

POLICIES

for Avon Independent Sales Representatives

As an Avon Independent Sales Representative (Avon Representative), it is important for you to understand the values that guide the company, as well as Avon's expectations and guidelines for all Representatives.

Representatives are responsible for meeting their contractual obligations.

Throughout these policies, all references to he or she shall refer to both.

As a member of the World Federation of Direct Selling Associations (WFDSA), Avon and all of its Avon Representatives are bound to abide by the WFDSA's Code of Ethics, found on yourAVON.com under Community/Ethical Direct Selling.

Advertising and Promotion Guidelines were created to help you advertise and promote your Avon business. Following these Policies and Guidelines will enable you to reach more Customers and increase your earnings while protecting the integrity of the Avon name.

As a Sales Leadership Representative, it is important to understand the processes through which you receive your earnings, your Sales Leadership bonuses, if applicable, as well as all policies that regulate reaching and maintaining levels of achievement, etc.

Note: The information found in these policies and on yourAVON.com site, in its entirety, constitutes the current information, policies and procedures. Therefore, in the event of a conflict between information contained on yourAVON.com and information provided to you by Customer Service, Customer Care, your Field Sales Management, Sales Leadership Upline or any other source, **the information contained on the yourAVON.com site will control.** No exceptions will be made to any of the policies, rules or program content unless otherwise noted in these policies.

These policies may be modified by Avon at any time in its sole discretion by express amendment of these policies or by the adoption of separate policies, rules, codes of ethics or the like that may have the effect of modifying those contained in the following pages. Always reference www.yourAVON.com for updates or contact your District Sales Manager or Upline Sales Leadership Representative.

AVON

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Avon's Promise to Customers

A cornerstone of our business since 1886, this promise (satisfaction guarantee) ensures that Customers are completely satisfied with their Avon purchases: If you are not happy with any purchase, just return it to your Avon Representative (or to find one, call 1-800-FOR-AVON) for an exchange or your money back. No questions. No fuss. No problem. All Avon Representatives must honor this promise to Customers. As an Avon Representative you are expected to uphold your contractual obligations and protect Avon's name and excellent reputation by complying with all of Avon's policies, procedures and guidelines. Representatives are prohibited from engaging in theft, fraud or any practices that violate consumer protection and credit laws. Additionally, Representatives are responsible for ensuring that they and their businesses comply with all applicable Federal, state and local laws.

Becoming an Avon Representative

A new applicant becomes an Avon Representative by paying an appointment fee and by fully completing and signing an Avon Independent Sales Representative Contract, which is subject to acceptance by Avon. Only one contract/account is allowed per Representative. In the event a second account is inadvertently opened, the second account will be closed. All Applicants must be of legal age in their state of residence. All Avon Representatives are independent contractors. Avon Representatives are not agents, employees, partners or franchisees of Avon and may not represent themselves as such. Each Representative is responsible for her own business decisions and expenditures, including the prices charged to her Customers and for the payment of self-employment taxes required by Federal, state and local laws. No fees other than those stated in official Avon literature are required of Representatives, and no initial product purchases are required to become an Avon Independent Sales Representative. Within six months after the termination of the Representative's association, Avon will repurchase, on reasonable commercial terms, currently marketable inventory that the Representative purchased for resale during the 12 months prior to the termination of her relationship with Avon. Avon or the Representative may terminate the Avon Independent Sales Representative Contract at any time, with or without cause.

Co-applicants

Avon will permit two people who wish to be Representatives together to become co-applicants on a single account. (Exception for former District and Division Sales Managers—reference Recruiting Restrictions on page 14). At the time of appointment, the two individuals should both sign a single Avon Independent Sales Representative Contract and provide all of the requested information. The Representative and co-applicant are considered one and the same for purposes of the account, and both can conduct appointments and sign new Representative contracts as Appointment Makers. Neither may have a separate Avon account. The mailing address of the primary Representative will be the only address utilized by Avon for contact on the account, and in the case of recognition or awards, only the primary Representative is eligible to receive the award or recognition.

Avon will permit an existing Representative to add to her account a co-applicant who does not have a separate Avon account. The existing primary Representative and new co-applicant must both complete and sign a new Avon Independent Sales Representative Contract and provide all of the requested information. The current account number remains the same. A co-applicant may not be changed more than once in a two-year period.

A co-applicant may be removed from the primary Representative's account by submitting to Avon, through the District Sales Manager, a written request that the co-applicant be removed, signed by both parties currently on the Contract and notarized by a Notary Public. The primary Representative must complete and sign a new Avon Independent Sales Representative Contract and provide all of the requested information. The current account number remains the same. If a Representative seeks to remove a co-applicant because of a change in marital status, the separation agreement, settlement agreement or divorce decree must expressly provide for the removal of the co-applicant and such document must be provided to Avon, through the District Sales Manager, for the removal to occur.

Avon will permit a co-applicant who has been on the account for at least 13 Campaigns to become the primary Representative and for the primary Representative to become the co-applicant. A new Avon Independent Sales Representative Contract must be completed reflecting the change. Such a change may be made only once in a two-year period.

In the event the primary Representative wishes to discontinue participation in the account and the co-applicant wishes to assume the position of primary Representative, the co-applicant must have been on the account for a minimum of 13 Campaigns before that change can be made and the primary Representative must request the change in writing through the District Sales Manager. Again, a new Avon Independent Sales Representative Contract must be completed reflecting the removal of the existing primary Representative and the change of the co-applicant to the primary Representative. The new primary Representative may add a co-applicant at that time or at a future date, and after which, no further changes will be permitted for a two-year period.

Avon may remove a co-applicant from an account at any time in its sole discretion. LABC operators, see Co-applicant under Licensed Avon Beauty Centers on page 6.

Corporations, Partnerships and Other Legal Entities

Avon will permit an Avon account and an Avon Independent Sales Representative Contract to be established in the name of a corporation, partnership, Limited Liability Company or other legal entity ("Entity") under the terms and conditions set forth below. The Entity is still required to comply with all policies and procedures that apply to individual Representatives and may not engage in any business other than Avon.

- Before an account may be established in the name of an Entity, Avon must approve in writing all owners of the Entity and the person who will be the principal contact with Avon on behalf of the Entity. The approval request shall be submitted in writing to the District Sales Manager for your District. In the case of a Leadership account, the request must also be submitted in writing to: U.S. Sales Leadership, Avon Products, Inc., 777 Third Avenue, New York, NY, 10017.
- The approval request must include the name, address and social security number of all owners of the Entity. Once approval is granted, the account will be established in the name of the Entity.
- The individual who will be the principal contact person with Avon must be an owner of the Entity and sign the Contract on behalf of the Entity. By signing the Contract, the principal contact person is guaranteeing all financial obligations of the Entity to Avon. Avon must approve, as above, any changes in the principal contact person. Whenever the principal contact person changes, the new principal contact person must sign a new Contract on behalf of the Entity and guarantee all of its financial obligations. The principal contact person may not change more than once in any two-year period.
- At the time the Contract is signed, Avon must be provided with a current Federal Employer Identification (FEI) number for the Entity from the Internal Revenue Service. The FEI will become the tax identification number for the account.
- Any changes in the ownership of the Entity must be approved in writing by Avon, including any changes that occur from any sale or transfer of an ownership interest (including a transfer that occurs pursuant to the estate laws). Requests for changes shall be made in writing to the District Sales Manager for your District and, in the case of a Leadership business, the Director, U.S. Sales Leadership, and shall include the names, addresses and social security numbers of all proposed new owners of the Entity.
- Former Avon Representatives who were removed by Avon may not have an ownership interest in the Entity or participate in the operation of the business.
- The name of the Entity may not contain the name "Avon" or otherwise infringe on any trademark belonging to Avon. In the event it is determined after the account is established that the name of the Entity infringes on any Avon trademark, the name of the Entity must be changed so that it is no longer infringing.
- Avon will not permit churches, synagogues, schools, PTAs or other charitable organizations to be appointed as an Avon Independent Sales Representative.

Credit Card Payments

Representatives who accept payments without an imprint of the credit card, a signature from the Customer and a valid authorization code are not protected from chargebacks. A valid authorization code alone is insufficient to protect your account. Payments submitted with only a valid authorization code (even with either a signature or an imprint but not both of these things) may still be processed, and the Representative is liable in the event of a chargeback.

Incentives

Avon reserves the right to disqualify any Representative from receiving any incentive reward earned due to manipulation of accounts in order to achieve the incentive. This also pertains to Sales Leadership bonuses, including but not limited to, Believe in Your Success (see flyer on yourAVON.com for details).

Licensed Avon Beauty Centers

Any operator of a Licensed Avon Beauty Center ("LABC") agrees to comply with these LABC Policies, the LABC Agreement, the Independent Sales Representative Contract and Avon's policies and procedures, as all or any, may be amended from time-to-time. An applicant and operator of an LABC must be an Avon Independent Sales Representative with an Avon Representative Account in good-standing ("Home Account"). An applicant for a LABC, if approved by Avon, will have a separate account established for the LABC ("LABC Account").

- Advertising: Representatives operating an LABC will abide by all of Avon's Policies including Avon's Advertising and Promotion Policies and Guidelines. LABC Operators may advertise their business in local publications using Avon approved copy and layout. LABC Operators must use only Avon created and approved collateral materials and advertising provided for use at their LABC locations in order to promote specific products. The only acceptable sign for an LABC in-line store or kiosk is the name Avon used alone in accordance with the Corporate Identity Guidelines.
- Business Licenses/Tax Certificates: Any required Business Licenses, Resale Tax Certificates & Use Tax Certificates must be obtained in the name being utilized for the LABC Account.
- Co-applicant: At the time of application for a NEW LABC, if there is a co-applicant on the LABC account, the co-applicant's information must be provided on the application and accompanying paperwork in addition to the Primary Representative's information. All co-applicants requesting to be added to an existing LABC Account must complete the LABC application process for review and consideration. It is understood that co-applicants shall be jointly and severally liable to Avon.
- Corporations and Other Legal Entities: The LABC Account may be established in the name of the Representative or in the name of a corporation, partnership, Limited Liability Company or other legal entity ("Entity"). If the LABC Account is established in the name of an Entity, the Entity may not engage in any business other than as an LABC and must comply with all policies governing Corporations, Partnerships and other legal Entities contained in the Policies for Independent Sales Representatives. The name of a corporation or other legal entity may never contain the name AVON as part of the name. Example: Debbie's Beauty Center is an acceptable name for an Avon LABC Account and corporate name; Debbie's Avon Beauty center is NOT acceptable as a corporate name.
- Credit & Shipping Fees: LABC Operators receive extended credit terms for their FIRST ORDER on their LABC Account. Half of the order must be paid within four (4) Campaigns, the remainder must be paid within the next four (4) Campaigns. All subsequent orders must be paid within two (2) Campaigns on the regular Campaign cycle. Please remember, a Campaign is 14 calendar days.
 - Orders on both Home and LABC Accounts will be held if EITHER the Home or LABC Accounts past due for two (2) Campaigns.
 - LABC Accounts are subject to past due fees for balance beginning with accounts past due two (2) Campaigns.
 - Multiple order shipping fees may be applied to either Home or LABC Accounts.Please visit <http://www.yourAVON.com/REPSuite/fees.page>.

- Location: Only Avon in its sole discretion will determine location of any LABC. NO new LABC will be approved to open in the same Mall/retail location where an LABC already exists. Geography and population density are taken into account in making all location decisions and granting approvals.
 - NO LABC is permitted to be located within another store. Each LABC must be a stand alone kiosk or in-line store.
 - An LABC operator must notify their District Sales Manager and the LABC department based in New York, New York BEFORE they change the location of an existing LABC. A new lease and location analysis must be presented and approved by Avon before such a move can be approved. If a move takes place without Avon's prior consent, it would be considered a violation of these policies and accounts may be closed.
- Product Inventory: Only Avon products may be sold at or in LABCs. Non-Avon products may NOT be displayed or sold at or in LABCs. Representatives operating LABCs may NOT display or sell in or at the LABC any licensed products which do not have the Avon name affixed to the product, such as Mattel, Disney, etc, since most such licenses do not allow the products to be sold at retail. Exception: Most, but not all, celebrity fragrances may be sold in the LABC. However, please note that these items must be sold at the Brochure price and may not be price-reduced in order to comply with the license agreement.
- Recognition: President's Points which are assigned to an LABC Account MAY NOT BE REDEEMED on the LABC Account. At the end of the Cycle, rewards will be calculated based on both the Home and the LABC Account and will be applied to the Home Account.
 - Spending Account amounts or President's Points amounts from the Home Account CANNOT be transferred to the LABC Account in order to reduce the balance on the LABC Account.LABC Operators who are also Leadership Representatives or have an LABC in their Downline will have Home Account and LABC Account Award Sales combined every Campaign for Leadership Bonus Payouts.
- Sale of an LABC: An LABC business and the rights and obligations associated with it are personal to the Representative and ownership of an LABC may not be sold, assigned or transferred to any other person or Entity without the express prior written approval of Avon in its sole discretion. A Representative interested in selling an LABC or ownership of an Entity that operates an LABC must provide written notice to both her District Sales Manager and the LABC department based in New York of her desire to sell the LABC. The proposed purchaser must be an active Representative in good standing and must satisfy all of the requirements for becoming the operator of an LABC. Following receipt of written approval from the LABC department in New York, ownership of the LABC may be sold. The seller and purchaser shall immediately notify the LABC department in New York in writing when the sale occurs.
 - If the account of an LABC is in the name of a legal Entity (e.g., a corporation, an LLC, partnership) as the operator of the LABC and ownership of that Entity changes through the sale of the stock or other interest in the Entity, following that sale the LABC account will remain open in the name of the Entity with the same account number (which has not changed and is still the operator). For example: Debbie and Mary are shareholders in their LABC which is a legal Entity known as DM, Inc. Debbie wishes to sell her 50% interest in the Entity to Mary, who will then become the owner of 100% of the stock in DM, Inc. The LABC Account will remain in the name of the Entity - DM, Inc. - and the account number will remain the same. Another example: Debbie owns 100% of the stock of her LABC which is the name of a legal Entity known as ABC, Inc. Debbie wants to sell all of her stock to Janet, who is an active Representative in good standing. Once Avon has approved the sale to Janet and the sale is completed, the account will again remain in the name of the Entity - ABC, Inc. - and the account number will remain the same because all that has changed is the ownership of the Entity, ABC, LLC., which remains the operator of the LABC.
 - In all other instances, the new operator of the LABC will be assigned a new LABC account number and the prior operator's LABC account will be closed. The prior operator will be responsible for any outstanding balance on the LABC account on the date the account is closed. In addition, the new operator of the LABC must have a direct contractual relationship with the landlord; a transaction that contemplates a sublease with the prior operator will NOT be approved.

- Separation of Accounts: LABC Accounts are the only accounts which an LABC Operator may use to purchase products that will be sold at or in the LABC. The Representative's Home Account must only be used to purchase items sold to Customers who order their products from the Avon Sales Brochure through traditional direct-selling methods. LABC Operators must maintain their home account in good standing.

Failure to abide by any Avon policies as well as any amendments thereto may result in the closing of the LABC location and account and/or removal of the Representative as an Avon Representative.

Ordering

Avon provides the Representative with a broad selection of products for purchase at discounts that vary based upon the volume of the Representative's orders in each Campaign. An Avon Representative is expected to provide consistent and timely service to Customers, in the manner and environment in which her Customers prefer to shop, e.g., home, office, workplace, eRepresentative Web site, etc. A Representative is responsible for placing regular, timely orders following the established order-submission and payment schedules, and paying in full for her previous order prior to submitting her current order (or by noon of her individual Representative processing schedule (RPS) order submission date if there is no current order).

- Order Fulfillment: As stated in the Avon Independent Sales Representative Contract, all Purchase Orders are subject to acceptance by Avon, and all orders must meet Avon's approval.
- Placing Orders: Representatives in good standing may submit a completed electronic or paper purchase order to Avon to receive products, sales and business tools. Representatives may never enter orders on behalf of any other Representative or otherwise utilize or manipulate another Representative's account or Customer's personal information for the Representative's personal gain.
- Credit: Avon reserves the right to investigate the background, character and credit standing of the Independent Sales Representative for the purpose of determining whether the Representative should be appointed and receive credit in accordance with the terms and conditions of the Avon ISR Contract. Additionally, Avon reserves the right to deny or limit the amount of credit it extends to the Independent Sales Representative upon, and subsequent to, appointment. Payment of any outstanding balance must be paid each Campaign prior to the processing of your order for the next Campaign. If you do not place an order in the next Campaign, payment is still due by noon of your individual Representative Processing Schedule (RPS) order submission date. Any past-due balance may be subject to a past-due fee of up to \$10 each campaign that the balance is delinquent. (See invoice for the box marked "Please pay this Amount," and pay the full amount to avoid any past-due fees.)
- Pricing: Avon maintains the right to change product prices at any time without prior notice.
- Transportation Charges: Avon will provide transportation on merchandise ordered on schedule to all Representatives in good standing, with the exception of Representatives residing in Alaska, Guam, Hawaii and the Caribbean Islands.

Sales Tax/Fees

- Sales Tax: Avon provides a service to Representatives by remitting the appropriate sales tax amount to each state or municipality and filing sales tax forms, as required, at the time of purchase. The amount of sales tax is based on the product's suggested retail price and calculated at the Representative's local tax rate. The tax that has been paid by Avon is then reflected on the Representative's invoice.
- Fees: Reference One Simple Fee Flyer under Campaign Tools on yourAVON.com for details.
- Variable Discounts: The percentage of variable discounts is based on personal Campaign Award Sales. This percentage is then applied to Customer price sales. The amount of the discount is credited against the balance due Avon and calculated into the Representative's invoice. Specific financial rewards are calculated according to the Avon Earnings Plan. Consult your Representative Earnings Chart at www.yourAVON.com or in your *Say Hello to a New Tomorrow* Appointment Booklet (AT1).
- Tax Exemptions: Only apply to Licensed Avon Beauty Center (LABC) accounts (not LABC Operators' primary account) and to Avon-approved individual Fund-Raising orders. Go to www.yourAVON.com for more details on both programs. There are no exceptions to this policy unless specifically authorized in writing by Avon through the Area Sales Leader.

Prohibited Sales Methods

- Retail Sales: The Avon name is recognized around the world for quality, value and personal service. Avon is a direct-selling company with a strong belief in personal contact with the consumer. Avon Independent Sales Representatives are contractually obligated to sell only to consumers. Representatives may not sell products to third parties for resale, to or through any business Entity or to any type of retail establishment. Avon Representatives may not establish or operate their own Avon retail businesses without applying to Avon to license a LABC. Avon reserves the right to test or undertake alternative selling methods.
- Internet Sales: Representatives are prohibited from using the Internet to sell or auction Avon products. The only authorized Internet selling is as an Avon eRepresentative using an Avon-provided Web site. Representatives are also prohibited from utilizing Avon-sponsored Web sites or other Avon-related channels to solicit funds or other items for non-Avon-sponsored programs or activities, whether charitable or otherwise, from Customers, other Representatives or any other party. See Advertising Guidelines, which are part of these policies, for details.
- Export Sales: Avon Independent Sales Representatives may not make export shipments of Avon products nor may they knowingly sell products to other individuals who intend to export those products unless specifically authorized in writing by Avon through the Area Sales Leader.
- Non-traditional Selling Situations: Sales Leadership Representatives are not eligible to receive Leadership bonuses on Downline members who participate in non-traditional selling situations such as, but not limited to, export sales, Internet or through any unauthorized retail establishments. Avon reserves the right in its sole discretion to determine whether the sales of a Downline Representative fall into one of the above-mentioned situations and whether or not a Sales Leadership bonus will be paid.

Purchase and Sale of an Avon Business

An Avon business and the rights and obligations associated with it are personal to the Representative and may not be sold, assigned or transferred to any other person or Entity without the express written approval of Avon in its sole discretion. In the case of a non-Leadership business, written approval must be obtained from the District Sales Manager of the Seller. Once the Buyer has been approved by the District Sales Manager, the Seller's account will be closed and the Buyer will be appointed as an Avon Independent Sales Representative with a new account number. The Seller's position within the President's Recognition Program, etc., is not transferable. In the case of a Leadership business, written approval must also be obtained from U.S. Sales Leadership, via "Contact Us" on yourAVON.com or Avon Products, Inc., 777 Third Avenue, New York, NY, 10017.

An Avon Leadership Representative who has attained and maintained a Position of Achievement of Unit Leader or above for the last six consecutive months or more immediately preceding date of purchase/sale request is eligible to seek written approval from Avon to sell, assign or transfer her Avon business under the following terms and conditions:

- The Seller must first offer her Avon business for sale to the immediate Upline Representative, if one exists. If the immediate Upline Representative is not interested in acquiring the business, the Seller must then offer the business to other Upline Representatives, if any, within the same Leadership line, on the same terms and conditions the business was offered to the immediate Upline Representative. In the event the Seller has no Upline Representative, or no Upline Representative elects to purchase the business, then the Seller is free to offer her business for sale to another Sales Leadership Representative (including a Downline Representative in her Unit) who has been an Avon Representative for at least one year and has attained and maintained a Position of Achievement of Unit Leader or above for the last six consecutive months (in both cases immediately preceding date of purchase/sale request) on the same terms and conditions the business was offered to the Upline Representative(s).
- In the event the business is purchased by an Upline Representative (Buyer), the Buyer replaces the Seller in Seller's Leadership Unit, and must relinquish all rights to Buyer's original Leadership Unit.

- In the event the business is purchased by a Downline Representative (Buyer), the Buyer replaces the Seller in the Leadership Unit and the Buyer's original Downline rolls up.
- If the Buyer is in a different Leadership line, the Buyer replaces the Seller in the Seller's Leadership Unit and must relinquish all rights to the Buyer's original Leadership Unit.
Note: Leadership businesses in different Leadership lines cannot be merged. In addition, a Representative may not be enrolled in two Leadership Units at the same time.
- All roll-ups that occur as the result of a purchase and sale will not contribute to any Sales Leader's Position of Achievement until 7 Campaigns following the Campaign of purchase.
- Avon reserves the right to obtain written, notarized evidence that the appropriate Upline Representative(s) have been offered the opportunity to purchase the business and declined. Avon also reserves the right to approve or disapprove any proposed sale in its sole discretion, and to review and approve all conditions of the sale, transfer or assignment of the business.

LABC operators, see Sale of an LABC under Licensed Avon Beauty Centers on page 7.

Once purchase and sale of an Avon business has been approved and processed, it cannot be reversed.

Reinstatements/Reappointments

If you close your account voluntarily, or if you are removed for inactivity or a Past-Due Account, you may, with Avon's approval, have your association with Avon reactivated under the following circumstances:

- Reinstatement (5 Campaigns or less): If you are removed for five (5) or fewer Campaigns, you can resume business with no fee paid, provided your account is paid in full and the Reinstatement Contract is completed. You may be relinked to prior sales and recruiting performance, and your account number and Length of Association remain the same.
- Reinstatement (6 to 13 Campaigns): If you are removed for more than five (5) but fewer than fourteen (14) Campaigns, you may resume business upon payment of a reinstatement fee, provided that your account is paid in full and reinstatement Contract is completed. Your account number will be restored, and the Length of Association is not impacted. Recruiting and Leadership bonuses, however, may not be restored.
- Reappointment: With Avon's approval, you may begin an Avon business again, more than thirteen (13) Campaigns after removal for inactivity only, provided that your account is paid in full. You will be appointed as a new Representative and receive a new account, pay appointment fee and complete full appointment process. All other Avon linkages will start anew. No relinkage of previous Downline members will be permitted. Representatives whose accounts are turned over to a collection agency may not be reappointed.

Note: Avon reserves the right to deny reinstatement or reappointment to any removed Representative in its sole discretion.

Removal as an Avon Independent Sales Representative

Either you or Avon may terminate your association with Avon at any time with or without cause.

Circumstances that may lead Avon to terminate its association with you include but are not limited to:

- Inactivity: If you do not submit an order for four consecutive Campaigns, you are considered inactive and will automatically be removed from Avon's active file.
- Past-Due Account: You may be removed if you fail to submit payments to Avon in a timely manner.
- Inappropriate Actions: If you act in violation of, or in ways inconsistent with your Avon Independent Sales Representative Contract or any of Avon's policies and procedures, wherever found, you may be removed.
- Management Decision: Avon always reserves the right to terminate its association with a Representative at any time for any or no reason in its sole discretion.

Returning Products

Representatives may only return to Avon those products they purchased directly from Avon within the prior twelve (12) months and should provide, if requested, proof of purchase. Likewise, Representatives are required to accurately report the reasons for returns.

Note: Exceptions are Representatives returning a product in accordance with the Avon Promise on behalf of a Customer who purchased the product from another Representative. Abuse of this exception by Representatives will not be tolerated. Under no circumstances is a Representative permitted to charge a fee of any kind to a Customer for honoring the Avon promise.

Sales Leadership

Representatives participating in the Sales Leadership Opportunity are responsible for meeting their contractual obligations as Avon Independent Sales Representatives, including those specific to the Sales Leadership Opportunity. Sales Leadership Representatives are responsible for personally appointing, mentoring and training their Unit members according to current appointment and new Representative training and development guidelines. Sales Leadership Representatives may not solicit or receive leads from District Sales Managers. The only approved methods of receiving leads from Avon are through Avon's corporate Lead Sharing Initiative or as an eRepresentative. In order to maintain participation in the Sales Leadership Opportunity, they must abide by all of Avon's policies and all other guidelines including any subsequent modifications for taking advantage of all tools or support systems Avon offers Sales Leadership Representatives, at their own cost.

Note: For policies on electronic appointment processing system (eAps) for online contract submission, go to the eAps Help menu on www.yourAVON.com.

- Exception Requests: In order to protect the integrity of the Sales Leadership Program and to ensure fair and equitable treatment to all participating Representatives, there will be no exceptions made to any of the policies outlined herein, unless specifically noted. Additionally, any changes requested or related to your Sales Leadership account for rewards, such as bonuses, Downline linkage, etc., must be requested within 5 Campaigns from, and including, the Campaign of Appointment. However, a new Representative's Campaign of Appointment cannot be moved to a future Campaign once a Representative has placed an order or the Campaign of Appointment RPS has updated. If the Campaign of Appointment is changed to a future Campaign for your very first Recruit, your Agreement Date will also be changed to match.

- **Leadership Earnings:** Qualifications for Leadership earnings are based on achieving the required number of 1st Generation Downline Member orders, meeting required personal sales level and required total unit sales.
 - Sales Leadership Representatives, through their personal prospecting, appointing, training and developing efforts, may earn each campaign from the sales of their qualified Downline members (see Sales Leadership Bonus Chart on yourAVON.com for details).
 - Leadership earnings are calculated based on Leadership sales from your Downline Members' paid orders. Leadership sales are defined as Customer Price Sales minus Downline Representative's earnings level (i.e. net sales). Leadership earnings are not paid on Representative earnings, sales aids or returns. Returns will negatively impact Leadership earnings. There may also be other exceptions to this rule, e.g., Crusade items or any "while supplies last" products that do not ship due to out-of-stock status, will not count toward Leadership sales.
 - Additional bonuses may be earned for recruiting, developing and advancing titles (see Sales Leadership tab on yourAVON.com for details).
 - At the close of each campaign, Sales Leadership Representatives have access to their Sales Leadership Earnings Statement on yourAVON.com, which details their Sales Leadership activity for a specific campaign. Reference Sales Leadership Earnings Statement on yourAVON.com for instructions on how to read your earnings statement.

- **Leadership Representatives Hired by Avon:** To be hired as an employee within Avon's Field Sales Management, a Sales Leadership Representative must sell or transfer her existing Sales Leadership business in accordance with Avon's policies, to someone other than a co-applicant, spouse, domestic partner or family member. The newly hired District Sales Manager may not become the co-applicant on the former account nor remain a Representative.

When a titled Sales Leadership Representative is hired as a District Sales Manager, the immediate Upline Representative will receive a \$500 bonus and will be given six months in which to remain at their current Position of Achievement and Performance (to allow time to find and develop another titled Representative to replace the departed Unit Leader or Above). In order to remain at that level of achievement and performance during that six-month period, the Upline Representatives must meet all other necessary requirements for their levels of achievement.

- **Leadership Representatives May Not Be Hired or Compensated as District Support:** Sales Leadership Representatives may not be employed by Avon as stand-in District Sales Managers or work or assist a District Sales Manager in any capacity, i.e. an Assistant District Sales Manager, a Field Work Support (FWS), Recruiter/Appointment Maker for or an Administrative Assistant to a District Sales Manager. No compensation of any form, including, but not limited to, demo certificates, gift certificates, sales tools, products, etc., may be given to a Representative. Sales Leadership Representatives may never be compensated for providing any assistance to the District Sales Manager.
- **Past-Due/Removed Accounts:** As a Sales Leadership Representative, if your account is past due for three (3) Campaigns, any Leadership bonus will be withheld in that third past-due Campaign. That bonus will be sent with the next bonus, as long as your account balance is cleared.
If you are removed from Sales Leadership, you will receive a final statement and will no longer be entitled to receive Sales Leadership bonuses on your former Unit members unless you are reinstated and relinked.

- **Performance Bonus Points:** Once you achieve the Unit Leader position, you receive 250 Performance Bonus Points. These may be used to supplement your sales, when necessary, to meet the \$250 Personal Award Sales qualifier. These points are not used in calculating earnings, do not count toward Unit Award Sales requirements and do not count toward qualification for a higher Position of Achievement. Performance Bonus Points are automatically redeemed based on availability. For example, if in one Campaign your sales totaled \$200, you could use 50 of these bonus points to make up the difference (\$200 plus 50 bonus points = \$250 Personal Award Sales qualifier), provided you met all other performance requirements for your level of achievement in any given Campaign. This would then qualify you to receive your Sales Leadership bonus earnings for that Campaign. You would not, however, be eligible to advance to a higher Sales Leadership position in that same Campaign.

Performance Bonus Points are awarded as follows:

Position of Achievement	Performance Bonus Points
Unit Leader	250
Advanced Unit Leader	600
Executive Unit Leader	1,400
Senior Executive Unit Leader	1,600

Performance Bonus Points are not cumulative. After you use a portion or all, you are responsible for replenishing them. Here's how: As long as your Personal Award Sales in a given Campaign are in excess of your personal sales level qualifier (see the Sales Leader Bonus Chart on yourAVON.com), your excess amount will replenish Performance Bonus Points for future use, up to the maximum allowed for Position of Achievement (see Performance Bonus Points awards above). For example, if you are an Advanced Unit Leader (AUL), your Personal Award Sales must be \$300 in a Campaign. If you place an order and your Personal Award Sales are actually \$400 in that Campaign, then your sales are \$100 over, which equates to 100 excess bonus points. The excess will be added to your Performance Bonus Points for future use, as long as you need a replenishment of bonus points. (AUL maximum is 600 bonus points.)

- **Recruiting Policies:** As a Sales Leadership Representative, you are required to develop your own 1st Generation only through your own personal appointing efforts. Sales Leadership Representatives who, through their own personal appointing efforts, create a 1st Generation for another Sales Leadership Representative are in violation of this policy and may be removed from the Sales Leadership Opportunity. The Recruit must pay the required appointment fee, and the Contract must be accepted by Avon. No free appointments can be offered. "Free appointments" can only occur during a company-sponsored promotion. Any violation of Avon policies could result in immediate removal from the Sales Leadership Program and/or Avon.
With regard to District assignment of a new Representative, the Representative must be assigned to the District in which she resides. This would include all appointments, e.g. Lead Sharing, Online Contracts and traditional face-to face, as well as reinstatements and reappointments. Representative recruiting activities that are prohibited include but are not limited to:
 - Making representations about earnings potential that go beyond those made by the Company.
 - Mailing Appointment Kits to prospective Recruits for purposes of non face-to-face appointments.
 - Recruiting and/or making appointments over the Internet or by any electronic means (for example, by Webcam).
 - Auctioning or selling Appointment Kits via the Internet or in any other manner.
 - Selling or bartering leads or other information about prospective Representatives to other Sales Leadership Representatives.
 - Advertising or promising free or reduced appointment fees.
 - Using other Representatives' personal information for personal gain.
 - Sales Leadership Representatives acting as Recruiter/Appointment Makers for District Sales Manager (see "Leadership Representatives May Not Be Hired or Compensated as District Support" on page 12).

- **Recruiting Restrictions:** A Sales Leadership Representative may not recruit or have her spouse, domestic partner or other family member living in her household as a member of her Downline organization. Avon reserves the right to remove spouse's entire Downline if this policy is violated. Exception: a previously existing Downline relationship that was established at least one (1) year prior to the move into the same household.
 - *Directors and Officers of Avon and Managers in the Avon Sales Organization* may not be co-applicants on the account of others, nor may they be appointed to anyone else's Downline.
 - *District and Division Sales Managers* cannot be Avon Representatives or co-applicants while employed by Avon.
 - *Former District and Division Sales Managers* who wish to become Representatives or establish their own Sales Leadership businesses after leaving Avon's employment may do so, but must be appointed by a District Sales Manager and may not be members of anyone else's Downline or added as a co-applicant on an existing Representative's account.
 - *Spouses and Family Members of Current District Sales Managers:* A spouse or domestic partner and any other immediate family member (parents, children, siblings) of an Avon District Sales Manager may become a Sales Leadership Representative, but may not be appointed by a family member who is a District Sales Manager or in the same District for which that District Sales Manager is responsible. They must also not be recommended, recruited or appointed by any other Representative, nor become a member of any other Sales Leadership Representative's Downline. Such individuals are eligible to receive prizes and awards but cannot attend President's Recognition Program Tributes or National Recognition Events, or receive public recognition from Avon.

- **Removal from the Sales Leadership Opportunity:** Should you, for whatever reason, cease to be an Avon Independent Sales Representative, you will be automatically removed from the Sales Leadership Opportunity and will receive no further Sales Leadership earnings on the sales of your former Unit members.

You may terminate your participation in the Sales Leadership Opportunity at any time by submitting a written and signed notice to Avon through your Avon District Sales Manager, indicating your desire to withdraw from the Opportunity. Linkage to your Downline will be broken. You will receive no further Sales Leadership bonuses on the sales of your former Unit members.

Circumstances that may lead Avon to terminate your participation in the Sales Leadership Opportunity may include but are not limited to:

 - *Management Decision:* Avon always reserves the right to terminate its association with a Representative for any or no reason in its sole discretion.
 - *Inappropriate Actions:* Avon may remove any Sales Leadership Representative who does not comply with the Avon Independent Sales Representative Contract, Avon's Policies, Reference Manuals or any other similar materials.

If your participation in Leadership is terminated by Avon, you lose all rights relating to your Unit immediately and will receive no further Sales Leadership bonuses on the sales of your former Unit members.

Failure to Achieve Unit Leader Level: If you have not achieved Unit Leader level within your first 13 Campaigns as a Sales Leadership Representative (including Campaign of Appointment) due to not achieving \$1,200 in Total Unit Sales, but you have recruited at least five Registered new Representatives during that period, you will be given another 13 Campaigns to achieve the necessary \$1,200 in Total Unit Sales. For example, if you are appointed in C-3, you have until C-15 to achieve Unit Leader Level. You must achieve the Unit Leader level within 26 Campaigns (one year) in order to remain a participant in the Sales Leadership Opportunity.

If a new Sales Leadership Representative has less than five registered Recruits after the first 13 Campaigns, she will be removed from the Sales Leadership Opportunity and will lose her Downline. She will be permitted to start a new Sales Leadership business in the future, but her former Downline will not be relinked.

Relink Request: Previously titled Leadership Representatives may request a one-time relink within 7 Campaigns of losing their Downline if they have at least 5 Registered Recruits at time of the relink request. Relink happens after existing and new Recruits place orders and are considered Registered Recruits.

A relinkage will be permitted not more than once in a Representative's Avon association and only for good cause determined in Avon's sole discretion.

- Reinstatements/Reappointments: Complete details for reinstatements and reappointments are on page 10. Below is an example specific to Sales Leadership participation and retaining Downline members.

Campaigns Removed from Sales Leadership	Note	Can be Reinstated	Keeps former uPLINE if Reinstated	Keeps former DOWNLINE if Reinstated
Removed 1 Campaign		Yes	Yes	Yes
Removed 2 Campaigns		Yes	Yes	Yes
Removed 3 Campaigns		Yes	Yes	Yes
Removed 4 Campaigns		Yes	Yes	Yes
Removed 5 Campaigns	DOWNLINE Rolls Up	Yes	Yes	No*
Removed 6–13 Campaigns	Must Pay Appointment Fee to be Reinstated into Avon— May request 1-time Relink*	Yes	Yes	No*
Removed 14+ Campaigns	Must be Reappointed with a new Account # as a new Representative	No	No	No

*Reference relink Request details included under Removal from the Sales Leadership Opportunity above.

- Roll-up: A roll-up occurs when an Upline Sales Leader is no longer participating in Avon's Sales Leadership program. When that occurs, the Downline members roll up to their next Upline, if applicable.
Increased Generation Sales: The receiving Upline Sales Leader will start earning increased generation sales in the Campaign the roll-up occurs.
Title Achievement/Retention: The roll-up will start counting toward position of title achievement/retention at the close of the 7th Campaign following Campaign of roll-up**.
- Possible reasons for a roll-up:
1. Upline Sales Leader is discontinued from Sales Leadership following automatic removal as an Avon Independent Sales Representative for more than 5 campaigns.
 2. Upline Sales Leader Candidate is discontinued from Sales Leadership for failure to meet Leadership qualifications to Unit Leader.
 3. Upline Sales Leader is discontinued from Sales Leadership after being Title at Risk as a Unit Leader more than 6 campaigns.
 4. Upline Sales Leader is discontinued from Sales Leadership by her own choice or at Avon's request or due to death of an Avon Representative.
 5. Upline Sales Leader purchases an Avon Leadership business in a different Leadership line.

When a roll-up occurs, a discontinued Upline Sales Leader will receive no pending or future bonuses and will no longer be eligible for a one-time relink opportunity.

Example:

	Reason for Roll-up	Campaign of Action Causing Potential Roll-up	Campaign of Roll-up	Roll-up Counts Toward Receiving upline's 1st Generation Sales	Roll-up Counts Toward Receiving upline's Title Advancement/Retention
1.	Automatic Removal as an Avon Independent Sales Representative for more than 5 Campaigns	Removed as an as an Avon Representative in Campaign 2	Start of Campaign 7 (after 5 Campaigns of removal)	Start of Campaign 7	At the Close of Campaign 8
2.	Candidates failure to meet Sales Leadership qualifications to UL	Discontinued from Sales Leadership in Campaign 2	Start of Campaign 2	Start of Campaign 2	At the Close of Campaign 8
3.	Title at Risk as Unit Leader for 6 Campaigns	Title at Risk Started in Campaign 2	Start of Campaign 8	Start of Campaign 8	At the Close of Campaign 14
4.	Upline Sales Leader's or Avon's request or due to death of Avon Representative	Discontinued from Sales Leadership in Campaign 2	Start of Campaign 2	Start of Campaign 2	At the Close of Campaign 8
5.	Purchase of an Avon Leadership Business in a different Leadership line (See page 10 for details.)	Relinquished her original Downline in Campaign 2	Start of Campaign 2	Start of Campaign 2	At the Close of Campaign 8

**Roll-up Note: #1 roll-up reason above allows only a two-campaign roll-up window for purposes of requesting a one-time relink (see Relink Request on page 16).

- Survivorship: The rewards of the Sales Leadership Opportunity are based on personal efforts and Sales Leadership abilities. Therefore, upon the death of an individual Sales Leadership Representative, the business is automatically terminated. Heirs of a deceased Sales Leadership Representative will not be eligible for any future bonuses.
In the case of co-applicants, the co-applicant may assume primary responsibility for the business upon the death of the original Sales Leadership Representative; however, a new Contract must be completed that accurately reflects the co-applicant as the primary Representative on the account. A family member or a friend cannot assume ownership of a deceased Representative's account if they were not previously placed (or already placed before the death of the Representative) as a co-applicant on the account prior to death of the Representative.

- Title Review: Should a titled Sales Leader fail to perform at her Position of Achievement for a rolling four (4) consecutive Campaigns (the last four consecutive), the Representative will be retitled to the highest level of performance achieved during that four-Campaign review period. Retitling will be reflected on the seventh Campaign's Leadership Earnings Statement.

End of Campaign	Achievement Title	Performance Title	Performing Below Achievement Level?	Highest Performance Title in Last 4 Campaigns	Title at Risk
C-1	AUL	AUL	NO	AUL	0
C-2	AUL	UL	YES	AUL	1
C-3	AUL	Candidate	YES	AUL	2
C-4	AUL	Candidate	YES	AUL	3
C-5	AUL	Candidate	YES	UL	4
*C-6	Candidate	-	-	-	-

*Note: Demotion to Candidate level will only be approved once.

Training Centers

Sales Leadership Representative "Training Centers" are the sole responsibility of the Independent Sales Representative and may not be utilized as a retail store, i.e. product may not be sold from the Center. The Representative must abide by all Avon advertising guidelines relative to the use of Avon's name at the Center.

ADVERTISING AND PROMOTION POLICIES AND GUIDELINES

FOR AVON INDEPENDENT SALES REPRESENTATIVES

These Policies and Guidelines have been created to help you advertise and promote your Avon business. Following these Policies and Guidelines will enable you to reach more Customers and increase your earnings while protecting the integrity of the Avon name. Please keep these Policies and Guidelines as part of your permanent business files for future reference.

The AVON Name and Trademarks

- Protecting the Avon Name. Since 1886, Avon, with the help of its Independent Sales Representatives, has worked hard to build an outstanding worldwide reputation for quality products, personal service and integrity. The Avon name must be carefully preserved and protected. Avon cannot permit its name and trademarks to be weakened. To do so would be to devalue the Avon name and eventually cause Avon to lose an important asset. The Avon name and the names of our individual products are valuable “calling cards” that tell consumers they are receiving genuine, guaranteed Avon products and services. Any time the Avon name, trade name or trademarks are used improperly or by someone other than the owner—Avon Products, Inc.—their importance can be greatly diminished. Once the Avon name or its trademarks are weakened or lost, it is impossible to regain their full value.
- What Is a Trademark? A trademark is a word, name, symbol or device used by a manufacturer to distinguish its goods or services from others. With Avon, this protection includes such names as “Avon,” Avon symbols and the various names we give our many products and services. For example, there is only one IMARI, SKIN SO SOFT and ANEW—each belonging solely to Avon. They and all other Avon products, services and symbols enjoy this protection under the law and may not be used by any other company. In this way, when consumers buy Skin So Soft, for example, they know they are getting the one and only product by that name.

Note: Avon Representatives must follow these Policies and Guidelines in advertising and promoting their Avon businesses. Violation of these Policies and Guidelines may result in removal. Avon reserves the right to change, modify or discontinue these policies at any time in its sole discretion.

Advertising and Promoting Your Business

In order to fully protect all Avon names, the following rules must always be followed when Representatives advertise or promote their Avon businesses:

- Representatives must always clearly and prominently identify themselves by their own name followed by: Avon Independent Sales Representative (which may be abbreviated as Avon Ind. Sls. Rep.). Example: Jane E. Smith, Avon Independent Sales Representative.
- Avon Representatives should use only Avon-authorized advertising or promotional materials.
- Representatives may not copy or reproduce images, graphics, product photographs or photographs of any person, model or celebrity found in Avon’s brochures, other promotional materials or literature of any kind or on any Avon Web site.
- Avon Representatives are responsible for making truthful, accurate and legally acceptable product claims. Only approved performance or ingredient claims as found in product brochures, catalogs, Product Reference Guides (online at www.yourAVON.com) and/or current Avon advertising are allowed in promoting and advertising Avon products. For example: “Avon Skin So Soft is a great moisturizer.” (Any other claim is unofficial and not approved.)

Representative Advertising That Is PROHIBITED

Avon, as a national company, has an image that must be protected in order to help your business grow. That’s why Avon Independent Sales Representatives cannot participate in several types of advertising. They include but are not limited to:

- Printed Materials: Avon Independent Sales Representatives are prohibited from using the Avon name or any other trademark names of Avon in printed advertising materials such as:
 - All national magazines, like *Time*, *Woman’s Day*, *Redbook*, etc.
 - All national/regional magazines, like *Texas Monthly*, *The Washingtonian*, *New York*, etc.
 - National newspapers, like *USA Today*, *The New York Times*, *The Wall Street Journal*, etc.
 - Multilevel marketing publications, like *Making Money*, etc.
 - All outdoor commercial advertising such as transit ads, billboards, etc.
 - Super catalogs or catalog listing services.
 - Telephone numbers listed and advertised as AVON instead of 2866.

- Promotions with other companies; for example, producing Avon place mats for an area restaurant is prohibited.
- Promotions with other businesses promoting a specific Avon product or any celebrity-endorsed Avon product.
- The offering of money, free gifts, products or any other inducement or enticement to agree to be appointed as an Avon Representative is strictly prohibited.
- Radio & Television: Avon does not authorize the use of the Avon name or any other trademark names of Avon by any Avon Independent Sales Representative on any radio or television broadcast advertising.
- Online Advertising & the Internet: Any Web site or Web page other than, for eRepresentatives, your “Personalized Page”—as an Avon Independent Sales Representative, you may not publish, create or maintain any Web site or Web page other than, for eRepresentatives, your “Personalized Page” (as described in Avon’s eRepresentative Policies and Procedures), in connection with advertising or promoting your Avon business. This means that, without limitation, you may not use your personal home page to advertise Avon products or promote your Avon business.
Additionally, an eRepresentative may not use her Personalized Page to advertise or promote businesses, products or services that are not related to Avon—for example, non-Avon-sponsored charities, activities, ventures or services or products made by any Entity other than Avon—and may not make available any link(s) to non-Avon Web sites or Web pages from her Personalized Page.
- Domain Names, uRLs, Keywords, Metatags and E-mail Addresses That Include the Avon Name or Avon Trademarks: As an Avon Independent Sales Representative, you may not use, purchase or register any domain names, URLs, keywords, metatags or e-mail addresses that include, in whole or in part, the Avon name or any of Avon’s trademarks. To the extent an Avon Independent Sales Representative violates this policy, such Avon Independent Sales Representative acknowledges and agrees that she will, promptly upon Avon’s request, transfer to Avon, at her own expense, any such materials. Without limitation, you may not:
 - Create, operate or maintain any Web site or Web page with the word “Avon” or any other Avon trademark in all or part of the URL (for example, “www.avonproductsandmore.com,” “www.avonproducts.xyz.com” or “www.xyz.com/avonproducts”).
 - Purchase a “keyword” from a search engine or other online service that comprises or includes the word “Avon” or any other Avon trademark, irrespective of whether the results of searches for that term include “Avon” or another Avon trademark.
 - After June 12, 2007, create an e-mail address that includes “Avon” or any other Avon trademark; for example, AvonLady12345@aol.com. For any e-mail address, that includes “Avon” or any other Avon trademark, created prior to June 12, 2007, you may continue to use such e-mail address as long as your use complies with these Advertising and Promotion Policies and Guidelines.
- Online Auctions, Markets and Outlets: As an Avon Independent Sales Representative, you may not list for sale or advertise Avon products or the Avon selling opportunity in online auctions (including but not limited to eBay and Yahoo! Auctions), markets or other online outlets. This means that, without limitation, you may not:
 - Create listings on eBay for Avon products.
 - Sell Avon products through an online storefront, for example, through Amazon.com or Yahoo! Shopping or through an independently managed online storefront.
- unsolicited E-mails: As an Avon Independent Sales Representative, you may not send, transmit or otherwise communicate any “spam” or other unsolicited e-mail messages related to Avon to any individual without her prior knowledge and prior consent, or otherwise in violation of any law, rule or regulation. This means that, without limitation, you may not:
 - Send e-mails to prospective Customers to promote the sale of Avon products.
 - Send e-mails to prospective Avon Independent Sales Representatives for recruiting purposes or to promote the Avon selling opportunity.

Representative Advertising That is PERMITTED

Although advertising in national and regional media is prohibited, Representatives may use certain local resources to attract Customers and recruit new Representatives. Millions of potential Customers are looking for access to Avon and the personalized service only a Representative can offer. Advertising that you are an Avon Independent Sales Representative can really pay off in both sales and earnings. Here are examples of great ways to let people know you can offer them the products and/or earnings opportunities they're looking for:

- **eRepresentative "Personalized Page":** If you are an Avon eRepresentative, you may advertise your Avon business through your Personalized Page (as described in Avon's eRepresentative Policies and Procedures).
- **Text Hyperlinks:** Unless otherwise prohibited by the terms and conditions of your service provider, you may link your Web site or your Web page on a Web site (including any social networking Web sites such as MySpace, Friendster, Facebook, etc.) to your approved eRepresentative Personalized Page, provided you follow all Avon Trademark, Advertising/Promotion and eRepresentative Policies and Procedures.
- **Telephone Directories (Yellow and White Pages):** Many people looking for an Avon Representative head for the telephone directory. When taking advantage of this opportunity, Representatives must always clearly identify themselves as Avon Independent Sales Representatives (see examples on page 25).
- **Community Newspapers and Local "For Sale" Publications:** The local newspaper and weekly publications like *PennySaver* are widely read by the people in your community. College newspapers are another good choice. A small three- or four-line ad in the classified section will get the word out that if people are interested in Avon, all they have to do is call their Avon Independent Sales Representative. The approved copy included in this Guide provides examples of ads that will help Representatives advertise Avon products and the Avon Earning Opportunity.
- **Online Classifieds:** Many local newspapers and weekly publications are available online. You may advertise your Avon business through these local online classified advertisements as well as on a Web site such as Craigslist, Yahoo! Local, Google Local or the online version of *PennySaver*. It's important to check with the publication's advertising department to determine: required format (if any), use of graphics or any other Internet advertising options that may be available to you.
- **Coupon Packs:** In many communities, local businesses purchase ads that go into an envelope that's mailed to local residents. This is another excellent way for Avon Representatives to advertise their Avon businesses. Representatives who choose to do so must properly identify themselves and indicate that they are Avon Independent Sales Representatives.

Shop Avon at home or in your office with personal delivery and guaranteed satisfaction. Contact:
YOUR NAME HERE
Avon Independent Sales Representative
_____ at (phone/e-mail/Web site)

DISCOVER:
• **Highly Advanced Skin Care**
• **Gifts, Fragrance, Hair Care for the Entire Family**
• **Family Entertainment & Educational Products**
• **Personal Service**
Contact:
YOUR NAME HERE
Avon Independent Sales Representative
_____ at (phone/e-mail/Web site)

Choose Your Hours, Your Income and Your Rewards. I DO!
Contact:
YOUR NAME HERE
Avon Independent Sales Representative
_____ at (phone/e-mail/Web site)

AVON HAPPENINGS
Your monthly newsletter update from Mary Smith,
Avon Independent Sales Representative

- **Supermarket Bulletin Boards:** Every local grocery store has a bulletin board where local residents fill out cards advertising services such as baby-sitting, cars for sale and apartments for rent. This is a great way, usually free, to advertise. If you do use one of the blank cards, please type or clearly print your message. Or, you may wish to simply place your authorized Avon business card in the rack.
- **Welcome to the Neighborhood:** When people move into a new neighborhood, they are on the lookout for new ways to buy familiar services and goods. That's why almost every community has a local service such as the "Welcome Wagon" that offers special deals for new residents. Find out if you can add a *What's New Bag** to the Welcome Pack. Fill it with some samples, the latest brochure with your name and phone number on the back and a personalized introductory note.
Note: There is often a fee for participating in this type of service.
*This business tool is available on every Purchase Order.
- **Newsletters:** Some Representatives like to take advantage of Avon's free e-mail service to produce an online newsletter to help encourage higher sales and better recruiting in their Downline. Representatives who choose to do so must identify the newsletter as theirs alone and not officially connected to Avon Products, Inc. In addition, Representatives must identify themselves by their name and as Avon Independent Sales Representatives. The use of the word "AVON" must be in capital, block letters only. Reminder: All such newsletters must comply with all of Avon's Policies and Procedures including eRepresentative policies.

- **A special note about use of articles about Avon:** Only articles or news releases from official Avon publications may be utilized by Avon Representatives in their newsletters. Articles about Avon from other publications are subject to the copyright laws of the United States, and should not be used unless written permission is obtained from the copyright owner of the publication. Avon will not assume responsibility for any unauthorized copying by an Avon Independent Sales Representative.
- **Customized E-mail Signature:** Turn your e-mail signature into a mini-ad. It's a free, easy way to promote your business. Keep it brief, but include what you think is important. This "tag" will be the closing of every e-mail you send. Example: Mary Smith, AVON Senior Executive Unit Leader, President's Club member, Fund-Raising Specialist. VISIT MY WEB PAGE: www.yourAVON.com/msmith. Or call: 1-555-555-5555. Buy or sell high-quality Avon products! Join the fastest-growing multilevel marketing opportunity. Own a home-based business. Want to earn extra money? Know anyone who may want to hold an Avon Fund-Raiser?
Note: No other business name may be included in any form of advertising or promotion. If, for example, a Representative also sells "XYZ Toys," that name cannot appear in the advertisement or promotion with "AVON." Otherwise, Customers could be misled to assume that Avon and XYZ Toys are related companies.

Approved Sales Tools:

There are many Sales Tools that will help you increase the number of new Customers and Avon Independent Sales Representatives you can attract. They include such things as:

- **Business Cards:** Many Avon Independent Sales Representatives carry business cards. They help establish you as a professional salesperson and provide a handy reminder of how to reach you to place an order or learn more about becoming an Avon Representative. Business cards purchased through the Avon Advantage program are available at a great price and carry the official Avon logo, contemporary graphics and space for a Representative's title (e.g., Executive Unit Leader). To find out more, go to www.yourAVON.com and click on "Resources."
- **Personal Checks:** The Avon Advantage program offers personal checks that feature a variety of Avon products and enable Representatives to include their title: for example, Advanced Unit Leader, Honor Society member, etc. These checks offer one more way to promote your Avon business. Note: The use of the Avon name or trademark on personal checks not acquired through Avon Advantage is prohibited.
- **Car Signs:** Representatives who want to promote their Avon businesses on a car or van by designing their own signs must identify themselves on the car signs as an Avon Independent Sales Representative (or abbreviated as Avon Ind. Sls. Rep.). Slogans not authorized by Avon are not allowed. Window Decals (shown at right) you can personalize are available via the Avon Advantage program, such as "Keep America Beautiful, Buy or Sell Avon!"

**Keep America Beautiful
Buy or Sell AVON!**

- **Other Promotional Items:** No one, including Avon Representatives, can manufacture for sale or distribution any product with the Avon name. However, Representatives can have promotional items made for personal use or for free distribution to Customers, Recruits or others. For example, many Representatives have T-shirts printed with slogans like "I Sell Avon" or "Ask Me About Skin So Soft." Such items are acceptable only if they do not use the official Avon logo and are not offered for sale. Only official promotional items issued by Avon Products, Inc., may contain the Avon logo or trademarks. Representatives who have an inventory of promotional items containing unauthorized use of the Avon name, logo or trademark must dispose of them, and they may not be offered for sale.

Additional Ways to Grow Your Business

There are many opportunities to enhance an Avon business in a public setting. These include group selling and organized recruiting events. Please note the following guidelines that summarize Avon's current policies:

- **Avon Parties/Group Selling/Fund-Raising:** An Avon party is a great way to sell Avon to a large group of Customers at the same time. Fund-raisers are also a wonderful way to grow sales and help a worthy organization. Purchase a Fund-Raiser Getting Started Kit online at www.yourAVON.com under "Career," then click on "Fund-Raising." Also partner with your District Sales Manager to gain support when conducting a fund-raiser.

Any time Representatives gather a group of Customers for the purpose of selling Avon products, they must clearly identify themselves as Avon Independent Sales Representatives and not as employees of the company. Use only official Avon materials as well as brochures, catalogs, Wellness materials and recruiting flyers produced by the company. Representatives may, of course, create posters and games to help generate interest and sales as long as these items do not incorporate the Avon logo or product trademarks.

- **Activating Interest in the Avon Earning Opportunity:** Representatives who want to earn more money through the Leadership Opportunity may find group settings to be a valuable and time-saving way to present the Avon Earning Opportunity. A group atmosphere and the Representative's personal enthusiasm will be highly motivational.

Representatives who choose to conduct such a meeting must identify themselves by name and as Avon Independent Sales Representatives and use only Avon-approved recruiting and/or Sales Tools. Representatives must not misrepresent the earnings opportunity. Representatives can, of course, create posters and signs for the meeting as long as the official Avon logo is not used.

Note: When recruiting, no enticements for appointments may be offered by Representatives.

- **Licensed Avon Beauty Centers:**
 - Representatives who want to expand their Customer reach to a retail environment may apply for approval to license a LABC. These kiosks/mall carts or inline storefronts offer Customers immediate access to Avon's beauty products.
 - These venues are ideal for Leadership Representatives to attract new members for their DOWNLINE and to enhance a Representative's direct-selling business. Your District Sales Manager can help you investigate this opportunity.

Note: Ownership of, or participation in, non-Avon beauty centers, mall carts, kiosks or other unauthorized retail establishments for the purpose of selling Avon products, is a violation of Avon's policies and will lead to removal as a Representative. Avon Independent Sales Representatives may not sell Avon products for resale to third parties, to any business entity or through any type of retail establishment, other than a LABC. Avon Independent Sales Representatives may not establish or operate their own retail business for purposes of selling Avon products. Representatives may not take it upon themselves to alter policy. Avon reserves the right to change, modify or discontinue any of these Policies/Guidelines at any time in its sole discretion. Failure to comply with these Policies/Guidelines may result in removal as an Avon Independent Sales Representative and discontinuation of all rights and privileges.

Making Good use of Telephone Directories

Examples of Telephone Directory Listings

- **White Pages Listing:** Avon Representatives can list under the Avon name in the White Pages section. The phone company, of course, charges extra for this service, which will be added to your monthly phone bill. Representatives may secure a boldface listing. For example:
Avon Independent Sales Representative
Mary Smith 123 Main St.* 1-555-555-5555
OR
Smith, Mary
Avon Independent Sales Representative
123 Main St.* 1-555-555-5555
- **Yellow Pages Listing:** Some Representatives have had great success listing in the Yellow Pages (business) section of the phone book. For example:
Smith, Mary
Avon Independent Sales Representative
123 Main St.* 1-555-555-5555
OR
Smith, Mary Independent Sales
Representative of Avon Products
123 Main St.* 1-555-555-5555

*Representatives may request that their home address not be included.

- The Toll-Free Directory: For a fee charged by the telephone company, Representatives can obtain a toll-free number for business purposes. Representatives may wish to separate their listings from those of other Representatives by further identifying themselves. For example: "Avon Independent Sales Representative Mary Smith of Queens, New York." Note: No other business name may be included in an Avon ad. Note: All advertising billing must be addressed to the Representative at the Representative's home address and must not imply or indicate that Avon Products, Inc., is responsible in any way for such advertising or the advertising bills.
- Online Telephone Directories: As a general rule, if you publish a telephone number in the White Pages or Yellow Pages, it is automatically published online as well. In addition to your name, address and phone number, some online telephone directories offer, as part of the listing, the option of including e-mail links, driving directions, maps, etc. Check with your local telephone directories to determine which listing options are available to support your Avon business. Many telephone directories are exclusively Web-based. IMPORTANT! Representatives must clearly identify themselves as Avon Independent Sales Representatives, both in their ads and when speaking on the phone. Representatives may not imply that they are employees of Avon or are Avon, the company. Sample online telephone directory listing:

AVON Independent Sales Representative
123 Main Street, Any Town, Any State
Call: 1-555-555-5555
MarySmith@AVON.net

Classified Advertising for Your AVON Business

The following examples of ads are all pre-approved for your use in creating promotional posters and flyers, brochure inserts and/or placing ads in local newspapers or in *PennySaver*.

Representatives operating a LABC will receive a pre-approved advertising package to support special promotions designed for these sites. Remember, whether you wish to increase your personal sales or recruit, the right message can really pay off.

How to Place a Newspaper Ad:

- A sales representative at your local newspaper can help you get started. Call the newspaper's Advertising Department and set up a meeting. You will be given the rates for ads of various sizes and tips on when to run them. For example:
 - Sunday papers usually have the highest readership, especially among working women. (The rates are also higher.)
 - *Best Food Day*, usually Wednesday, is another good choice. Many people read this edition for the latest food values and money-saving coupons and might be more receptive to an earnings opportunity.
- Always check the rates before placing an ad. Often you can get a reduced rate by running an ad in more than one issue. Note: No other business name may be included. Reminder: Any advertising placed by Representatives must include your name and clearly indicate "Avon Independent Sales Representative" (or abbreviate as "Avon Ind. Sls. Rep."). The ad or flyer cannot imply that Representatives are employees of Avon or are Avon, the company nor can your agreement or Contract imply that Avon Products, Inc., is responsible for the ad or for the payment of the billing for the ad.

Sample Copy for Classified Ads:

Customer AD

Let's talk about the most personalized shopping experience around: AVON.
 Contact:

 Avon Independent Sales Representative

 at (phone/e-mail)

Additional Ad Copy:

I can advise you on the best products for your skin care needs. I am an Avon Beauty Advisor. I've got a FREE GIFT for you if you have an Avon party in your home.

- How to Place an Online Classified Ad: To determine the local online classifieds available in your area, start by typing your state's name followed by the word "classifieds" in the search bar of your ISP. Many large communities and cities have online classifieds sites as well (i.e., Seattle Classifieds, Long Island Classifieds, Kansas City Classifieds, etc.), so be sure not to overlook your own community when you do your search. You will be presented with a list of the local classifieds that match your search. Click on the title of one that's best for you and contact them for rates and more information. Search Results:

Marlton, New Jersey Classifieds—Classifieds in Marlton, New Jersey.

<http://www.starcities.com/usa/nj/marlton/townsquare.shtml>

Show me more like this

Newark, New Jersey Classifieds—Check out the free classifieds for Newark—New Jersey's largest city.

ShopJackson.com—Web sites of businesses in Jackson Township, New Jersey.

<http://www.shopjackson.com>

Sample online RECRUITING ad:

Start your own business backed by a company with more than a century of quality and service.

Your Name Here

 Avon Independent Sales Representative

Location: Any Town, Any State

Call: 1-555-555-5555

e-mail: MarySmith@AVON.net

Visit my Web site:

www.yourAVON.com/MSmith

RECRUITING AD

Interested in building a career by mentoring others? Contact me:

 Avon Independent Sales Representative

 at (phone/e-mail)

Additional Ad Copy:

"As an Avon Representative, my success is in my own hands." To become an Avon Representative... Up to 50% earnings on sales. Free travel awards. Scholarship opportunities for your children.

Sample online SELLING ad:

Shop AVON at home or office. Personal delivery and a 100% Satisfaction Guarantee.

Mary Smith

 Avon Independent Sales Representative

Location: Any Town, Any State

Call: 1-555-555-5555

e-mail: MarySmith@AVON.net

Visit my Web site:

www.yourAVON.com/MSmith

Reminder: Any advertising placed by Representatives must include your name and clearly indicate "Avon Independent Sales Representative" (or abbreviate as "Avon Ind. Sls. Rep."). The ad or flyer cannot imply that Representatives are employees of Avon or are Avon, the company. The use of a product, model or any other photograph from any Avon publication as part of the advertisement is strictly prohibited.

Understanding Avon Terms

A

Active Account

An Avon account that has not been removed.

Add-on (Additional) Order

An order submitted in addition to the regular order in the same Campaign.

Area

The way Avon refers to its geographic territories. Avon U.S. is divided into five geographic areas.

Area Sales Leader (ASL)

An officer of Avon who is responsible for the sales growth within a respective geographical area of the United States. The Division Sales Manager reports to the ASL.

Appointment

The process that officially turns a prospect into an Avon Representative.

Appointment Fee

The fee paid at time of appointment.

Attached Customer

A Customer who has been assigned to an eRepresentative and places an order online through the Representative's Avon-provided personalized Web page.

Avon Independent Sales Representative Contract

The legal document an Avon Independent Sales Representative signs to indicate she understands Avon's opportunities and agrees to abide by all of Avon's Policies and Procedures.

Avon Independent Sales Representative Savings Plan

The plan provides eligible Avon Representatives with a convenient method for savings, through contributions on an after-tax basis.

Avon's Promise to Customers

This is Avon's guarantee of 100% satisfaction.

Award Sales

The amount used to determine achievement levels in incentive and recognition programs, as well as earnings level. They include Customer price sales, Sales Tools, demonstration products, unavailable product(s) in a Campaign and any adjustments from earlier Campaigns. Award Sales are not given for "while supplies last" products that do not ship.

B

Beauty of Knowledge

Free online training created specifically for Avon Representatives and available 24/7.

Brochure

Representatives' primary selling tool, featuring products available for purchase every two weeks (Campaign) during the year. It is also available to Customers online through eRepresentatives on their Avon-provided personalized Web page.

Bulletin Board

An Internet communication tool provided by Avon for Representatives. Located on the www.yourAVON.com Web site, this is where messages can be posted and responded to by users of that site.

C

Campaign

The two-week Representative selling period.

Candidate

A Sales Leader who has chosen the Leadership Opportunity and has at least one Recruit toward Unit Leader achievement. Previously referred to as "Untitled."

Credit Limit

Each Representative is given an initial credit limit based on the information provided at time of Appointment. Beyond 7 Campaigns, the credit system recognizes historical patterns and may adjust a credit limit upward. The credit limit will never fall below the initial credit limit.

Customer Price

The suggested retail selling price appearing in the Avon Brochure.

D

Demonstration Products (Demos)

Products made available to Representatives at a discount, two Campaigns in advance, to help them sell the upcoming Campaign.

Direct Delivery

A delivery option that an Avon Representative's Customer can select for product shipment.

Direct Selling

A selling method offering products and personal service directly to a Customer.

District/Division

Geographical breakdown of the Sales organization throughout the U.S. Representatives are assigned to Districts, a specific number of which make up a Division.

District Sales Manager (DSM)

An Avon employee responsible for the sales growth of a District. The District Sales Manager reports to the Division Sales Manager.

Division Sales Manager (DVM)

An Avon employee responsible for the sales growth of a Division. The Division Sales Manager reports to the Area Sales Leader.

Downline

The generations of Representatives in a Unit under a Leadership Representative.

E

Earnings Level

The percentage discount on product purchases to which a Representative is entitled in a given Campaign. This percentage varies according to order size each Campaign.

eRepresentative

A Representative who has her own Avon provided personalized Web page and conducts some or all of her business online.

F

FAST Talk

Avon's Full Access Speech Technology (FAST Talk) system lets Representatives place orders and make QuikPay payments. Representatives can also check the status of their orders, account balance, product availability, returned products, Award Sales and President's Points by telephone.

First Generation

Representatives who are recruited and personally appointed by a Leadership Representative.

Fund-Raising

A significant earning opportunity open to all Representatives, by which the Representative partners with an organization to sell Avon products, and then shares the profits with that organization. Fund-raising materials are available online at www.yourAVON.com to assist in this process.

G

Guarantee

All Avon products are covered by a satisfaction guarantee that appears in the brochure under "Our Promise to you..."

H

Hold Order

A Representative's order that is held and not shipped by Avon's credit system for credit-related reasons, such as past-due balances. An online Representative whose order is on hold will receive an eConnect notice from Avon.

Home Page

The main Web page for a business, organization, person or simply the main page out of a collection of Web pages.

I

Incentives

Prizes and/or rewards offered to Representatives in addition to their usual earnings for achieving specific goals during a designated period of time.

Independent Contractor

All Avon Independent Sales Representatives are independent contractors. They are not agents, employees or franchisees with Avon, nor should they represent themselves as such. Each Representative is responsible for her own business decisions and expenditures.

Invoice

The statement received by a Representative in her order that includes an accounting of all items ordered, messages from Avon and amount due with next order.

L

Length of Association (LOA)

The number of two-week cycles or Campaigns a person has been a Representative.

Licensed Avon Beauty Center (LABC)

The only authorized retail selling opportunity for Representatives who sign a license agreement to sell in an Avon-approved retail shopping environment.

N

Net Items

Items purchased by Avon Independent Sales Representatives, such as brochures, sales aids and samples, which are not resold for profit. The Representative pays the stated price for these items that are generally business-building tools and receives no earnings or discounts.

O

On-time Order

An online order is considered “on time” if received by Avon before noon on the day the order is due, based on your individual RPS. A paper Purchase Order is considered on time when postmarked by the mail date reflected on the Purchase Order.

On-time Payment

In order to be considered “on time,” payment for a previous balance must be paid each Campaign prior to the processing of your order for the next Campaign. If you do not place an order in the next Campaign, payment is due by noon of your individual RPS order submission date.

Online Representative

Any Representative who conducts some business online via the Internet using the basic services of the www.yourAVON.com Web site.

Opportunity Presentation

A recruiting rally or business briefing for the purpose of presenting the Avon Earning Opportunity to current Representatives or potential new Representatives.

P

Passcode

eRepresentatives may require a passcode for Customers to access a personalized Avon site, so that only familiar Customers will be able to shop the site directly.

Password

This is a security feature composed of alpha and numeric characters that the Representative selects. A password is required to use www.yourAVON.com.

Past Due

If a payment is not made in accordance with Avon’s credit policy, the account balance will be considered “past due.” Past-due balances may be subject to past-due fees.

Performance Requirements

The minimum Personal Award Sales, Total Unit Sales and number of 1st Generation Downline Members’ orders necessary for Leadership earnings and to reach Positions of Achievement.

Performing

Meeting all qualifiers for Leadership Positions of Achievement.

Positions of Achievement

(also known as Levels of Achievement)
The four levels of recognition, earnings and titles available in the Leadership Opportunity: Unit Leader, Advanced Unit Leader, Executive Unit Leader and Senior Executive Unit Leader.

President’s Recognition Program (PRP)

Provides recognition and rewards to Representatives for outstanding achievement in Total Sales, Sales Increase and Leadership in a Campaign cycle that runs from C-8 of the current year to C-7 of the next year.

Prospect (noun)

A person who may be interested in hearing more about Avon products and/or the Avon Earning Opportunity.

Prospect (verb)

To seek out people to talk to about Avon, the products and the Avon Earning Opportunity.

Prospecting Tools

Professional recruiting materials designed to help Representatives encourage prospects to choose the Avon Earning Opportunity.

Purchase Order

An order form a Representative completes and sends to the Branch each Campaign to order Customer products, sales/business tools, demonstration products, brochures and samples. Payment for the previous Campaign’s order is submitted with each Purchase Order.

Q

QuikPay

A method by which Representatives can apply payments electronically from their checking accounts directly to their Avon accounts. Payments can be made online or through a toll-free QuikPay phone number, 1-877-784-5729. Representatives can enroll by going to www.yourAVON.com.

R

Reappointment

A Representative starting her Avon business again with a new account number, following 13 Campaigns or more after removal, provided approval by Avon and previous account is paid in full.

Recommendation

See Successful Recommendation.

Recruiting

Actively pursuing and converting prospects into Avon Representatives.

Registered Recruit

A 1st Generation Downline Representative who has placed a first order and who has an active account status in the current Campaign. Reinstatements do count; however, roll-ups who have not reached their roll-up Campaign and 3-Way Links who have not achieved a cumulative sales total of \$350 in the first three Campaigns do not count. Also, primary account combined with LABC accounts of LABC Operators count as one Recruit.

Regular Order

An order due every Campaign and placed on schedule and in accordance with a Representative’s specific RPS date.

Reinstatement

Reactivating your Avon account after having been removed for 13 Campaigns or less and provided account is paid in full.

Reject Orders

An order that the system rejects and does not process. Generally, reject orders happen if there is a current order on hold or if there are invalid line numbers.

Relinking

Rejoining the Leadership Opportunity after having been removed for five Campaigns or less, with links restored to both Upline sponsors and Downline Recruits. Prior sales and recruiting performance, account number and Length of Association are all maintained.

Removal/Removed Representative

The termination of a Representative’s Contract with Avon due to inactivity, past-due balance, inappropriate actions or management decision.

Representative Earnings

The difference between what you pay Avon for products purchased and what you collect from Customers for their purchases.

Representative Processing Schedule (RPS)

The specific date on which a Representative is to submit an order with appropriate payment. Mail plans and mail dates vary by District.

S

Sales Leader

A Representative participating in the Avon Sales Leadership Program. Also referred to as a Leadership Representative.

Sales Leadership Bonus

Sales Leader rewards received for meeting specified qualifications. Also referred to as Sales Leadership Earnings.

Sales Leadership Direct Deposit

Leadership Representatives have the option of directly depositing their earnings into banking accounts of their choice.

Sales Leadership Opportunity

An unlimited earnings and bonus opportunity for Representatives who recruit, train and mentor others.

Sales Meetings

District Sales Manager’s meeting offered to Representatives that includes product and sales training, motivation and recognition.

Sales Tools

Items offered to Representatives to help them build their business. Some are free, and others are nominally priced. They include items such as color charts, forms, bags, ring sizers, etc. For more details, go to www.yourAVON.com.

Second Generation

The relationship between a Sales Leader and any Representative recruited by one of her 1st Generation Recruits.

Ship Separate Order

This is an order that is placed off schedule and requested to be shipped immediately. This order usually ships via UPS the following business day. Multiple-order fees may apply.

Shorts

Unavailable product in a given Campaign that will ship when available. All shorts are noted on your invoice.

Site Map

This provides a skeleton view of the entire Web site and can assist with site navigation.

Successful Recommendation

A successful recommendation is one that results in the appointment of a new Representative. This new Representative must submit a minimum \$50 paid order in her first or second Campaign (not cumulative).

Successful Recruit

A 1st Generation Downline Representative who places a minimum order of \$50 (Award Sales) in her first or second Campaign (not cumulative) and who submits and pays for the order on time.

T

Take-off Sale

Products that are no longer available and are removed from sale. They will not be relisted in the brochure or elsewhere.

Third Generation

The relationship between a Sales Leader and any Representative recruited by one of her 2nd Generation Recruits.

Title at Risk

A Sales Leader who is not performing at the current Campaign's Position of Achievement.

Titled Representative

A Sales Leader currently titled at a Leadership Position of Achievement: Unit Leader, Advanced Unit Leader, Executive Unit Leader or Senior Executive Unit Leader.

Total Unit Sales

The total of a Leadership Representative's qualifying Personal Award Sales and the total Personal Award Sales of her 1st, 2nd and 3rd Generation Recruits.

U

Unattached Customer

A Customer who orders through the AVON.com Web site and chooses not to have an online Representative. **Note:** A Customer who was referred to an eRepresentative remains unattached until she registers at the Representative's Web site.

Unavailable Product

An item that is out of stock will be taken off sale and cannot be reordered. An alternative recommendation may be offered.

Unit

1st, 2nd and 3rd Generation Representatives under a Sales Leader. Also referred to as Downline.

Upline

The generations of Representatives in a Unit above a Sales Leader.

UPLINE Sales Leader

The Leadership Representative in a Unit who personally recruits and appoints Representatives.

V

Variable Discounts

A Representative's percentage of discount in a given Campaign based on Personal Award Sales.

W

www.yourAVON.com

This is a FREE Internet destination where Avon Representatives can manage business functions, place orders, make payments, view invoices and access training.

www.yourAVON.com/Representative name

The URL for an eRepresentative's Avon-provided personalized Web page. This is where Customers and Downline can access an eRepresentative's site.

Y

Year-to-date Sales

The net sales of all Campaigns from Campaign 1 to the current Campaign.

For a comprehensive list of Avon Terms, access Avon Pathways which can be found on the Training Tab of yourAVON.com.