



## **Commissions And Pay Plan - Definitions**

Your compensation plan has been designed to reward you for your efforts and that of your team.

The compensation plan rewards 5 Vital Behaviors

1. Personal sales
2. Personal sponsoring
3. Training
4. Building Team Leaders (Star 3)
5. Building Leaders (Directors)

Consultants may choose to place orders in their back office and purchase at an immediate 25% discount. Orders placed on the replicated website by the consultant and customer will have the 25% retail profit added the E-wallet immediately for your qualifying orders and customer orders. Sales volume bonuses, sponsor bonuses, and team commissions are deposited into your E-wallet on or by the 7<sup>th</sup> of the following month.

### **JORDAN ESSENTIALS' COMPENSATION PLAN DEFINITION OF TERMS & CONCEPTS**

#### **ACTIVE**

A consultant is considered active when they have a current website subscription.

#### **BONUS QUALIFIED**

A Consultant must maintain at least \$200 Personal Volume (PV) to be considered bonus qualified for that period. If a Consultant is not bonus qualified in the period, they receive no commissions from their downline. However, they will receive personal retail commissions from their own personal purchases even if they are not bonus qualified. A Consultant's customer purchases count towards bonus qualified status.

#### **BONUS QUALIFIED LEG (Q Leg)**

A Bonus Qualified Leg consists of any first level Consultant and their entire downline where at least one person has a minimum \$200 Personal Volume (PV).



## **CAREER TITLE**

A Consultant's career title is their recognition title or the highest title they have achieved. A Consultant's career title does not change unless they are promoted or demoted (see Demotion Policy), unlike a paid-as title, which may vary from month to month.

For example, Joanna met the requirements to promote to the title of Director in June. Her career title is now Director and will remain so until she promotes to a higher title or is demoted (see Demotion Policy). In July, she is paid-as a Director. Her career title and paid-as title are the same. In August, she is paid-as a Star 3 Team Leader. Her career title remains as a Director but her paid-as title for August is Star 3 Team Leader.

## **COMPRESSION (GENERAL)**

When a Consultant is canceled and no longer part of the company, their downline is compressed to their upline filling the gap left by the canceled Consultant.

For example, Sarah had three legs: Joseph, Emma, and John. Sarah failed to meet the requirements to maintain her status as an upline Consultant and was therefore moved out of active downline. Because Sarah was moved, Joseph, Emma, and John, and their respective downline, were compressed up to Sarah's upline, Harry. Joseph, Emma, and John are now each considered legs to Harry (i.e. they now reside on his first level). This situation may occur if a Consultant cancels their contract, requests to no longer be in the company or has been terminated by the company.

## **COMPRESSION (DIAMOND DIRECTOR AND HIGHER)**

If a Consultant that was paid-as a Diamond Director (DD) or higher in the last four periods is canceled (whether voluntarily or involuntarily), their downline will only be compressed under the following conditions:

1. If their Personal Sponsor has been paid-as a DD or higher at least once in the last four periods, then the downline will immediately be compressed up.
2. If their Personal Sponsor has not been paid-as an DD or higher at least once in the last four periods, then they will be given the following six periods to be paid-as an DD or higher at least twice. If the Consultant promotes to DD in the last of the six month period, then they will be given the following period to qualify as a DD again (to meet the 2 periods of being paid-as DD or higher).
  - a. If the personal sponsor qualifies under these conditions, then the downline of the canceled Consultant will be compressed up upon the completion of the qualifications.



- b. If the personal sponsor does not qualify under these conditions, then the position of the canceled Consultant will remain permanently vacant.

*Note: The term compression and roll-up are often used interchangeably within the industry. It is important to understand what an individual is referring to when they speak or ask about compression. For this reason, we have defined our use of these terms in this document.*

## **CUSTOMER**

A customer is an individual who purchases products for personal use and has not signed an agreement with the company. Customers are not allowed to sponsor (i.e. have a downline), do not receive commissions, and are not credited with volume. The volume from a customer's purchase(s) is credited to the Consultant who sponsored them.

## **DIRECTOR DEMOTION POLICY**

Director and higher levels must be paid-as their Career title at least once every 6 months in order to keep their Career Title. If a Consultant is not paid-as their Career Title at least once within 6 rolling months their Career Title will be demoted to one level lower.

For example, if you qualify for your title in June, being month one, and you do not get paid as a Director for the 6 months afterward you will keep your career title until December. When commissions are run for December your title will be demoted.

Associates are not eligible to be a Success Coach or have the other privileges of Director such as at convention. Associate Directors Group volume will now roll up and count toward their upline Directors volume.

Diamond Directors and higher have the same Director 6 month qualification as other Directors and must maintain their higher title as well at least once per 12 rolling months.

## **DOWNLINE**

All of the people below you are considered to be your team members.

## **DOWNLINE ANNUAL POLICY**

To keep any downline team member, Consultants must have a minimum of \$400 PV in a 12-month period. If they fail to meet this requirement in any 12-month period, they will have their team reassigned to their sponsor and their personal record moved to a holding area within the company. Their record will be attached to the original sponsor; however, they will not be seen in the downline reports.



If a Consultant would like to be placed back into their sponsor's downline, they can request that at any time by contacting the home office. However, they will not get their previous title or downline back.

### **DOWNLINE VOLUME (DV)**

The total Qualifying Volume (QV) from a Consultant and their entire downline organization. It includes ALL downline Consultants regardless of their titles and the Consultant themselves.

### **ELIGIBLE**

A Consultant is considered eligible to receive a commission if they meet the Career Title requirements and qualify to be paid as the title for a particular payout. Eligibility does not mean a Consultant will receive the particular payout. To receive a payout, a Consultant must be both eligible and qualified. It is possible for a Consultant to be eligible but unqualified and likewise, is possible for a Consultant to be eligible but unqualified and likewise, is possible for them to be ineligible but qualified. Please also refer to the definition of Qualified. A Consultant must be both eligible and qualified to receive a particular payout.

### **ESSENTIAL QUALIFIED CONSULTANTS**

Upon joining Jordan Essentials and being issued a Consultant ID number a Consultant is an Essential Consultant who is qualified.

### **GENERATION**

A Generation is based on career title, regardless of level, and starts with a Career Title of Director or higher and includes everyone below them, down to but not including the next Career Title Director (or higher). The next Director or higher (based on Career Title) is the start of the next Generation. If a Director or higher is not paid-as a Director, they are still considered a Generation to their upline Director or higher.

### **GENERATION OVERRIDES**

Paid-as Directors and higher may receive Generation Overrides on the Wholesale Volume (WV) from their downline Generations. For example, a Generation 1 would pay out on the first downline Director or higher title (based on Career Title) and all the people below them, down to but not including the next Director or higher (Career Title) which would be the start of Generation 2.

### **GOOD STANDING**

A Consultant is in good standing when they have a rolling \$200 in Personal Sales over a 12 month period. Those who enrolled prior to October 2024, will have until September 20, 2025 to



meet this requirement. Those joining after this date, will have the rolling 12 months from their join date.

### **GRACE PERIOD**

When a Director or higher (Career Title) has a Consultant in their personal group promote to a Director (or higher) for the first time, thus breaking away for the first time, then in the two periods following the promotion, all of the upline, up to and including the first Director (or higher) based on Career Title, will only be required to have half of the required GV for their title. (They are also able to promote to a higher title using only half of the required GV.) Beginning with the third period following the promotion, they must again have the full GV required in order to be paid at that level. If a Consultant has more than one Consultant promoting to Director (or higher) in the same month or in back-to-back months (one following the other), then any overlapping Grace Periods will have a GV of \$0 for the upline. Please see also Group Volume (GV).

### **GROUP**

A group consists of a Consultant themselves and their entire downline, down to but not including, the next Director (Career Title) or higher. This is also sometimes referred to as a “personal group” when talking about a specific Consultant and their group. This is also referred to as a “Team” or “Personal Team.”

### **GROUP VOLUME (GV)**

Group Volume is the Qualifying Volume from the Consultant themselves and their entire downline, down to but not including the next Director or higher (Career Title). In the period that a Consultant promotes to a Director for the first time, their GV will be included in their upline’s GV for qualification purposes only, in that period. Beginning with the following period, the Grace Period applies.

### **GROUP VOLUME OVERRIDE (GVO)**

Paid-as Directors and higher may receive a Group Volume Override on the Wholesale Volume (WV) of the sales of their personal group, including their own personal volume. If a Director or higher (Career Title) is not paid-as a Director or higher, then the Group Volume Override is not eligible to be paid

In the period that a Consultant promotes to a Director or higher, their upline Director or higher will receive a Generation Override instead of the Group Volume Override (meaning that they will be considered a downline Generation rather than part of the upline’s personal group.)

### **HOST**



A host is an individual who brings business to you. The host invites guests, bringing new customers to you, more bookings to expand your business and potential new sponsors. Her efforts are rewarded through host credits much like you as a Consultant receive a compensation plan for your efforts.

A host can host in a home, at a remote location, in a multi host situation (where you have more than one host at the party but one presentation) or a catalog show. The catalog show is where a host collects orders and shares about the JE products to her friends and family. Again she is bringing new business to you and is rewarded for the orders via the host Awards Program.

## **LEADERSHIP EXPECTATIONS**

Leaders at all levels are expected to maintain a strong personal business through Recruiting and Sales.

### **LEG**

A leg begins with a first level Consultant and includes all of the Consultants beneath them. A Consultant has as many legs as they have first level Consultants. For example, if Sally has five first level Consultants then she has five legs. Sarah is one of Sally's first level Consultants. Sarah, and her entire downline, is considered to be one leg to Sally.

### **LEVEL**

The position a Consultant has in a downline relative to another upline or downline Consultant. Consultants personally sponsored (i.e. first level) are Level One. Those Consultants sponsored by Level One Consultants are Level Two, relative to the original Consultant. Customers are not considered when counting levels and do not occupy a position in a Consultant's genealogy.

### **LEVEL 1-4 OVERRIDES**

Bonus Qualified Consultants that are paid-as a Star 1 Consultant or higher may receive a percentage on the Wholesale Volume (WV) from the sales of their downline through four (4) levels. The percentages and number of levels that a Consultant receives is based on their Paid-as Title and is regardless of the title of the people below them. If a Consultant is not Bonus Qualified, unqualified, or ineligible, then that Level Override will not roll upline. Please refer to the definitions of Bonus Qualified, Eligible, and Qualified.

### **MINIMUM COMMISSION CHECK**

\$10 – no printed commission check will be issued less than \$10 for current consultants.

If a consultant resigns, a paper check will be issued if no ACH information is available.



### **PAID AS TITLE (ALSO REFERRED TO AS PAID-AS)**

Each Consultant is paid at the title for which they qualify during the period. The requirements to be paid-as a title is the same as the requirements to promote to that title. If in any period they fail to achieve their Career Title Level, they are paid at the lower title to which they do qualify for during the period. They retain their Career Title but are paid as the title they actually qualify for.

### **PARTY**

A party is defined as an event involving a host and guests.

### **PERIOD**

A period is equal to an actual calendar month. Six periods would be six calendar months.

### **PERSONAL VOLUME (PV)**

The total Qualifying Volume (QV) of a single Consultant from orders placed personally and by their personally sponsored customers (orders placed directly with the company by customers.)

### **POWER SELLER BONUS**

Consultants that achieve a minimum PV in the period will be qualified to receive an additional percentage on their personal orders. The percentage will be paid on the Qualifying Volume (QV) of their orders and any customer orders they have. Please refer to the Power Seller Bonus table for specific volume requirements.

### **PROMOTE (PROMOTION)**

A Consultant promotes to a new Career Title when they meet all of the qualifications for that title in the period. The promotion is effective the first day of the same period meaning that regardless of what day the promotion was actually qualified for, the new Career Title is effective for the entire period. For example, if a Consultant meets the qualifications for a Diamond Director on June 23rd, they “promote” to the title of Diamond Director for the entire period of June (effective June 1) and will be paid-as a Diamond Director for the entire period of June.

### **QUALIFIED**

A Consultant is considered to be qualified if they meet the Paid-As requirements for a particular payout and/or title. A Consultant will only receive the payouts that they are both eligible and qualified for. For example, a Consultant may be eligible for the Group Volume Override because they have a Career Title of Director. However, if they are paid as a Star 3 Team Leader or below, then they are unqualified for the bonus and would thus not receive it. In a similar manner, a



Consultant may be qualified as a Star 3 Team Leader but ineligible to receive a Group Volume Override because that pays only to Directors and above.

## **QUALIFIED LEG**

Qualified Legs require that at least one individual in the leg is qualified to be paid as a specific title position (or above) during the month. For example, to be a Director, one needs four Bonus Qualified Legs plus two legs of which must have at least one representative that is paid-as a Star 3 Consultant or higher. Qualified Legs depend on the monthly Paid-As Title.

## **QUALIFYING VOLUME (QV)**

Each inventory item has both a Qualifying Volume (QV) and Wholesale Volume (WV) assigned to it. QV is used for Personal Volume (PV), Group Volume (GV), and Downline Volume (DV) calculations and is used solely to determine if the Consultant is qualified based on the terms of their respective title. The Power Seller Bonus is the only bonus that is paid based on the Qualifying Volume (QV) instead of the Wholesale Volume (WV). All other commissions and bonuses (other than Retail Profit) are paid based on Wholesale Volume (WV). The Qualifying Volume in this plan is equal to the Retail Price.

## **REINSTATEMENT POLICY**

If a Consultant resigns, they may request reinstatement at any time and, if approved, will be reinstated under their original sponsor. Their downline organization will not be reinstated nor their previous title. If a Consultant wishes to join under a different sponsor, they must wait for a minimum of 90 days after termination before reapplying, without their former downline and title. If a Consultant does a buy back option they will not be able to be a Consultant again, ever.

## **RETAIL PROFIT**

Consultants can receive a Retail Profit on their personal purchases and their customers' purchases, regardless of their Bonus Qualified status. Retail Profit is 25% of the purchase price of an item.

Example: An item with a purchase price of \$10 has a retail profit of \$2.50. It has a QV (Qualifying Volume or PQV/PV) of 10 and a Wholesale Volume (WV) of 7.50.

*Note: Consultants purchase at the full Retail Price. Therefore, the Retail Profit is paid on the Consultant's personal orders as well as their customers' orders.*





## **JUMP START BONUSES**

Jump Start is a training and rewards program for a new Consultant in her first 90 days of business. The 1<sup>st</sup> day begins when she enrolls. All retail sales must be made within the time frame. Jump Start dates and sales volume are located in the Jump Start Info report in the Commissions drop down menu of the Online Business Center/Backoffice.

To earn the Bring a Friend sponsoring bonus the sponsor must be active with \$200 PV the month the new consultant achieves their Jump 2.

## **WHOLESALE VOLUME**

Each inventory item has both a Qualifying Volume (QV) and Wholesale Volume (WV) assigned to it. Wholesale Volume (WV) is the volume on which commissions are paid. The Wholesale Volume will be equivalent to 75% of Retail price unless otherwise disclosed.

## **MONTHLY COMMISSION CHECKS:**

Calendar Month Sales Volume Bonus (Effective November 1, 2024)

Sales over \$1500 = 5% personal sales volume commission bonus for a total of 30% of your monthly sales volume.

Sales over \$2500 = 8% personal sales volume commission bonus for a total of 33% of your monthly sales volume.

Sales over \$3500=10% personal sales volume commission bonus for a total of 35% of your monthly sales volume.

Commissions for Retail Profit on qualifying product sales are paid instantly once the order is completed. Down-line commissions and all other bonuses, (Sponsoring Bonuses) are paid monthly the 7<sup>th</sup> day of the following month unless the 7<sup>th</sup> falls on a Saturday or Sunday in which case commissions are issued the following Monday unless that Monday is a holiday, subject to meeting all qualifications. Any commission or bonus discrepancies should be reported to Jordan Essentials in writing in order to have the proper research performed. The minimum check that will be issued is \$10.00. If a check is less than that amount, it will be added to the checks on the following months until the \$10.00 minimum is reached.

Stale-dated checks: Any check sent to a Consultant not cashed in 6 months will be considered a stale-dated check and will be null and void. Jordan Essentials must receive all inquiries within 30 days of the check's issue date. A request to reissue lost or missing checks must be made in



writing and may take up to 30 days to be reissued. Returned checks for incorrect mailing address will be charged \$2.00 to resend the check to a new address.

Commissions not transferred after one year will be considered abandoned and will be removed from the e – wallet and return as abandoned property to Jordan Essentials.

### **PROBLEMS THAT CAN DELAY COMMISSIONS OR BONUSES**

Jordan Essentials will not be responsible for loss of commissions or bonuses due to the following:

1. Non-receipt of payment for product
2. No Consultant Agreement on file with Jordan Essentials
3. Improper notification of change of address
4. Outstanding disputes with customers or orders on file
5. Any outstanding debt on file (for example a returned item or fees not paid)
6. Consultant who stops payment through checks or credit card processing will be responsible for all fees and may have commissions transferred to pay for said expenses
7. Consultants who have any outstanding balance at all will have their account suspended and may not be reinstated until all fees and payments have been made

### **CORPORATE MAILING GUIDELINES**

If the deadline for receipt falls on a weekend or holiday, new Consultant Agreements and/or product order forms must be received no later than close of business on the previous business day.