

# Kannaway Compensation Plan FAQ's

*Updates effective from 01 June 2022*

## Why has the compensation plan changed?

The compensation plan has been improved to ensure that all Entrepreneurs get rewarded for everything they do. The harder, faster and smarter they work, the better the rewards. The changes are effective from 01 June 2022.

## DIRECT SALES COMMISSION

### Will I still receive Triple Direct Sales Commission (DSC)?

The BV on the new Value Packs has been increased. This means that now when you enroll a new Entrepreneur with a Value Pack you will receive increased DSC payment. The Triple DSC has been removed but remember, there is increased earning potential with the new compensation plan when you build quicker and reach new ranks.

## FAST START 3000 & 9000

### I am working towards FSQ, can I still achieve this?

Anyone who enrolled prior to the new value packs being launched on May 31st is still eligible for completing FSQ and FS 3000 and 9000.

## VALUE PACK BV CHANGES

### What has changed?

We have increased the BV ratios on our Value Packages, making it more rewarding for you as you enroll new customers and Entrepreneurs.

- Starter Pack: 60%. DSC 10% of BV.
- Junior Executive Pack: 70%. DSC 10% of BV.
- Executive Pack: 80%. DSC 10% of BV.
- Total Experience Pack: 90%. DSC 10% of BV.

As part of this enhancement, we have removed the Fast Start program in its entirety, DSC Check Match, and the triple DSC component of the Compensation Plan. We have also made it a requirement for all Kannaway Entrepreneurs to maintain 110 PV to earn any commissions.

## MINIMUM INCOME GUARANTEE

### Is the 2-month grace period still a requirement for the MIG?

No, we have removed the 2-month rank requirement and the 220 PV requirement in order to earn a Minimum Income Guarantee and replaced it with a 110 PV requirement.

## What is 'Usable Elite Volume'?

It is your total Enrollment Tree Volume (EV) used to determine your eligible MIG amount.  
*Applies to all Entrepreneurs, regardless of enrollment date.*

This means that you can count 60% of the required rank volume from your largest leg PLUS the volume from all of your other legs as your. For example, an Area Director would not be able to count more than 9,000 points from their largest leg.

## What are the new MIG amounts?

- Executive Director MIG \$500 - \$1,500
- Area Director MIG \$1,500 - \$4,500
- Regional Director MIG \$4,500 - \$10,000
- 100K Club MIG \$10,000 - \$13,500
- National Director MIG \$13,500 - \$24,000
- International Director MIG \$24,000 - \$39,999
- Vice Presidential Ambassador MIG \$40,000 - \$60,000
- Presidential Ambassador MIG \$70,000
- Crown Ambassador MIG \$83,333
- Double Crown Ambassador MIG \$83,333

**\*In order to be eligible to earn a MIG, all Entrepreneurs must** maintain 110 PV and have 3 personally sponsored Entrepreneurs on 3 separate legs each with 110 PV.

## Does PV spill-over count in the weak leg for Usable Elite Volume?

Yes.

## Will there be a change in Retail commission paid to Entrepreneurs?

No change.

## Is it still a requirement to have 3 active legs?

Yes, this is a fundamental requirement to building a strong business.

## RANK ADVANCEMENT COMMISSION

### What are the new Rank Advancement Commission amounts?

- Director \$200\*
- Senior Director \$200 + Bonus \$200\*\*
- 100k Club Rank \$3,750 + Bonus \$3,750\*\*
- International Director \$24,000
- Vice Presidential Director \$40,000 + Visit to Corporate Offices
- Presidential Ambassador \$70,000 + Rolex Watch
- Crown Ambassador \$100,000 + Tesla\*\*\*
- Double Crown Ambassador \$200,000

*\*If you rank advance within 30 days*

*\*\*If you rank advance within 60 days*

**\*\*We have added a 100k Rank permanently to the Compensation Plan between Regional Director and National Director.**

**\*\*\*Tesla rewarded as part of a lease. Achieving the rank covers the initial fees and first year of the lease. To continue lease payments, maintain the rank of Crown Ambassador.**

Every Entrepreneur that is qualified at regional or above 75% of the time will be on Team Elite. If you are qualified at your highest earned rank 75% of the time, then you would be National Director Team Elite as an example.

## **Will Rank Advancement Commission be paid separately from the MIG?**

No.

## **SMARTSHIP**

### **What are the changes?**

We have revised and made a positive change to the SmartShip program to reward loyalty in your business. We have removed the automatic 10% discount on Autoship. This feature will be removed on Monday, May 31st. The new program rewards loyalty.

Here's how the improved loyalty program works. When you place SmartShip orders for 6 consecutive months, you'll receive the 7th month for free + BV! All you need to do is pay for shipping. The value of the 'free' month will be based on the average SmartShip order for the previous 6 months. Only your first SmartShip order counts toward your average and must run before the 18th of the month. Minimum 110 BV required. Here's an example:

Month 1 \$800  
Month 2 \$900  
Month 3 \$500  
Month 4 \$700  
Month 5 \$300  
Month 6 \$1000  
TOTAL: \$4200

Previous 10% saving: \$420

**New 1-month free saving: \$700**

### **Will the shipping cost be included on the 7th month free SmartShip?**

The shipping cost for the 7th month free is not included.

### **Is there a minimum BV needed to qualify for the 7th month free?**

Yes, 110 BV

### **Will a returned SmartShip order still count towards my six months?**

Returned orders will not be counted. Six consecutive months are required to achieve the 7th month free order.

### **Will SmartShip purchases since 1 June be counted in the 6 months SmartShip loyalty program?**

Yes

### **Are all of the other SmartShip requirements still in place?**

The only requirement is to have 6 consecutive months of SmartShip.

### **Will the SmartShip for customers also change?**

Yes, customers will also be on the new program.

**Will 3 for FREE continue?**

Yes.

**Will I get the Entrepreneur fee credited if I have a SmartShip in  
30 days?**

No.