

Definition of a “Qualified” Recruit

Questions and Answers

Becoming a “qualified” Kitchen Consultant is a meaningful accomplishment in a new Consultant’s career with The Pampered Chef®. It signifies that the Consultant has completed those important first Kitchen Shows that help to launch the business.

Because we offer a flexible income opportunity, we’re pleased to announce a flexible new approach to qualification. This new definition provides a Consultant with two options to achieve the goal of qualification.

Effective March 1, 2005, a new Consultant is qualified when she submits \$1,500 in commissionable sales, or submits 4 qualified Shows (minimum \$200 in guest sales), whichever occurs first.

- This definition applies to earning points toward the incentive trip and Top Performance Cluster, as well as for promotion in level.
- In addition, the definition applies to Consultant promotions that require a new recruit to be qualified by a specific date, in order for the recruit and/or recruiter to earn the promotional award.

Q. What’s the difference between the current definition of a qualified recruit and the new definition?

A. Currently, a new Consultant is qualified by submitting four qualified Shows (\$200 in guest sales or 5 guest orders). **Under the new definition,** a new Consultant is qualified by submitting \$1,500 in commissionable sales, or submits 4 qualified Shows (minimum \$200 in guest sales), whichever occurs first.

Q. Why was this change made?

A. With the new host programme, a qualified Kitchen Show® must be at least \$200 in guest sales, so it made sense to revise the definition of a qualified recruit as well.

Q. If a new Consultant becomes inactive before qualifying, what happens?

A. If this situation occurs, the new Consultant can certainly “re-activate” by submitting \$300 in commissionable sales within one month, and then go on to complete the qualification requirement. Remember, all new Consultants remain on active status throughout their 90-day Super Starter programme, so with the new programme, it’s less likely that they will become inactive before qualifying.

- A Consultant who qualifies after becoming inactive can count toward the five qualified, active, personal recruits needed for promotion to Director (as long as she reactivates before being inactive for twelve months or longer).
- However, for Top Performance Cluster and the annual incentive trip, a Consultant who qualifies after becoming inactive does not count toward achieving the award.

Q. How will we transition to the new requirement for qualification?

A. The new requirement will take effect on March 1, 2005.

- New Consultants who qualify by Feb. 28, 2005 are under the current requirement.

New Consultants who have not qualified by Feb. 28, 2005 (regardless of when they signed) are under the new requirement.

Look at these examples to see how the transition will work.

EXAMPLE 1:

By February 28, Mark has submitted 4 Shows:

- 1.) \$550 in guest sales
- 2.) \$450 in guest sales
- 3.) \$400 in guest sales
- 4.) \$125 in guest sales

Mark has not qualified by Feb. 28, because his 4th Show was not qualified. Therefore, he must qualify under the new requirement.

- Although all 4 Shows are not qualified, his total commissionable* sales are over \$1,500, so he will become qualified on March 1, when the new requirement takes effect!

** In the new host programme, a box on the Show order form (and in PamperedPartner®) will indicate commissionable sales.*

EXAMPLE 2:

By February 28, Liz has submitted 3 Shows:

- 1.) \$200 in guest sales
- 2.) \$300 in guest sales
- 3.) \$250 in guest sales

Liz has not qualified by Feb. 28, because she's submitted only 3 Shows. Therefore, she must qualify under the new requirement.

- Because all 3 of her Shows are at least \$200 in guest sales, she needs just one more Show of at least \$200 in guest sales to qualify.

EXAMPLE 3:

By February 28, Karen has submitted 3 Shows:

- 1.) \$400 in guest sales
- 2.) \$600 in guest sales
- 3.) \$500 in guest sales

Karen has not qualified by Feb. 28, because she's submitted only three Shows. Therefore, she must qualify under the new requirement.

- Although she's submitted just 3 Shows, her total commissionable* sales are over \$1,500, so she will become qualified on March 1, when the new requirement takes effect!

Q. After March 1, how will I know whether my new Consultants are qualified?

A. The easiest way to check your recruit's progress toward qualification is with the Individual Performance Tracker behind Consultant's Corner (under Sales Training).

- A new Consultant's qualification date is indicated, so you can see at-a-glance whether someone has qualified.
- You can click on a Consultant's sales total to see a pop-up window that lists all their Shows, along with the sales and Show date and sales, so it is easy to see how many more Shows (of at least \$200 guest sales), or how much more in commissionable sales are needed to qualify.

Q. Will Cluster Web reports and Cluster Management software reflect the new definition of a qualified recruit?

A. Yes. Once the changes take effect on March 1, 2005, all reports and trackers which indicate whether a new Consultant has qualified will be based on the new definition.

