

Partnership

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Reminder: It is illegal for a promoter or participant in a trading scheme to persuade anyone to make a payment by promising benefits from getting others to join a scheme. Do not be misled by claims that high earnings are easily achieved.

Introduction to Partnership

We offer Sales Leaders, who qualify as Senior Leaders or higher, an opportunity to operate with a Downline Avon Sales Leader in a Sales Leader Partnership. Sales Leaders who qualify can decide if they want to join with a direct Downline to form a Sales Leader Partnership.

Working as a Partner Sales Leader is a personal choice for those who prefer to work this way.

There are mainly two benefits of working in such a partnership:

- To ensure longevity of the teams under the Partners in the event that one of the Partners dies or becomes incapacitated.
- To manage administration on one another's accounts as well as to request payment releases for Downlines within the confines of Avon Justine's rules for release of payments.

Partners also have the benefit of working together to support each other with complementary skills (one 'business head' and one 'people person', for example), which would benefit both.

How any benefits or profits are shared is the choice of the Partners. Sales Leaders considering a Sales Leader Partnership are advised to seek independent legal and financial advice and may wish to draw up a legally binding agreement between themselves.

The Sales Leader Partnership is not transferable and if the Sales Leader agreement of either Partner is terminated, it will automatically terminate the Partnership. (This does not apply to instances where one of the partners dies or becomes disabled.)

It is very important that you read through the Partnership section of the Advanced Leadership Business Guide to understand all the implications of entering into a Partnership agreement before you submit your application.

Eligibility Criteria

The right to operate as a Sales Leader Partnership is discretionary and is always subject to our written approval. In order to apply for approval, you must satisfy the following criteria:

- The maximum number of applicants is two, of which one has to be a Senior Leader or higher.
 Applications to operate a Sales Leader Partnership consisting of more than two Sales Leaders will not be considered.
- Both applicants must have been earning as Sales Leaders for at least one campaign at the date on
 which we receive the application. Trainee Sales Leaders will be required to sign and return the Sales
 Leader Agreement as well as achieve Coordinator level prior to being accepted.
- Applicants must be direct Upline and Downline Sales Leaders within the same network. Applications
 from Sales Leaders who are in different networks will not be considered.

- Both applicants must have no overdue balance on their respective Avon accounts at the time of their application. Applications from Sales Leaders owing money to us at the time of their application will not be considered.
- The Sales Leader Partnership application form must be fully completed, with all the relevant personal details, and must be signed by both applicants.
- Avon Justine field employees are not allowed to take part in Sales Leader Partnerships and other employees need to obtain approval from the Avon Justine Sales Director.

How to Apply

Download the Sales Leader Partnership application form from our website, complete the details and send to advanced.leadership@avon.com. Please note that the application form must be completed in full, including all personal details and must be signed by both applicants.

Also note that the two impacted Sales Leader accounts will remain open and their structures will run independently. In the event of one of the Partners' death or proven status of incapacity or disability, the teams will then be merged into the other partner's account number and the Partnership will then cease to exist. Please note that the usual team change business rules will apply.

Once your application to operate as a Sales Leader Partnership is received by us, you will be notified within 21 days whether your application is approved and, if successful, you will be advised when your Partnership will become effective. If your application is approved, your direct Upline and your Area Sales Manager will be notified at this time.

If you become a Partner in a Sales Leader Partnership, you will be taking on legal obligations towards your Partner, in addition to further legal obligations in relation to Avon. These are serious commitments and we do recommend that you consider taking professional advice if you are at all uncertain about the implications of proceeding with a Partnership Sales Leader business.

Any Questions?

What are the benefits of being a Partner Sales Leader?

Working as a Partner Sales Leader is a personal choice for people who prefer to work that way. The main benefit is the longevity of the existing teams which will not dissolve, but rather roll up into the account of the existing Partner in the event of death or disability. Some might see the fact that you can divide the work between Partners as a benefit and that you can support each other as beneficial to a lot of people. You may have complementary skills (one 'business head' and one 'people person', for example), which would benefit both partners.

Can we earn more as Partner Sales Leaders?

We're unable to advise on this as it is dependent upon so many variables – like the number of hours you choose to work, your current situation and your ability to build a team. In some instances, being able to work jointly in support of one another may see an improvement in the business' earnings. We strongly recommend that you take financial advice before embarking on a Sales Leader Partnership.

Do both Partners have to live at the same address/be married/be related in order to become a Partner Sales Leader?

This opportunity is aimed at married couples, life partners, or close associates and those who wish to work as business partners. They do not have to live at the same address, but both addresses will be required for our records.

What happens if we no longer wish to operate as partners in a Sales Leader Partnership?

If you request that we end the Partnership, then both accounts will once again become independent on condition that all the debts of the partnership are settled in full, including any debts or liabilities on both Avon accounts, irrespective of whether those liabilities were incurred before or after the Partnership started.

Neither of you will be allowed to enter into a Partnership Sales Leader agreement again as you are only allowed to have one Sales Leader Partnership per lifespan of an account.

Avon will not be involved in any disputes between the Partners.

To ensure both Partners are clear about their personal position in any unfortunate event, they should consider drawing up a contract with their Partner, having taken independent legal advice. As with any Sales Leader account, we reserve the right to terminate a Sales Leader Partnership due to misconduct, fraud, debt, etc. Termination of a Sales Leader Partnership agreement will terminate the Independent Sales Leadership agreement and Representative agreement of both Partners.

Do we both have to be Representatives and Sales Leaders?

You must both have entered into a Representative agreement and Sales Leadership agreement with Avon, as well as having applied to operate in a Sales Leader Partnership. In addition, if you both recruit and train, you must both be able to demonstrate that you can serve your customers. However, the way you conduct the Partnership is to be agreed between you.

What happens if one of the accounts become inactive?

If one of the Partners' accounts become inactive, the Partnership Sales Leader business will immediately dissolve and both partners will be held liable for any outstanding debts on both accounts, including any debts or liabilities on the joint Avon account, irrespective of whether those liabilities were incurred before or after the Partnership started.

Neither of you will be allowed to enter into a Sales Leader Partnership again as you are only allowed to have one Sales Leader Partnership during the lifespan of an account.

We will not be involved in any disputes between the Partners.

To ensure both Partners are clear about their personal position in any unfortunate event, they should consider drawing up a contract with their Partner, having taken independent legal advice. As with any Sales Leader account, Avon reserves the right to terminate a Sales Leader Partnership due to misconduct, fraud, debt, etc. Termination of a Sales Leader Partnership agreement will terminate the Independent Sales Leadership Agreements and Representative Agreements of both Partners.

My wife/friend is currently my Downline. May we become Partners in a Sales Leader Partnership business?

Yes, provided you meet the rest of the eligibility criteria.

My husband/friend is a Downline of my Downline (second Generation). May we become Partners?

No, this isn't possible as it could compromise the first Generation Sales Leader.

I have a friend who is a Sales Leader and we would now like to become Partners in a Sales Leader Partnership. We are both Sales Leaders in different networks with different Uplines. Is this allowed?

No, a Sales Leader Partnership agreement is permitted between Sales Leaders and direct Downline Sales Leaders within their network only, therefore a Sales Leader Partnership would not be possible in this situation.

Please note that at least one of the Partners have to be a Senior Leader or higher.

My friend and I are both Sales Leaders under the Area Sales Manager, hence we do not form part of a network. Can we become Partners in a Sales Leader Partnership business?

No, a Partnership is only allowed between Avon Sales Leaders and direct Downline Sales Leaders within their network only.

As Partners, could we both get information about the business, for example if we need to contact the Top Achievers Service Crew (TASC)?

Each Partner in the Partnership will have access to the same information and will have the same rights/abilities to maintain their teams. Due to the Protection of Personal Information Act, when calling TASC, you will be asked to confirm your details so that we know we are speaking to one of the Partners.

My wife and I are Partners and she needs to take time off (to care for her mother). May we continue the Partnership?

As long as you continue to meet the criteria for the business, the arrangement does allow for one Partner in the Partnership to cover for the other in the short-term, provided that you are both trained to recruit and develop team members and maintain the accounts as per the Partnership Sales Leader business criteria.

We have achieved President's Club. Will we both get a badge?

No, your independent accounts will need to qualify separately.

One of us has achieved President's Club, and qualifies for a place at the gala dinner. May we both go?

Only the account holder whose account qualifies for President's Club status will be allowed. We can offer a second place to enable your Partner to attend. However, a fee will be applicable.

We have been invited to a Top Achievers trip. May we both go?

Only the account holder whose account qualifies for the trip will be allowed to attend. We can accommodate both Partners on the trip; however a fee will be applicable.

We both want to attend the annual Sales Conference but only one of us can be 'the primary'. As it's a motivational event and we may achieve recognition, how does that work?

Each company event will be considered individually and options may be offered at our discretion when details of the event are publicised.

Why is a credit check done on both Partners before agreeing to the Partnership?

Both Partners will be liable for all the debts of the Partnership, irrespective of whether those liabilities were incurred before or after the Partnership started. A joint bank account is required and the Partners will need to give us details of this as soon as they can, so that we can make payments into it. Bearing this in mind, we must ensure that there is no reason related to a poor credit rating why this would not be possible for the proposed Partners being considered.

What if my Partner dies and the Partnership is dissolved – can I find another suitable person to become my business Partner?

At present, only one Partnership agreement per Sales Leader is permitted, although we do reserve the right to review this decision in the future.

Will we have joint access to all the business tools such as the Avon website and My Avon Office, or will we have separate access?

As Partners, you may decide to share login information if you believe it is to the benefit of your Sales Leader Partnership.

When will my agreement commence after Avon has received my application?

If the eligibility criteria has been met, your Partnership will commence one full campaign later. This allows a calendar month for a 'cooling off' period to take place for any changes to be made to the accounts.

I previously had a Sales Leader Partnership which was dissolved. However, I would like to set up a new Partnership agreement with a different Partner. Is this all right?

Not at present, as Sales Leaders can only operate within a Sales Leader Partnership once in their Avon 'lifetime'.

My Upline/Downline Sales Leader and/or I have applied to become a Partner Sales Leader, but we have changed our minds. The application has been accepted, but the Sales Leader Partnership has not yet started. How do we cancel our application?

Either Partner must e-mail their cancellation request to advanced.leadership@avon.com., as cancellation is subject to approval from Avon Justine.