

AVON

GUIDE TO EARNINGS ENHANCEMENTS

JANUARY 2017

At Avon, we are committed to providing an earnings opportunity for all Representatives whether their goal is a little extra money or a full time career. We are delighted to announce significant enhancements to our earnings program that will be rolling out over the next few months. As always, the amounts you earn with Avon are directly linked to your effort and results as you:

- Sell product
- Recruit others
- Build a team
- Advance in rank
- Mentor and develop others

SELLING

Effective **Campaign 4**, the KickStart program* will run seven campaigns instead of six.

- The first campaign (which could be as short as a few days) will generate a guaranteed 40% regardless of order size, category (beauty, fashion, home) and channel (brochure or eStore).
- The progressive goals as we have them today (\$150-\$200-\$250-\$300-\$350-\$400) now begin in the second campaign instead of the first.
- A \$150 order in either the first or second campaign counts to make the new Representative KickStart Qualified and trigger bonuses for the recruiter.

* See YourAvon.com for full details on KickStart Program.

| KICKSTART PROGRAM | |
|-------------------|----------------------------------|
| LOA | Sales Goals Effective Campaign 4 |
| 1 | ANY SIZE! |
| 2 | \$150 |
| 3 | \$200 |
| 4 | \$250 |
| 5 | \$300 |
| 6 | \$350 |
| 7 | \$400 |

Effective **Campaign 9**, we will harmonize earnings across brochure and eStore sales and simplify the commission structure.

- Earnings begin with the first dollar of sales, not at the \$50 level as it is today.
- Earnings will be the same regardless of whether an order is placed from the brochure or your eStore.
- Watches will be considered Jewelry and get full commission, not fixed.
- Campaign sales volume requirements have been simplified.
- Remaining the same are the current earnings levels for Representatives in the President's Recognition Program.
- Registered Fundraisers continue to earn at 50%.

| EARNINGS LEVELS EFFECTIVE CAMPAIGN 9 | | |
|--------------------------------------|--------------------|--------------------------------------|
| Campaign Sales | Beauty and Jewelry | Fashion and Home |
| \$0 - \$149.99 | 20% | ALL Fashion and Home EARN 20% |
| \$150 - \$299.99 | 30% | |
| \$300 - \$499.99 | 35% | |
| \$500 or more | 40% | |

| PRESIDENT'S RECOGNITION PROGRAM REMAINS THE SAME | | |
|--|--------------------|--------------------------------------|
| Campaign Sales | Beauty and Jewelry | Fashion and Home |
| \$0 - \$924.99 | 40% | ALL Fashion and Home EARN 25% |
| \$925 - \$1,574.99 | 45% | |
| \$1,575 or more | 50% | |

Registered Fundraisers continue to earn 50%.

RECRUITING

Effective **Campaign 4**, regardless of rank you can earn two bonuses for qualified new Representatives who you recruit.

- \$20 Qualified Recruit Bonus*
- Plus a 3% Sponsoring Bonus each time that new Representative submits an order.** Note that this is in addition to existing generation bonuses.

Increased Earnings for ALL Ambassadors at G2

Effective **Campaign 4**, Bronze Ambassador, Silver Ambassador, and Gold Ambassadors will earn 3% on their 2nd Generation.

All these enhancements are designed to support you on your journey with Avon.

Full details can be found at YourAvon.com.

* A Qualified Recruit is a G1 new Recruit that has an order of \$150 or more placed by the second campaign and paid on time. The Upline will receive either the KickStart Bonus or Qualified Recruit bonus, whichever is greater.

** Sponsor Bonus is earned on all G1 appointments beginning C4, 2017 provided the Upline has \$50 in personal award sales (excluding performance points).

† Eligible for first time promotes.

†† The promoting Representative will receive the better of the payments between the Promotion Bonus and any existing promotion incentives such as Rise Up.

‡ A Mentor is eligible to receive the Mentor Bonus if they are the same title or higher as the promoting Leader in their Downline.

‡‡ In order to receive the full Promotion Bonus payment, you must promote and perform at that title for 4 of 5 campaigns (with one grace campaign).

BUILDING A TEAM, ADVANCING IN RANK, MENTORING AND DEVELOPING OTHERS

Effective **Campaign 4** you are eligible for a Promotion Bonus each time you advance in rank† and a Mentor Bonus each time you help someone advance in rank.

- Promotion Bonus ranges from \$500 to \$20,000.††
- Mentor Bonus ranges from \$250 to \$10,000.‡
- Payments paid out over 4 campaigns.‡‡

Simplified G1 Requirements For Gold Executive Leader & Platinum Executive Leader

Effective **Campaign 4**, the G1 Gold Leader+ Requirement has been simplified to enhance overall team growth.

- Gold Executive Leader: must have 3 G1 Gold Leaders+
- Platinum Executive Leader: must have 5 G1 Gold Leaders+



| ADVANCED LEADERSHIP EARNINGS Effective C4 2017 | | | | | | | | | | | | | | |
|--|---------------------------|-----------|----------------------|-----------------------|----------------|-----------------------------|----------------------|------------------|--------------|----------------------|-----|------|------------------------|-----------------------------|
| TITLE | Personal Qualifications | | | G1 Title Requirements | | Campaign Rewards | | | | | | | | |
| | Personal Sales | G1 Orders | Total Team Sales (7) | G1 Silver Ambassador | G1 Gold Leader | Qualified Recruit Bonus (2) | Sponsoring Bonus (3) | Advancements (4) | | Generation Bonus (5) | | | Gold Leader+ Bonus (6) | Executive Leader Cash Bonus |
| | | | | | | | | Promotion Bonus | Mentor Bonus | G1 | G2 | G3 | | |
| PROMOTER | Promoter | \$50 | 1 | | | \$20 | 3% | | | | | | | |
| | Star Promoter | \$50 | 2 | | | \$20 | 3% | | | | | | | |
| AMBASSADOR | Bronze Ambassador | \$200 | 3 | \$1,000 | | \$20 | 3% | \$500 | \$250 | 3% | 3% | | | |
| | Silver Ambassador | \$200 | 6 | \$2,000 | | \$20 | 3% | \$750 | \$375 | 4% | 3% | | | |
| | Gold Ambassador | \$200 | 9 | \$4,000 | | \$20 | 3% | \$1,000 | \$500 | 5% | 3% | 2% | | |
| LEADER | Bronze Leader | \$200 | 10 | \$8,000 | 1 | \$20 | 3% | \$1,500 | \$750 | 6.5% | 3% | 2% | | |
| | Silver Leader | \$200 | 10 | \$12,500 | 2 | \$20 | 3% | \$2,000 | \$1,000 | 7.5% | 3% | 2% | | |
| | Gold Leader | \$200 | 10 | \$20,000 | 2 | \$20 | 3% | \$2,500 | \$1,250 | 8.5% | 3% | 2% | | |
| EXECUTIVE LEADER | Bronze Executive Leader | \$200 | 10 | \$40,000 | 2 | 1 | \$20 | 3% | \$3,000 | \$1,500 | 9% | 3% | 2% | 2% |
| | Silver Executive Leader | \$200 | 10 | \$100,000 | 2 | 2 | \$20 | 3% | \$5,000 | \$2,500 | 10% | 3% | 2% | 2% |
| | Gold Executive Leader | \$200 | 10 | \$200,000 | 2 | 3 | \$20 | 3% | \$10,000 | \$5,000 | 10% | 3.5% | 2.5% | 3% |
| | Platinum Executive Leader | \$200 | 10 | \$300,000 | 2 | 5 | \$20 | 3% | \$20,000 | \$10,000 | 10% | 4% | 3% | 4% |

1) Total Team Sales is comprised of 100% of your Personal Award Sales plus 100% of your G1-G3 Representatives Award Sales.

2) A Qualified Recruit is a G1 new Recruit that has an order of \$150 or more placed by the second campaign and paid on time.

3) Sponsoring Bonus is earned on all G1 appointments beginning C4, 2017 provided the Upline has \$50 in personal award sales (excluding performance points).

4) Promotion and Mentor Bonuses are paid in 4 equal installments over the subsequent performing campaigns and includes a grace campaign.

5) Generation bonuses are paid for orders \$50+. Earning percentages based on paid sales.

6) Gold Leader+ Bonus is based on the achievement title of G1 Gold Leaders and above.

7) Executive Cash program rewards up to \$400 per campaign (\$150 for initial G1 Gold Leader performing at that level and \$50 for every subsequent G1 Gold Leader, up to a maximum of six, e.g. \$150 + (5 x \$50) = \$400).

