

# The cabi Compensation Plan

## How a Stylist earns on her own sales:

	Personal Commission Rate (earned on CV)	Initial Season	Seasons 1 & 2	Seasons 3 & 4	Seasons 5 & 6	Seasons 7+
Base Sales Commission	20%	no sales threshold				
Monthly PQV Sales Bonus Threshold	25%	800	800	1,500	2,000	3,500
Team Builder Bonus (24,000 monthly GQV, you + your direct team, incl. adopted)	33%	800	800	1,500	2,000	3,500
Sales Achiever Bonus	Additional 5%	Top 3 company-wide sales that month				

## How a Stylist earns on her team's sales:

(earned after monthly PQV sales bonus thresholds are met, based on the tenure of the team member and Team Leader)	Team Commission Rate (earned on CV)				
	Initial Season	Seasons 1 & 2	Seasons 3 & 4	Season 5 & 6	Seasons 7+
	no sales threshold	800	1,500	2,000	3,500

  

Your Direct Team					
First Level	8%	8%	8%	5%	3%
First-Level Bonus (if Team Builder Bonus above is achieved)	0%	0%	0%	3%	5%

  

Your Indirect Team					
Second Level	5%	5%	5%	5%	5%
Third Level	3%	3%	3%	3%	3%
Fourth Level	2%	2%	2%	2%	2%

  

Seasonal Minimum Sales Requirement (in PQV)	no seasonal minimum	4,000	7,500	10,000	14,000
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**CV (Commissionable Volume)** includes all full-priced sales, exclusive of sales tax/VAT. CV isn't earned on discounted orders, such as Hostess, Referrer, or Personal Purchase orders.

**PQV (Personal Qualifying Volume)** includes sales and returns from Personal Purchases of clothing, Hostess orders, guest orders, retail orders, and Referring Hostess orders.

Your **monthly PQV sales bonus threshold** amount starts at 800 in PQV during your launch, first, and second seasons, building to 1,500 during your third and fourth seasons, and 2,000 during your fifth and sixth season and 3,500 in your 7<sup>th</sup> season and beyond. Once you reach your monthly sales bonus threshold, you'll receive an additional 5% in commission (boosting your base commission from 20% to 25%) on your monthly CV.

**GQV (Group Qualifying Volume)** is the combined PQV for you and your first-level team members, including adopted team members. You earn commission on your team members' sales when you and your team members each reach your respective monthly sales bonus thresholds.

**Team Builder Bonus** is achieved when you and your first-level team members reach 24,000 or more in GQV in a month, boosting your commission on your personal sales an additional 8% (totaling 33%) on that month's CV. If you're not already earning 8% on your first-level team members, your commission on their sales will also increase to a maximum of 8% as your **First-Level Bonus**.

**Adopted team members** are those whose Team Leader has exited cabi and are subsequently "adopted" by the next active Team Leader in their hierarchy for purposes of GQV and leadership. Direct (first-level) GQV will include adopted team members, but the Team Leader will still earn team sales commission based upon the adopted team member's original level on her team.

**During January and July,** 1) Stylists are paid 25% commission on their CV with no requirement to meet monthly sales bonus thresholds, 2) Team Leaders who sell at least 800 in PQV and whose team members sell at least 800 in PQV will qualify to earn team commission, and 3) Team Leaders must reach their monthly sales bonus thresholds to earn any additional bonus programs or incentives.

Team Leaders are offered one **grace month** per season where you can still earn team commission. The grace month is applied in the first month of the season in which you don't meet your personal monthly sales bonus threshold. During your grace month, you and your team members must still each sell at least 800 in PQV for you to earn team commission. Though Team Leaders can use a grace month once each season in order to still earn team commission, there is not a grace month associated with any additional bonus programs or incentives. For example, to receive a Start with Style Matching Team Leader Bonus, Team Leaders must reach their monthly PQV Sales Bonus Threshold.

**Initial Season** refers to the partial season in which a newly accepted applicant begins her business.

