

## DL Wholesale Inc.

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## DL Wholesale Sales Rep Commission Structure Effective Sept. 1<sup>st</sup>, 2023

All DL Wholesale Sales Reps, offered a commission structure salary, will earn commission as follows:

- Sales Reps will be given accounts in Sage 100 and have their name selected on each account or accounts ship to address. The Sales Rep listed on the accounts ship to address overrides the Sales Rep listed on the Main tab of Customer Inquiry in Sage.
- Various commission percentages will be paid based on the total revenue of a particular line item on an invoice where the Sales Rep is listed on.
   These percentages will be based on these factors:
  - Customers billing state and overall revenue from that state.
  - Whether the product has been purchased for the first time in that month from the Customer (New Product Purchase) or if the product has been purchased in previous months (Repeat Purchase).
  - Whether the product is listed on the months 'incentivized sku's' list or not.
- The commission percentages will be paid out based on the chart below:

States Monthly Sales	Repeat Purchase Commission Rate	New Product Commission Rate
\$0 - 9,999	2%	3%
\$10,000 - 49,999	1%	2%
\$50,000 +	0.5%	1.5%

- The list of 'incentivized sku's', will be given prior to the 1<sup>st</sup> of any month and will list several sku's where the commission rate will be
  fixed at 3% or more and will vary depending on the product. If in any month a new list is not given, the previous month's list will continue
  to be effective.
- · Commission is calculated on invoices and also credit memos.
- To recognize that the commission rate drops significantly when a state hit's the next tier level, an additional fixed payment will be made
  for each state listed as in your territory which does \$10,000 or more in sales. For each state that does between \$10,000 and \$49,999 in
  sales, the Rep will receive an additional \$100 to cover the 1% loss in commission on the first \$10,000. For each state in a Rep's territory
  that does over \$50,000 will receive an additional \$300 payment (\$100 to cover the 1% loss on the first \$10,000 and another \$200 to
  cover the additional 0.5% loss on the next \$40,000).
- DL Wholesale may change the Rep listed on any account at any time if we feel a different sales Rep would be a better fit for the
  account.
- DL Wholesale may modify the commission structure at any time, with written notice, as it sees fit to maintain the sustainability and fairness of the program.
- Each sales rep will receive a monthly report with the exact details of our the commission amount was calculated.
- Commission will be paid monthly by the 2<sup>nd</sup> pay period of the month. For example, the commission for September's sales will be paid
  by the second pay period in October.

Adam M Gurley

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