

SECTION 1: UNDERSTANDING VOLUME

What is Volume?

Volume is the credit given to consultants for achieving a sale, whether by building your business through your direct consultants purchasing items or clients purchasing products. Upon Global expansion into Canada, our compensation structure changed slightly to accommodate a difference in currency rates and different product offerings. The change was meant to ensure a level playing field both in terms of how consultants were compensated and how they were recognized in titles. Volume is now broken down into **Commissionable Volume (CV)** and **Qualifying Volume (QV)**. In the United States, **CV** and **QV** are largely the same number, however in Canada (and when we continue our global expansion) those numbers differ slightly, again based upon product offerings and cost of products. However, the **QV** will remain as close to the United States **QV** as possible, as that is the volume used to determine Consultant Status and Promotions. You can find full pricing cheat sheets for both United States and Canada by searching the following “CV” (United States pricing) and “Volume” (Canada pricing) in the biz development library.

Why is Commissionable Volume important?

Commissionable Volume (CV) is the number associated with a sale that you are eligible to earn commissions off of. As discussed above, this number WILL vary from country to country as a mechanism to “level the playing field” for differences in product pricing. There is **NO** other use or application for **CV**.

Why is Qualifying Volume important?

Qualifying Volume (QV) is the measurement used to meet the executive consultant minimum requirements. As discussed above, this number is (in most cases) the SAME from country to country so that the minimum qualifications for Executive Consultant and beyond are as equal as possible, regardless of product pricing. **Qualifying Volume** is further broken down into three categories as discussed in the next section: **Sales Volume (SV)**, **PSQV (Personally Sponsored Sales Volume)** and **L1-L6 Qualifying Volume (L1-L6 QV)**

What is the difference between all of these Qualifying Volume trackers I see in Pulse?

The following is an overview of how you can meet the different qualifications or as we say “fill the buckets”. These buckets are visible on the PULSE homepage.

SALES VOLME	PSQV	L1 – L6 QV
<ul style="list-style-type: none">• Monthly Pulse subscription (20cv)• Monthly CRP / enrollment kit purchase• Retail Customer Orders• Additional products you may personally purchase• <i>NOT INCLUDED: business items such as business cards, name tags, etc.</i>	<ul style="list-style-type: none">• Preferred Customer Purchases• Direct Consultant’s total Sales Volume	<ul style="list-style-type: none">• The collective PSQV of each person in your downline, including your own PSQV.• <i>NOT INCLUDED: Your Sales Volume.</i>

What are the QV minimums for each tracker/“bucket” to meet Executive Consultant Status?

One of the biggest benefits to our compensation plan is that you are paid for the activity you achieve on a monthly basis. However, in order to MAXIMIZE the pay plan, you will need to meet minimum

requirements on a MONTHLY basis. Those minimum requirements are as follows, and what we commonly refer to as the “buckets”:

Sales Volume – 100

PSQV – 600

Org Volume- No Monthly Minimum Required

Meeting these minimum qualifications will earn you a promotion from Active Consultant to Executive Consultant (EC) and a pay raise. All calculations for your paycheck are done at the end of the month and are based upon your highest promotion level achieved in that calendar month.

SECTION 2: UNDERSTANDING CONSULTANT TITLES & CORRESPONDING COMMISSIONS

As you promote from Consultant to Executive Consultant status and beyond, your commission structure changes as follows. *NOTE: To keep this chart “clean” retail profit and PC profit is not included. You can earn that at any time, regardless of Consultant or EC status. This will be discussed in more detail later.*

TITLE	DESCRIPTION	COMMISSION	Needed Direct ECs
Inactive Consultants	A consultant that is enrolled but is not participating in CRP. Normally, these are wholesale buyers and not an active consultant working the business.	Not eligible for commissions or any bonuses.	NA
Consultant	A consultant that is participating in CRP but did not meet the monthly minimum requirement for EC Status	10% on Preferred Customer CV	NA
Executive Consultant (EC)	Met minimum requirements for EC Status	15% on Preferred Customer CV	NA
Level I EC	Met minimum requirements for EC Status AND has (1) direct EC Consultant	15% on Preferred Customer CV + 5% on Level 1 CV	One
Level II EC	Met minimum requirements for EC Status AND has (2) direct EC Consultants	15% on Preferred Customer CV + 5% on Levels 1-2 CV	Two
Level III EC	Met minimum requirements for EC Status AND has (4) direct EC Consultants	15% on Preferred Customer CV + 5% on Levels 1-3 CV	Four
Level IV EC	Met minimum requirements for EC Status AND has (6) direct EC Consultants	15% on Preferred Customer CV + 5% on Levels 1-4 CV	Six
Level V EC	Met minimum requirements for EC Status AND has (8) direct EC Consultants	15% on Preferred Customer CV + 5% on Levels 1-5 CV	Eight
PREMIER LV V	Met minimum requirements for EC Status AND has (10) direct EC Consultants of which (1) are Level V or higher.	15% on Preferred Customer CV + 5% on Levels 1-5 CV	Ten, of which one (1) Need to be LV EC or higher
LEXUS QUALIFICATION	\$125,000 in org volume (Levels 1-6QV) and maintain minimum of Level V for three consecutive months.	\$750 monthly car allowance	
Elite LV V	Met minimum requirements for EC Status AND has (12) direct EC Consultants of which (3) are Level V or higher. AND has met Lexus Qualifications.	15% on Preferred Customer CV + 5% on Levels 1-5 CV. Receives an additional \$250 car allowance.	Twelve, of which three (3) Need to be LV EC or higher
RFx	Met minimum requirements for EC Status AND has (15) direct EC Consultants of which (5) are Level V or higher.	15% on Preferred Customer CV + 5% on Levels 1-5 CV AND 2.5% on Level 6 CV	Fifteen, of which five (5) Need to be LV EC or higher

What is a Level?

Level 1 CV is all of the **Commissionable Volume** from your direct consultants. **Level 2 CV** is all **Commissionable Volume** from your 2nd generation consultants. So on and so forth. You cannot out-earn your EC Level. For example, if you have 3 generations of consultants but are only a Level II EC, you will NOT earn commissions from the volume your 3rd generation produces. This is what we call “leaving money on the table” and why we encourage everyone to always be expanding your network of direct consultants.

MOST IMPORTANT UNDERSTANDING: While Rodan + Fields caps your earnings vertically at the 5th or 6th generation (depending on RFX achievement), they do NOT cap earnings horizontally on any level. Your organization can be 8 consultants wide or 80 consultants wide, and you will be eligible to earn commissions on all of them, so long as you maintain the appropriate Executive Consultant status. THIS IS WHERE THE POWER OF EXPONENTIAL GROWTH COMES FROM AND HOW YOU ARE ABLE TO BUILD YOUR BUSINESS AND PAYCHECKS **B-I-G**. The sky’s the limit. Don’t play small.

SECTION 3: OKAY, BUT WHAT ABOUT PRODUCT SALES?

Product sales, and most importantly, PC sales are a very important portion of our compensation structure. They are the cornerstone of our business and can provide a wonderful “base” commission check, especially in the early months. You can earn from product sales in two ways. 1) Profit and 2) Commissions.

This is where **CV** comes back into play and can become confusing based upon the country. We have included examples in the hopes of keeping it clear.

Retail Sales – You ONLY earn Profit from retail sales -that is, the difference between retail price of the product and the associated **CV** of that product. Additionally, the **QV** from this sale is allocated towards your SV, not your PSQV. *NOTE: When you see the Canada vs US totals below, please keep in mind exchange rates. The final actual dollar amount in your pocket is quite similar regardless of country.*

UNITED STATES		CANADA	
Reverse Regimen to Retail		Reverse Regimen to Retail	
Retail Cost:	\$ 179.00	Retail Cost:	\$ 206.00
CV	\$ 135.00	CV	\$ 155.00
Retail Profit	\$ 44.00	Retail Profit	\$ 51.00
Total Payment Earned	\$ 44.00	Total Payment Earned	\$ 51.00
QV towards SV	135	QV towards SV	135

PC Sales – You earn both profit AND commissions based upon your consultant title. Important to remember is that the **QV** of this sale is allocated to your PSQV and helps you achieve EC status and the higher commission structure. Also, this is a reoccurring sale and helps build your residual income.

Example of Sale as a Consultant:

UNITED STATES		CANADA	
Reverse Regimen to PC as Consultant		Reverse Regimen to PC as Consultant	
PC Cost	\$ 162.00	PC Cost	\$ 185.00
CV	\$ 135.00	CV	\$ 155.00
PC Profit	\$ 27.00	PC Profit	\$ 30.00
CV	135	CV	155
Commission Percentage	10%	Commission Percentage	10%
Commission	\$ 13.50	Commission	\$ 15.50
Total Payment Earned	\$ 40.50	Total Payment Earned	\$ 45.50
QV towards PSQV	135	QV towards PSQV	135

Example of Sale as an Executive Consultant or higher:

UNITED STATES		CANADA	
Reverse Regimen to PC as Executive Consultant or higher		Reverse Regimen to PC as Executive Consultant or higher	
PC Cost	\$ 162.00	PC Cost	\$ 185.00
CV	\$ 135.00	CV	\$ 155.00
PC Profit	\$ 27.00	PC Profit	\$ 30.00
CV	135	CV	155
Commission Percentage	15%	Commission Percentage	15%
Commission	\$ 20.25	Commission	\$ 23.25
Total Payment Earned	\$ 47.25	Total Payment Earned	\$ 53.25
QV towards PSQV	135	QV towards PSQV	135

You will see that in both Canada and the United States – you make the most off of PC sales when you’ve reached Executive Consultant status. PC is therefore the most beneficial to your client – they save money via 10% off and free shipping --- and you – as you earn the most for your efforts.

The same theory applies to when you bring a new consultant on and they purchase a kit. Here is an example of both country's commission from the \$695/\$795 BIG BUSINESS KIT.

UNITED STATES		CANADA	
BIG BUSINESS KIT		BIG BUSINESS KIT	
Executive Consultant or Higher		Executive Consultant or Higher	
Kit Cost	\$695	Kit Cost	\$795
CV	600	CV	695
Commission Percentage	15%	Commission Percentage	15%
Commission	\$ 90.00	Commission	\$ 104.25
Total Payment Earned	\$ 90.00	Total Payment Earned	\$ 104.25
QV towards PSQV	600	QV towards PSQV	600

SECTION 4: UNDERSTANDING THE BONUS INCENTIVES

There are new Fast Start and Lead the Way bonus/incentive programs. The below is meant as a quick overview - You can find the official flyers and full detail in the Biz Development Library in PULSE.

LEAD THE WAY (March 1 – July 31, 2015):

What is a Mile? A Mile is a unit of measurement to award a single calendar month's activity.

How can you be awarded Miles? You can earn miles through team building and PC orders as follows:

PC Orders	Miles Awarded	# of Consultants	Miles Awarded
Minimum 10 -14	2	Minimum of 2	2
15 – 19	3	3	3
20 – 24	4	4	5
25 – 29	5	5	5
and so on

NEWBIES: During your enrollment month and following two full calendar months your earned miles will be DOUBLED!!! Example: In May you have 10 PC and 2 Business Partners join you, which earns you 4 miles. If you are within your first 3 months (enrollment + 2 months) you will be awarded 8 Miles!

Awesome! What do we earn?

5 Miles	100 Rodan + Fields Thank you Cards and engraved pen
10 Miles	Kate Spade Wallet (for Men: Tumi Wallet)
15 Miles	Kate Spade Purse (for Men: Tumi side satchel)
25 Miles	\$1000 personal shopping spree at Nordstrom with Personal Shopper (Canada: Holt Renfrew)
35 Miles	\$3500 RF Payday Credit towards Convention Expenses

FAST START BONUS PROGRAM (March 1 – August 31, 2015): There are three different ways to earn cash bonuses within the fast start program.

Embark (Team Building Bonus) – Earn bonuses through bringing on business partners in a single calendar month. Business Partner must generate a minimum of 300 SV through product sales in their enrollment month (aka the Personal Results Kit or higher) & 100 SV in the first full calendar month. Cash bonus as follows:

2 New Consultants	\$250
3 New Consultants	\$400
4 New Consultants	\$550
Each additional Consultant	+\$150 per

Envision (Personal Advancement Bonus) – Earn bonus by Reaching Level II by your 2nd full calendar month and maintain Level II through your third full calendar month. Bonus as follows:

REIMBURSEMENT OF YOUR BUSINESS KIT WHEN YOU ENROLL
ON THE PERSONAL RESULTS KIT OR HIGHER, NOT INCLUDING SALES TAX.

Inspire (Team Advancement) – When one of your direct consultants achieves the “Personal Advancement Bonus” above, you too can earn a bonus provided that you are at least Paid-As Level II. Bonus as follows:

\$250 Bonus per direct consultant for an UNLIMITED amount of direct consultants