

russell·cellular

Store Manager (STM) Compensation

Pay Details

- Hourly pay varies by number of full-time team members allotted for the store. **If minimum wage is higher than \$10 per hour, STM starting pay will be minimum wage plus \$1 per hour (+\$2 per hour for 3 TM store, +\$3 per hour for 4 TM store, and +\$4 per hour for 5+ TM store).**
 - 2 team member store = \$11 per hour, hourly cap at \$14 per hour
 - 3 team member store = \$12 per hour, hourly cap at \$15 per hour
 - 4 team member store = \$13 per hour, hourly cap at \$16 per hour
 - 5+ team member store = \$14 per hour, hourly cap at \$17 per hour
- Hourly pay and commissions will be calculated and paid with each pay cycle (two pay cycles per month):
 - **Pay Cycle 1:** 1st through the 15th: paid on the 22nd of the current month
 - **Pay Cycle 2:** 16th through the end of the month: paid on the 7th of the following month
- Store commissions will be calculated monthly and paid on the 7th of the following month
- Hourly pay will be reduced (plus hourly cap level adjusted) if team member position levels drop at the store, regardless of current rate of pay

Sales Definitions

- **Total Sales:** New Activations (2-year contract, Device Payment, Month-to-Month, Prepaid, **and Connected Devices**), and Upgrades (2-year contract and Device Payment). *Non-qualifying sales: Wireless Home Phone and LTE Installed Prepaid and Month-to-Month*
- **Home Solutions:** New Activations of Tablets, Wireless Home Phone, Mobile Broadband, and LTE Internet Installed on a 2-year contract or Device Payment, and Tablets and Mobile Broadband on Month-to-Month.
- **Accessories:** products to complement devices, such as cases, chargers, audio, etc.
- **Handset Insurance:** device protection through the Total Mobile Protection (TMP) and TMP Multi Device (TMP MD) features
- **Device Bonus:** additional commission available on certain devices, see current price sheet for details
- **Connected Devices:** products such as Hum, watches, cameras, and One Talk that connect to the Verizon network

Sales Targets

- **Total Sales Minimum/Target/Stretch Target** (STM targets vary by number of full-time team members allotted for the store):
 - 2-4 team member store = 8 Minimum/16 Target/22 Stretch per pay cycle
 - 5+ team member store = 9 Minimum/18 Target/24 Stretch per pay cycle
- **New Home Solutions Minimum/Target/Stretch Target** (STM targets vary by number of full-time team members allotted for the store):
 - 2-4 team member store = 1 Minimum/2 Target/3 Stretch Target per pay cycle
 - 5+ team member store = 2 Minimum/3 Target/4 Stretch Target per pay cycle
- **\$75 Accessory Average**
- **75% Insurance Take Rate** (TMP features only)
- **Prepaid Activations** – 2 per month (1 per pay cycle)
- **Connected Devices** – 2 per month (1 per pay cycle)

Commission

*Below Minimum Total Sales **and** Home Solutions = \$0 commission in any category. All sales are calculated per pay cycle.*

- **Total Sales**
 - Minimum TS and HS = \$5 per sale
 - Target TS and HS = \$10 per sale
 - Stretch Target TS and HS = \$12 per sale
- **Connected Devices**
 - Minimum TS and HS = \$2 per sale
 - Target TS and HS = \$3 per sale
 - Stretch Target TS and HS = \$4 per sale

russell·cellular

- **Accessories**
 - Up to \$74.99 Accessory Average = 4% of gross accessories sold
 - \$75+ Accessory Average = 8% of gross accessories sold
- **Handset Insurance**
 - Up to 74.9% Insurance Take Rate = \$2 per sale (\$4 for TMP MD)
 - 75%+ Insurance Take Rate = \$4 per sale (\$8 for TMP MD)
- **Device Bonus**
 - At or above Minimum TS and HS = \$0-\$15 (see price sheet for details)

Store Commission

- Bonus opportunity for every store Total Sale sold in a month
 - Achieve both the Total Sales **and** Home Solutions store target = \$2 bonus per Total Sale (\$1 bonus for Connected Devices)
 - Achieve both the Total Sales **and** Home Solutions store target, and the store Total Sales year-over-year target = additional \$1 bonus per Total Sale (\$.50 bonus for Connected Devices)

Chargebacks

- De-acts, Cancellations and Returns within 180 days of the original sale in all of the above categories will be charged back at the original commission rates paid. A full chargeback will occur on any Device Payment sale not processed using Mobile POS on a company tablet.

Sales Scoreboard (see “Sales Scoreboard” document for full details)

- Target is 100 points; Minimum Expectation is 80 points. Scoreboard points are calculated **monthly**.
 - Total Sales Target = **45 points**
 - Home Solutions Target = 15 points
 - **\$75 Accessory Average = 15 points**
 - **75% Insurance Take Rate = 15 points**
 - **Prepaid Target = 5 points**
 - **Connected Devices Target = 5 points**
- *On occasion, Russell Cellular may offer the opportunity for +/- points to the Scoreboard*

Benefits

Wage Reviews

- **Wage Increase Scale** (based on store Sales Scoreboard Points):
 - 95+ points = \$.50 per hour
 - 90 – 94.9 points = \$.40 per hour
 - 80 – 89.9 points = \$.30 per hour
 - 79.9 or below points = none
- **Wage Review Dates**
 - 6 month, 12 month, and every remaining 6 months (until reaching the hourly cap)
- **Wage Qualifying Periods**
 - Month 1: month hired
 - Month 2: 1st full month
 - Month 3: 2nd full month
 - Months 4-6: Performance Wage Review period for 6 month wage review
 - Months 7-12: Performance Wage Review period for 12 month wage review
 - Wage reviews will continue every 6 months using the previous 6 month’s average store Sales Scoreboard points until the hourly cap has been reached
- Wage increases will take effect on the Performance Review Date

russell·cellular

Performance Reviews

- 30 Day, 90 Day, 6 Month, 12 months, and annually thereafter
- STMs that finish any month at 79.9 points or below on the monthly Sales Scoreboard will have a Scoreboard Performance Improvement Plan (SB PIP) performed with them
- STMs are eligible for a PIP two full months of employment, beginning in the third full month of employment

Paid Time Off

- **Company Observed Holidays**
 - Available after 90 days of Full-Time Employment
 - You will be paid one 8 hour day for Company Holidays
 - Employees under 90 days will be considered off without pay
- **Optional Holidays** (to be used for sick days, personal days, appointments, etc.)
 - Available after 90 days of Full-Time Employment
 - Available January 1st (prorated annually the first year)
 - 5 days per year: limited to 2 per quarter
 - Time may be taken in 15 minute increments
 - Requires prior approval by Manager 1 week in advance with the exception of medical emergencies
- **Vacation Days**
 - 1 week (5 days) after 1 year of Full-Time Employment (prorated annually the 2nd year)
 - 2 weeks (10 days) after 2 years of Full-Time Employment (prorated annually the 3rd year)
 - 3 weeks (15 days) after 5 years of Full-Time Employment (prorated annually the 6th year)
 - Time may be taken in 15 minute increments
 - Requires prior approval by Manager 1 week in advance with the exception of medical emergencies
- All time off requires pre-approval by Manager well in advance per Employee Manual

Insurance

- Employee qualifies for coverage after 3 months of full-time, permanent employment (\$1000, \$2500, or \$5000 deductible available to the employee)
- 1st Year Company pays 50% of the employee's premium
- 2nd Year Company pays 75% of the employee's premium
- Employee may choose to add spouse and dependents to insurance at their own cost

Misc

Presidents Circle

- STMs that finish any month at 100 points or above on the Sales Scoreboard will receive recognition in the Presidents Circle. President Circle achievers will receive a Presidents Circle Plaque and recognition companywide.

Notes

- STMs must be employed through the end of the month to qualify for store commission. If a STM exits prior to the end of a calendar month, they will be paid standard commissions on their last paycheck.
- Price Match Guarantee (PMG): any sales that utilize the PMG program will result in a 50% reduction of the commission earned for the entire invoice of that sale, including any additional products sold on the invoice, or any accelerators earned.
- An STM becomes eligible for personal commission once they have completed the New Hire training program (including all required webinars and conference calls) and passed any required assessments. If any additional assigned training is not completed by the stated deadline, commission can be suspended until such training has been fully completed.
- Any Device Payment Retail Installment Contract Amount processed incorrectly will be subject to a payroll deduction for the difference between the amount that should have been financed, and the actual financed amount.
- Any security deposit processed for a customer, where the security deposit amount is not collected, will be subject to a payroll deduction for the amount of the security deposit.

russell·cellular

- Any 2-year contract, Month-to-Month, Prepaid, and/or Upgrade, processed in such a way that Russell Cellular is not properly compensated from Verizon, will be subject to a payroll deduction for the difference between the Retail Cost of the device in question and the compensation Russell Cellular received.
- Any items invoiced in RQ that are processed incorrectly (i.e., bill payments, prepaid refills, accessories, etc.), will be subject to a payroll deduction for the difference between the correct amount of the item and the amount charged to the customer.

Signature Agreement

I, the undersigned employee of Russell Cellular, have received and read a copy of the Store Manager Compensation document. I agree to all compensation set forth in this document, and I authorize Russell Cellular to chargeback any necessary commissions and process any necessary payroll deductions, as outlined in this Store Manager Compensation document. I further understand that Russell Cellular will calculate and apply such chargebacks and deductions on each pay check, and that Russell Cellular may modify this document at any time.

Employee Name

Employee Signature

Date