

2022

# compensation guide



# As part of our Avon family... success and support go hand in hand.

We're here to help you succeed and take your business to the next level, every step of the way!

This guide gives you an overview of the different Sales and Leadership levels you can achieve, along with the commissions and bonuses you're eligible to earn. And remember, we'll supply you with the tools you need to build the business of your dreams: best-in-class training through Avon U, virtual sales meetings, digital tools (like the Digital Catalog and your own personal online store), plus AvonNow.com (your one-stop resource for business news and updates).

You can look forward to plenty of support along the way, including access to the Avon Care Center (phone numbers below) and help from your upline Leader or Mentor. With Avon, being in business for yourself...does not mean being in business by yourself. For more information, check out AvonNow.com.

#### **Avon Care Center**

English (866) 513-2866

Spanish (866) 588-2866

AVON ×  LGH&H

# Representative Commissions

Selling products to customers is at the heart of your business. Happy, satisfied customers who use our products are the foundation of a successful business. No matter how high up the success ladder you climb and no matter how large your organization becomes, everyone leads by example in the area of personal sales. When products are sold, you make money, team members make money, and everyone is inspired to continue growing their business.

- ▶ Customer Price is the suggested retail selling price and your campaign sales may include personal orders and customer purchases.
- ▶ As your sales level increases, your commissions may increase.
- ▶ Avon products are grouped into different product categories. Commission varies based on the product category you sell.

SALES LEVEL	CAMPAIGN SALES	ANNUAL SALES	BEAUTY /JEWELRY	FASHION /HOME
CONTENDER	\$0-39.99	—	0%	0%
CONTENDER	\$40.00 +	—	25%	20%
PREMIER	No minimum	\$5,000	30%	20%

A Contender is a Representative with Award Sales up to \$4,999 per year (December 22, 2021, through January 3, 2023). Premier Level is for Representatives with Award Sales of \$5,000 to \$9,999 per year.

## COMMISSIONS

# President's Recognition Program Commissions

The President's Recognition Program (PRP) rewards members with higher commissions, an awards program and VIP privileges at company-sponsored events. More details can be found on AvonNow.com.

- ▶ 2022 Cycle begins C2 2022 through C2 2023.
- ▶ At the close of C21 (September 27) your title and commission will be determined for the remainder of 2022, but earnings are protected from C2-C21 and the programs end on C2 2023 (January 3, 2023)

<b>SALES LEVEL</b>	<b>ANNUAL SALES</b>	<b>BEAUTY /JEWELRY</b>	<b>FASHION /HOME</b>
<b>PRESIDENT'S CLUB</b>	\$10,000	40%	25%
<b>HONOR SOCIETY</b>	\$20,000	40%	25%
<b>ROSE CIRCLE</b>	\$35,000	45%	25%
<b>DAVID H. MCCONNELL CLUB</b>	\$65,000	45%	25%
<b>PRESIDENT'S COUNCIL</b>	\$110,000	45%	25%
<b>INNER CIRCLE</b>	\$220,000	50%	25%

Avon's compensation plans, including the Leadership program, are subject to change at any time at Avon's sole discretion. See AvonNow.com for updates.

# Generation Bonuses

**Your earning potential grows as you build a strong team.**

When you become a Star Promoter, you begin earning a bonus on the Team Sales of your team. The percentage you earn and the number of Generations that you are paid on are based on your performance title, regardless of the titles of the Representatives in your Generations. This bonus is paid in addition to any other bonuses you might earn on your team sales.

- ▶ In order to be paid you must meet the Personal Sales and minimum G1 order requirements.
- ▶ Personal Sales Protection for Bronze Ambassadors and above: You receive a bank with points to automatically apply toward the \$200 personal sales requirement when your personal sales are less than the requirement. Ambassadors receive 200 points and Leaders and Executive Leaders earn 600 points. Once you use your points, you may refill your bank when you exceed your Personal Sales requirement in a campaign (up to your Personal Sales Protection point limit).
- ▶ All earnings for Sponsoring, Generation, and Leader Bonuses are calculated using Leadership Sales. Leadership Sales are based on your net sales, minus sales aids. (Sales aids include Brochures, samples, starter kits and products that are while supplies last and do not ship.)

# Generation Bonuses

TITLE		GENERATION BONUSES		
		G1	G2	G3
AMBASSADOR	STAR PROMOTER	3%		
	BRONZE (BA)	3%	3%	
	SILVER (SA)	4%	3%	
	GOLD (GA)	5%	3%	2%
LEADER	BRONZE (BL)	6.5%	3%	2%
	SILVER (SL)	7.5%	3%	2%
	GOLD (GL)	8%	3%	2%
EXECUTIVE LEADER	BRONZE (BEL)	8%	3%	2%
	SILVER (SEL)	8%	3%	2%
	GOLD (GEL)	8%	3%	3%
	PLATINUM (PEL)	8%	3%	3%

**EXAMPLE: AS A BRONZE LEADER**

As a Bronze Leader, you are eligible to earn Generation Bonuses on your first three Generations (G1-G3). 6.5% on G1, 3% on G2 and 2% on G3.

```

graph TD
    YOU((YOU)) --- G1_1(( ))
    YOU --- G1_2(( ))
    YOU --- G1_3(( ))
    YOU --- G1_4(( ))
    YOU --- G1_5(( ))
    YOU --- G1_6(( ))
    YOU --- G1_7(( ))
    YOU --- G1_8(( ))
    YOU --- G1_9(( ))
    YOU --- G1_10(( ))
    
    G1_1 --- G2_1(( ))
    G1_1 --- G2_2(( ))
    G1_2 --- G2_3(( ))
    G1_2 --- G2_4(( ))
    G1_3 --- G2_5(( ))
    G1_3 --- G2_6(( ))
    G1_4 --- G2_7(( ))
    G1_4 --- G2_8(( ))
    G1_5 --- G2_9(( ))
    G1_5 --- G2_10(( ))
    
    G2_5 --- G3_1(( ))
    G2_5 --- G3_2(( ))
    
```

**Generation 1 - Earn 6.5%**

**Generation 2 - Earn 3%**

**Generation 3 - Earn 2%**

# Leader Bonuses

Earn additional bonuses for mentoring your downline to reach Bronze Leader and higher titles.

- ▶ Earn up to 5% on your Leader’s respective Team Sales, through 3 Leader Levels.
- ▶ Leader Bonuses are paid in addition to any other bonuses.
- ▶ They’re calculated based on Leadership Sales from the Leader’s Central Team.\* Leadership Sales are your net sales, minus sales aids. (Sales aids include Brochures, samples, starter kits and products that are while supplies last and do not ship.)

\*A Leader’s Central Team includes the Leader and all Representatives, Promoters, and Ambassadors in which there is no other Leader in between. A Leader Level is the depth of Leader Central Teams in your downline in relation to you. The first Leader and their Central Team is your L1, the second Leader and their Central Team is L2, and so forth. For more information on your specific team and bonuses, go to AvonNow.com.

TITLE		LEADER BONUSES		
		L1	L2	L3
LEADER	SILVER (SL)	3%		
	GOLD (GL)	3%	2%	
EXECUTIVE LEADER	BRONZE (BEL)	3%	3%	
	SILVER (SEL)	5%	3%	2%
	GOLD (GEL)	5%	5%	4%
	PLATINUM (PEL)	5%	5%	4%

# Sponsor and Lifestyle Bonuses

**SPONSOR BONUS**

**You are rewarded on an ongoing basis when you and your new Representatives place orders.** When you sell \$50 or more in a campaign, you'll earn the 3% sponsoring bonus on the Personal Sales of all Representatives you recruited. This is paid in addition to any other bonuses you may be earning on those sales.

```

    graph LR
      YOU((YOU)) -- "You recruit a new Representative" --> REP((REP))
      REP -- "She/he places any order" --> BONUS[You earn a 3% Sponsoring Bonus when you sell $50+]
  
```

Reaching our Executive Leader titles requires dedicated commitment and excellence. Every two weeks in which you perform as a Bronze Executive Leader or higher, you will receive an additional cash reward. The amount of the bonus is based on your Performance title.

TITLE	LIFESTYLE BONUS
BRONZE EXECUTIVE LEADER	\$250
SILVER EXECUTIVE LEADER	\$300
GOLD EXECUTIVE LEADER	\$350
PLATINUM EXECUTIVE LEADER	\$400

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# Compensation Plan At-a-Glance

Effective C2 2021

TITLE		CAMPAIGN PERFORMANCE REQUIREMENTS			LEADERSHIP COMPENSATION								
		PERSONAL SALES	G1 ORDER	TOTAL TEAM SALES <sup>1</sup>	SPONSORING BONUS <sup>2</sup>	GENERATION BONUS <sup>3</sup>			LEADER BONUS <sup>4</sup>			LIFESTYLE BONUS <sup>5</sup>	
						G1	G2	G3	L1	L2	L3		
PROMOTER	PROMOTER	\$50	1		3%								
	STAR PROMOTER	\$50	2		3%	3%							
AMBASSADOR	BRONZE (BA)	\$200	3	\$1,000	3%	3%	3%						
	SILVER (SA)	\$200	6	\$2,000	3%	4%	3%						
	GOLD (GA)	\$200	9	\$4,000	3%	5%	3%	2%					
LEADER	BRONZE (BL)	\$200	10	\$8,500	3%	6.5%	3%	2%					
	SILVER (SL)	\$200	10	\$13,000	3%	7.5%	3%	2%	3%				
	GOLD (GL)	\$200	10	\$21,000	3%	8%	3%	2%	3%	2%			
EXECUTIVE LEADER	BRONZE (BEL)	\$200	10	\$42,000	3%	8%	3%	2%	3%	3%			\$250
	SILVER (SEL)	\$200	10	\$105,000	3%	8%	3%	2%	5%	3%	2%		\$300
	GOLD (GEL)	\$200	10	\$210,000	3%	8%	3%	3%	5%	5%	4%		\$350
	PLATINUM (PEL)	\$200	10	\$315,000	3%	8%	3%	3%	5%	5%	4%		\$400

<sup>1</sup> Team Sales is the summation of your Personal Sales plus G1, G2 and G3 team sales.

<sup>2</sup> Earn a 3% bonus on the sales of new recruits when you have a minimum of \$50 in Personal Sales.

<sup>3</sup> Generation Bonuses are calculated at net team sales from your downline.

<sup>4</sup> Leader Bonuses are calculated at net team sales of Leaders and Executive Leaders in your downline.

<sup>5</sup> You will receive a Lifestyle Bonus each campaign that you continue to meet your title qualifications.