wizard, they become a team of their own. This way, teams will not get too big, and this gives reps a chance to become top leaders within the company.

Maintaining Rank Level

Once a rep reaches a certain rank, they will remain in that rank until the beginning of a new sales period. At that time, they will remain in that rank but will have the next sales period (6 months) to earn back any lost recruits, the required personal sales volume, and the required team sales volume.

Example:

Say Suzie Q is a Top Chef by the end of the 6 month sales period. She will remain a Top Chef for the following 6 month sales period (this is the grace period).

Suzie Q's PV (personal sales volume) will start over at 0 and will need to have a PV (personal sales volume) of \$500.00 by the end of the grace period.

She will need to have at least 3 recruits, and one of them needs to be a Sous Chef. So, if she lost any recruits at the end of the sales period, she will need to recruit to have at least the required 3.

Her Team Volume will also start over at 0, and this will need to be brought back up to at least \$3,000.00 again.

During this grace period, Suzie Q will continue to receive the 12% from direct downline members, 6% from second generation members, and 3% from 3rd generation members.

She will also continue to receive the 5% from any indirect recruits she accumulated.

Now, once she actually reaches all of these criteria, she will not receive the "Whip it up bonus" money again since she already received this one time "Whip it up bonus" previously.

Her grace period is completed or over once she reaches all criteria for this rank.

If she does NOT meet the qualifications for Top Chef during this grace period, she will fall back down to whatever rank she qualifies at the end of the grace period (the end of the sales period).

If she does not meet the qualifications and she was assigned an indirect recruit, she will not earn commission from their orders, but this indirect recruit will be counted towards the Team Volume. If the recruit earns back their position, then they will begin receiving commission from this indirect recruit again.

Keeping track

On each individual spreadsheet, if someone has recruited someone, they are listed at the bottom.

Your name will be listed directly above your recruits. It will list your PV next to your name (for the current sales period)

Next to each rep's name, the PV for that rep will be listed (for the current sales period)

The total team volume will be totaled at the bottom of the list.

If any of your downline members are ranked, it will list their rank beside their name.

New Recruits Advantage:

For new reps that join, the period in which you join plus the following period are calculated together to count towards advancement. This way, if someone joins in June then they have that month plus an entire new period to keep adding to their PV and TV to qualify for advancement. If a rep joins in January, they will have the period in which they join plus the period after to keep adding to their PV and TV to qualify for advancement. This goes the same for someone who joins in July or December.

The grace period for new reps will be the 3rd period of their career with The Gourmet Cupboard. They must maintain the rank they received during this time, otherwise they will fall back down to whichever rank they qualify for at the end of the grace period.

This makes an excellent recruiting angle too, because if you recruit at the beginning of any period, then the new recruit has almost an entire year to advance within the company, only making TV go up for you which could potentially bump your rank up as well.