

Day 2 Paplans

1) MONTHLY COMMISSION SCHEDULE - NEW and USED RETAIL VEHICLES ONLY:

A) You will be paid a monthly salary: **\$2,500.00**. This payment will be subject to all appropriate federal, state, and local taxations' as well as any authorized and approved deductions such as insurance, loans, repairs, purchases, child support, etc. At the General Managers sole discretion, the salary amount may be increased or decreased, reduced for time not worked, discontinued entirely, or changed for other reasons deemed appropriate. These changes will not affect your total earnings as defined in the Monthly Commissions Plan below. This agreement may be terminated by either party at any time. If you do not complete the full month, your pay will be determined as follows, No commissions, bonuses, or guarantees will apply:

$$\$2,500.00 \quad \times \quad \frac{\text{Days worked in month terminated}}{\text{Number of days in the month terminated}}$$

NOTE: You will be paid according to the commission structure below on your own deals finalized in Accounting:

A-1) ALL DELIVERIES:

<u>Units</u>	<u>Front End %</u>	<u>Back End %</u>
0 - 9	10%	0%
10 - 15	12.5%	2%
16+	15%	4%

NOTE: All Leases will pay 8% Commission based on a total combined Front and Back Gross

NOTE: All Special Finance Deals will pay **\$100.00** Flat of the Front Gross only. Special Finance will be determined by the Lender, APR rate charged to the consumer and by special stiffs required by the Lender (i.e.: phone bill, POI, address, employment history, etc.). These deals will be determined by the General Manager.

A-2) VOLUME UNIT BONUS Weekly

<u>Weekly Units Sold</u>	<u>Bonus</u>
3	\$100
5	\$250
6	\$400

Note: The Weekly Bonus is based upon new and used vehicle sales and the week starting at Monday thru Sunday.

Example 1

Example 1

A-3) MINIMUM COMMISSION

Minimum Commission on NEW Vehicles: will be based upon the following: **\$75.00**

Weekly New surveys payout: HPI Perfect 1000 on whole survey pays **\$50** less than 900 deduct **-\$25**

Must take and pass all Star Test and be Hyundai certified before moving to the master payplan.

Note: Full charge-backs will apply on all unwound deals including minimum commission deals.

A-4) HYUNDAI PULL CHECKS:

Every month, Hyundai will establish the guidelines for pull check opportunities on different New Hyundai model-lines. Each Sales-person will be responsible for paying all taxes and maintaining all requirements that Hyundai sets. All payments are made on your Star card from Hyundai.

A-5) DEMO ALLOWANCE

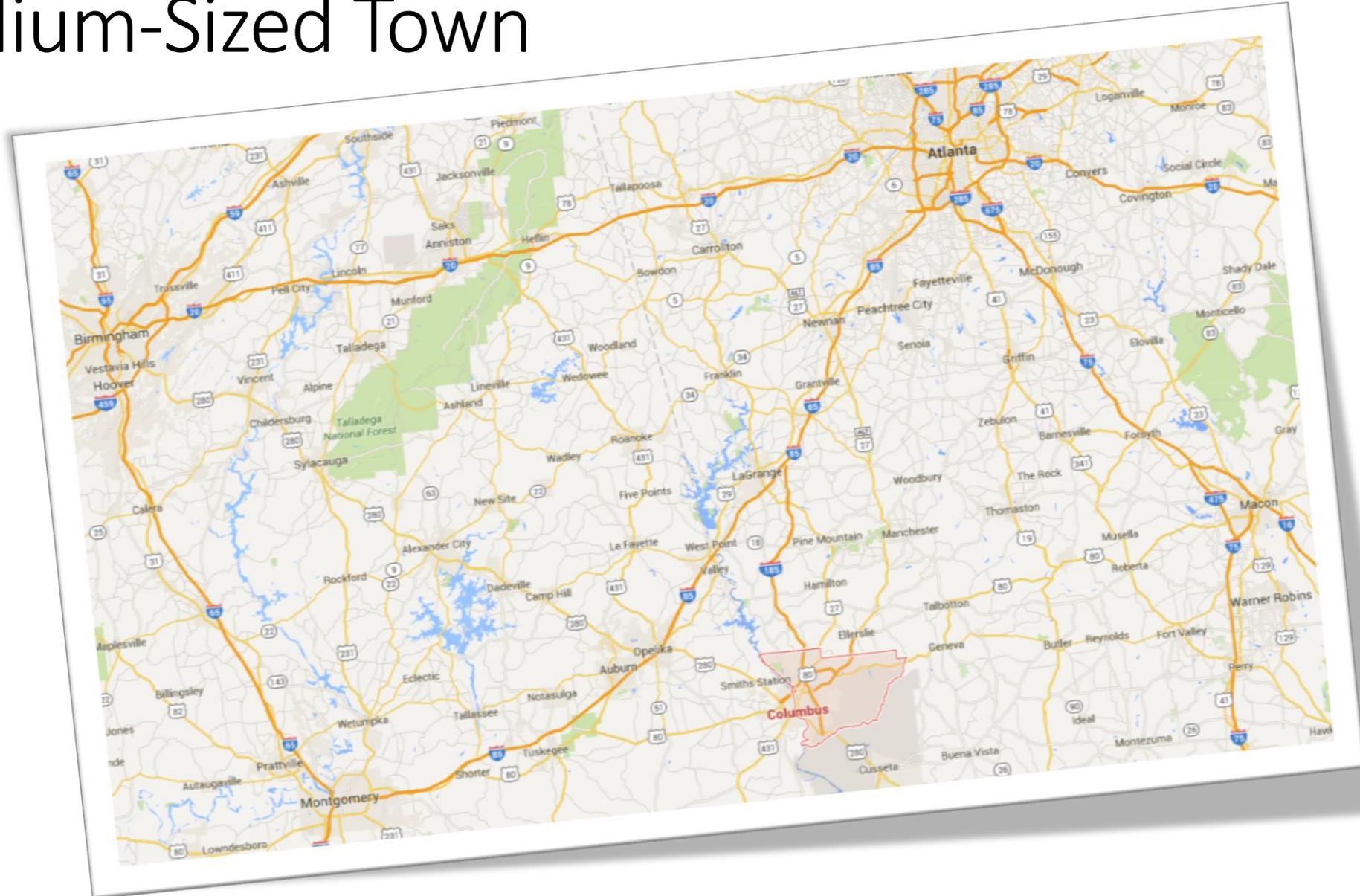
Sales Associates who sell **12 Units** a month, that are booked and finalized, will receive a Demo Allowance of **\$150.**

Sales Associate who sells **16 Units** a month, that are booked and finalized will receive a Demo Allowance of **\$250.**

B) **CHARGEBACKS** - Above moneys subject to chargeback as follows if the Sales Department should have known about the problem prior to delivery:

- Front-end Charged back at rate paid - No time limit
- Back-end Charged back at rate paid - 6 months limit

Medium-Sized Town



SALESPERSON ALPHA TEAM PAY PLAN

Understanding of Compensation- Not an Employment Contract

Employee: _____ Effective Date: _____

PAY PLAN WILL BE IN EFFECT AND SUBJECT TO REVISION AT ANY TIME BY MANAGEMENT

Example 2

BASE SALARY- Each ALPHA team will be comprised of 6 members: a team leader, a first captain, and 4 product specialists. The team leader will receive a base salary of \$3000/month (payable \$1500 on the 10th and 20th of each month). The first captain will receive a base salary of \$2600/month (payable \$1300 on the 10th and 20th of each month). The product specialists will each receive a base salary of \$2400/month (payable \$1200 on the 10th and 20th of each month).

HOURS- Each member will be required to clock in and clock out. No member of the ALPHA team will be allowed to work more than 50 hours per week.

SALES COMMISSION- You will be paid \$75 for each sale that you make. If the sale is a repeat or conquest customer of yours, you will be paid an additional \$50 for that sale.

ALPHA POT- For each new car sold by the ALPHA team, \$75 will be added to the ALPHA pot, while \$50 will be added for each used car sold. At the end of the month, the pot will be divided amongst the ALPHA team as follows: 40% to the team leader, 20% to the team captain, and 10% to each product specialist. This will be paid on the 10th of the following month.

CSI SCORES- You will receive a CSI bonus based on your individual scores for the month. For each score of 1000 received, you will earn \$50. For each score below 1000, but above the region average, you will earn \$25. For each score below the region average, you will be deducted \$50. This will be paid on the 10th of the following month.

VEHICLE PURCHASE- For each customer trade we purchase (without the customer actually buying a vehicle), you will receive \$100.

HIT LIST- At the beginning of each month, the management team will provide a list of "must sell vehicles". You will receive a \$75 bonus for each vehicle you sell from that list. This will be paid on the 10th of the following month.

NEW UNIT BONUS- You can earn an additional bonus based on the number of new vehicles you sell individually during a month (used units do not count towards this bonus). This will be paid on the 10th of the following month. The payouts are as follows: 8 pays \$250, 10 pays \$500, 12 pays \$750, 15 pays \$1000, and 18 pays \$1500.

In addition to the above, you will also begin accruing an investment bonus. During your first year of employment, we will accrue \$25 for each vehicle you sell. After you have completed nine months of employment, you will receive the amount accrued from your first month. After you complete your tenth month, you will receive a bonus equivalent to the amount accrued your second month, and so on. Once you begin your 2nd year, the accruing amount will be \$35 per deal, third year will be \$50 per deal, fourth year will be \$65 per deal, and fifth year will be \$75 per deal. For accruing purposes, months are based on calendar months. For example, if you are hired on the 15th of July, your first month will be from the 15th to the end of July. After completing your ninth month, you will receive the bonus based on the 15th to the end of July, not to the 15th of the following month. After your tenth month, you would receive a full calendar month of accrued bonuses. This bonus will be paid on the 10th of the following month.

Job Description**Job Title: New-vehicle Product Specialist****Department: Sales****Reports To: Team Leader / Henry Pishvaei (GSM)****FLSA Status:****Prepared By: Terry Bell****Prepared Date: April 10, 2015****Approved By: Terry Bell****Approved Date:****Revised Date:****SUMMARY****ESSENTIAL DUTIES**

The New-vehicle Product Specialist advises customers on vehicle platforms, option packages, and powertrain choices with special attention to features, benefits, functionality, and information.

Essential Duties include the following. Other duties may be assigned.

Greets each customer promptly upon arrival at dealership within our up-system

Stays informed of current vehicle inventory and location.

Tracks changing vehicle market conditions and incentives.

Is familiar with the appraisal process and sells the appraisal. Learns vAuto appraisal process.

Attends sales meetings and special events as scheduled.

Is familiar with departmental sales objectives.

Records all lot traffic – name, email, and phone number.

Works on service drive contacting customers for test drive opportunities.

Learns our Standard Operating Procedures.

Writes complete sales orders and processes paperwork in accordance with dealership policies.

Utilizes dealership sales control and follow-up systems.

Attends product and sales training courses as requested by Sales Manager.

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Example 2

Pay Plan Recap *(aka, the 'Millennial Pay Plan')*

Example 2

- Payplan in place since April 2015
- 3 teams of 6 currently @ 60-75 sales per month per team. Adding additional team in February.
- Recent Modification: Minimum of **24 units sold in 90 days if not their salary goes to \$1500 month for the next 90 days.**
- Average sales consultant earns \$5500 / month (\$66k / year)
- Team leaders making between \$90k and \$110k
- 12 month turnover is 2

What has this pay plan accomplished?

Salary & Monthly Bonus Pay Plan

Example 3

- Salary + Monthly Bonus Pay Plan
- Salary: \$600/week [**\$31,200/year**] + Monthly Bonus Matrix

Sales Schedule:

- **42 Hour Work Week**
 - Example: (Wednesday shown as Day Off in this example)

Monday	9:00am – 8:00pm (1 hour lunch)	
	10 hours	
Tuesday	9:00am. – 5:00pm (1 hour lunch)	7
	hours	
Wednesday	OFF	
Thursday	9:00am – 8:00pm (1 hour lunch)	10 hours
Friday	9:00am – 6:00pm (1 hour lunch)	8
	hours	
Saturday	9:00am – 5:00pm (1 hour lunch)	7 hours
- **3 set teams with 1 Saturday off per month**
 - **A Team: off Tuesday with 1st Saturday off**
 - **B Team: off Wednesday with 2nd Saturday off**
 - **C Team: off Thursday with 3rd Saturday off**
 - ****The Saturday off replaces weekday off.****
- Company vehicle and/or demo allowance are not included in this pay plan offering.
- **Note:** All paperwork, titles and monies due (i.e. deposits, COD, registrations) must be completed and turned into the sales mgmt. office for bonuses to be paid.

Monthly Bonus Matrix

Sold Units	Volume Bonus	Gross Profit Bonus	CSI Bonus	Total Bonus
10	\$400	\$150	\$250	\$800
12	\$500	\$250	\$250	\$1,000
14	\$750	\$500	\$250	\$1,500
16	\$1,000	\$750	\$250	\$2,000
18	\$1,250	\$1,000	\$500	\$2,750
20	\$1,500	\$1,500	\$500	\$3,500
22	\$1,750	\$1,750	\$500	\$4,000
24	\$2,000	\$2,000	\$500	\$4,500
26	\$2,250	\$2,250	\$500	\$5,000
28	\$2,500	\$2,500	\$500	\$5,500
30	\$3,000	\$3,000	\$500	\$6,500

- Volume Bonus:
- 10 Unit level requires 3 used vehicles
 - 12+ unit levels require 5 minimum used vehicles
- Gross Profit Bonus:
- Requires a minimum \$2,200 Used Vehicle Front-End GPU
- CSI Bonus
- See Carbone CSI President's Club Bonus criteria

Draw / Weekly Commission / Monthly Bonus Pay Plan (Old Pay Plans)

Draw:

- \$405.00 per pay period.

Commissions:

New Vehicles:

20% with a \$350.00 pack,
at minimum \$100.00 flat

Used Vehicles:

20% with a \$750.00 pack,
at minimum \$100.00 flat

Upgrade Program commissions:

New Vehicles: \$100.00 flat

Used Vehicles: \$225.00 flat

Monthly Demo Program:

- Employees will receive an allowance of \$400.00 per month or company demonstrator vehicle.
- Employees will qualify for monthly Demo program eligibility when employee has sold a total of 12 units. Employee must maintain a minimum of 8 units sold per month.
- Employee is not eligible for the Demo Program in any month in which he/she does not sell at least eight (8) units.
- If Employee does not sell at least eight (8) units for two (2) consecutive months, he/she will become ineligible for the Demo Program (losing the monthly demo bonus or demo vehicle privilege). If the Employee loses eligibility in the Demo Program, he/she must sell 12 units to qualify for eligibility.

Draw / Weekly Commission / Monthly Bonus Pay Plan

End of Month Bonus:

Unit Bonus:

8 units	=	\$500
10 units	=	\$1000
12 units	=	\$1200
14 units	=	\$1400
16 units	=	\$1600
18 units	=	\$1800
20 units	=	\$2000
21+units	=	+\$100.00 per unit

Example 3

Note: All paperwork, titles and monies due (i.e., deposits, COD, registrations) must be completed and turned into the sales mgmt. office for commissions to be paid.

Pay Plan

Salary	\$1,500
Bonus:	\$235/car after #7

Unit	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20			
Pay	\$1,500							\$235	\$235	\$235	\$235	\$235	\$235	\$235	\$235	\$235	\$235	\$235	\$235	\$235			
UNIT BONUS												\$325						\$500					\$ 850
Month Pay	\$1,500							\$1,735	\$1,970	\$2,205	\$2,440	\$3,000	\$3,235	\$3,470	\$3,705	\$4,440	\$4,675	\$4,910	\$5,145	\$6,230			

Spiffs:	Reward
250 Club (<\$250 or less marked discount avg)	\$250
Most Active (Most Ups Logged)	\$50
Most TO's	\$50
Most Appointments Made	\$50
>75% DEMO/UP	\$50
>75% WRITE UP/DEMO	\$50
>75% Showed/Appointment Made	\$50
Per Verified Sold Positive Review	\$5
Per CVP 100% Satisfied Survey Returned	\$5

Units Sold	Avg Commission	Before Spiff/Wiffs
8	\$ 216.88	
10	\$ 220.50	
12	\$ 250.00	
14	\$ 247.86	
16	\$ 277.50	
18	\$ 272.78	
20	\$ 311.50	

250 Club: If you sell a car for more than what it is listed for, you get 250+the mark up in points.
 i.e. Car listed at \$15,000, you sell for \$16,000 you will get 250 points towards your monthly average.

Example 4

Wiffs:	Reward
Most overdue tasks	(\$25)
Old Man Dan (least amount of Ups)	(\$25)
<25% Up/Demo	(\$25)
<25% Demo/Write Up	(\$25)
Per tardy to work (>5minutes)	(\$5)

Description: Salesperson's main responsibility is to ensure customers have a satisfactory experience with Chuck Anderson Ford. Includes communicating via phone, in person, mail, email, texting, etc. Following up with customers in a timely manner, answering any and all questions that arise from their customer. Salespersons are required to be Ford certified at all times in order to be paid; must show professional knowledge on all product lines. Other duties may include, but are not limited to: arranging vehicles on the grounds in a satisfactory manner, having sales customer's sign mandatory sales documents, collect necessary documentation from customer, continually have a CVP survey of 90% or better, maintain a professional working environment, being punctual and dependable.

Customer Value Worksheet

Smart Shopper Questions

“Who inspected this vehicle? And can I get a copy of the detailed inspection checklist your technician used, showing all the items brought up to manufacturer specifications?”

“I’d like to see a detailed, thorough Vehicle History Report for this vehicle, please.”

“Does this vehicle come with a Factory Warranty or a service contract that I have to pay for?”

“If I have to buy a service contract, where will it be honored? What is covered?”

“Do I get a rental car? Roadside assistance? \$500 Trip Reimbursement?”



Certified Pre-Owned



Certified Pre-Owned

Used Car Lots
and
Private Driveways

INCLUDED: Factory Back Warranty
A 7 year 100,00 Mile Powertrain Warranty and a 12 Mo. / 12,000 Comprehensive Warranty covering 500+ components

INCLUDED: Roadside Assistance
Wherever you roam, we’ve got you covered with our Roadside Assistance Program

INCLUDED: Trip Reimbursement
Up to 3 days and \$500 for lodging, meals, and rental vehicle if a breakdown occurs more than 100 miles from home

INCLUDED: Reconditioning & Repair
Up to 172 point inspection by a Certified Technician Repaired/Replaced items to “Like-New” Standards

YOU MUST PAY

\$ _____ Warranty (Service Contract)

\$ _____ Roadside Assistance

\$ _____ Trip Reimbursement

\$ _____ Reconditioning & Unknown Repairs

Certified Pre-Owned	What do you get when you buy?	Small Lot or Private Party
YES	Factory Warranty	NO
YES	Certified Technicians	NO
YES	Manufacturer Authorized Parts	NO
YES	Vehicle History Report	NO
YES	Low APR Programs	NO
YES	Relationship with Dealer	NO
YES	Future Values	NO