

Alvarado Restaurant Nation Restaurant Level HTR Update



RGM Bonus - Each Period

RGM 100%, AGM 20%, Shifts Split 20% / ARL 40% RGM Earnings / ML 40% ARL Earnings

In the event of no AGM, Shifts do NOT earn AGM amount

	Target	Bonus
VOC's		
Dissatisfied (TB Only)	% Dissatisfied <=7%	\$100
	% Dissatisfied <=9%	\$50
	% Dissatisfied >=15%	Not Eligible to Participate in Program
OSAT (KT Only)	% OSAT >=80%	\$100
	% OSAT >=78%	\$50
	% OSAT <70%	Not Eligible to Participate in Program

People		
LZ and ETraining Execution ***	Average LZ & Experience >= 95%	\$100
Management Staffing	Certified GM + 5 Shifts (AGM = Shift)	\$250
Total Staffing	1 per \$1,300 in sales, up to 35; Fav/(Unfav)	\$500

Speed		
Drive Thru Speed	<=3:30	\$100
	<=3:45	\$50
	>5:30	Not Eligible to Participate in Program

Financials					
Food Cost	0% to -2.0%		\$150		
	(KT) 0% to -3.25%		\$150		
Labor Hours	>=84 Hours		\$100		
Actual PACE	Bucket	Bonus	Bucket	Bonus	
	SALES > \$1.6MM	> 45%	\$250	> 43% - 45%	\$200
	SALES \$1.3MM - \$1.6MM	> 41%	\$200	> 38% - 41%	\$150
	SALES \$1.0MM - \$1.3MM	> 40%	\$150	> 36% - 40%	\$100
	SALES < \$1.0MM	> 36%	\$125	> 31% - 36%	\$75

Disclaimer: Any Restaurant that is Not Profitable, Regardless of PACE Improvement, Will Receive a 50% Reduction in Earned Bonus

CORE / Food Safety / KT CORE / ROCC		
CORE (TB Only)	Modified CORE Pass <=10 Points	\$300
	Modified CORE Pass >10 Points	\$100
Food Safety (TB & KT)	FSA Pass <=3 Points	\$300
	FSA Pass >3 Points	\$100
KT CORE & ROCC (KT Only)	KT CORE Pass	\$50
	KFC ROCC Pass	\$150

*CORE of Food Safety failures will result in **\$365** bonus reduction until amount paid back

**Restaurant Level Bonus is a Period Bonus **All Bonuses are Discretionary

**Bonus Targets and Criteria may be adjusted as needed

*Not Eligible to Participate:

- VOC Dissatisfied >=15%
- Speed >5:30
- Operating Profit <100% Over Prior Year

Max RGM Bonus potential bonus per period \$1,550

Approximately \$21,950 annually (with 3 CORE/FS Audits)

ARL Bonus Potential for 7 restaurants: \$21,950*7*40% = approximately \$61,460 annually

	Max Per Period (w/o Audits)	Max CORE/FS Per Round (x3)	Store Annual Potential (13 Periods + Audits)	ARL Annual Potential (40% of RGM)
RGM Bonus:	\$1,550	\$600 / \$1,800	\$21,950	\$61,460
AGM Bonus:	\$310	\$120 / \$360	\$4,390	
Shift Pool:	\$310	\$120 / \$360	\$4,390	
Restaurant Total:	\$2,170	\$840 / \$2,520	\$30,730	

BE YOUR BEST SELF

SEE IT, OWN IT, CRUSH IT

MAKE MOMENTS COUNT