

**SALES LEADER AGREEMENT**  
("The Agreement")

between

**AVON JUSTINE (PTY) LTD**  
(Registration number: 1964/002772/07)  
56 Lotus Road, Sage Technology Park, Gallo Manor  
("The Company")

and

**Name:** \_\_\_\_\_

**Identity number:** \_\_\_\_\_

**Physical Address:** \_\_\_\_\_

\_\_\_\_\_

**Account Number:** \_\_\_\_\_

("hereinafter the Sales Leader")

**Zone:** \_\_\_\_\_

**Divisional Sales Manager for Zone:** \_\_\_\_\_

**Zone Manager for Zone:** \_\_\_\_\_

**SCOPE OF AGREEMENT**

The Parties enter into an independent contractor agreement wherein the Sales Leader undertakes to execute the obligations set out hereunder, including but not limited to the Advanced Leadership Business Guide issued by the Company in furtherance of the joint objectives of the parties.

**IT IS AGREED as follows:**

**1. INTERPRETATION**

- |   |   |   |
|---|---|---|
| <p>1.1 "Agreement" means this independent contractor agreement entered into between the parties; together with the annexures referenced herein.</p> <p>1.2 "Activities" means the functions to be undertaken by the Sales Leader for the Company as described in the Advanced Leadership Business Guide;</p> <p>1.3 "Advanced Leadership Business</p> | <p><b>Guide"</b> means the business guide issued by the Company, from time to time, containing information relating to the Advanced Leadership Business Model;</p> <p>1.4 "Commission" refers to the percentage earnings by the Sales Leader on Net Closed Paid Sales;</p> <p>1.5 "Downline" refers to a Representative and/or another sales leader who is recruited by the Sales Leader as is further described in the Advanced Leadership Business Guide;</p> | <p>1.6 "Net Closed Paid Sales" means the invoiced sales (less VAT, returns and discount) that has been fully paid within 3 months from the date of the purchase;</p> <p>1.7 "Team" means (i) the Representatives recruited by the Sales Leader and (ii) the Sales Leader's Downlines in terms of the Sales Leadership Model in place at the time;</p> |
|---|---|---|

1.8 "Team Sales" means the total value of sales achieved by the Sales Leader and his/her Team; and

1.9 "Upline Sales Leader" means the person

## 2. NATURE OF THE APPOINTMENT

2.1 The rights and obligations as set out in the original Representative Agreement shall apply to this agreement *mutatis mutandis*.

2.2 It is a condition of this Agreement that the Sales Leader remains a duly appointed Representative in terms of the original independent contractor agreement signed with the Company. The Sales Leader accepts he/she is a self-employed independent contractor and is solely responsible for arranging the necessary tools and funds in order to perform the Activities. Nothing in this Agreement entitles the Sales Leader to bequeath to an heir the network of Downlines and/or Upline Sales Leaders accrued to him/her in the duration of this Agreement.

2.3 Nothing in this Agreement shall render the Sales Leader an employee, assignee or agent of the Company; or the right to bind the Company in any form or manner.

2.4 The Sales Leader may, with the prior written approval of the Company, appoint a suitably qualified and skilled substitute that is an Upline to undertake the Activities instead of the Sales Leader, provided that the substitute is a member of the Sales Leader's team and is also a Sales Leader in terms of the business model as per the Advanced Leadership Business Guide. If the Company accepts the substitute, any fees payable for undertaking the Activities will remain payable to the Sales Leader and the

## 6. PAYMENTS AND DISTRIBUTIONS

6.1 As consideration for the Activities, the Company shall pay to the Sales Leader fees calculated as a percentage of the Sales Leader's Net Closed Paid Sales as per the current commission model attached as Annexure A. These fees shall be paid to the Sales Leader on or about 15 (fifteen) - 20 (twenty) days after the last day of each Campaign by electronic transfer into the bank account

## 7. INTELLECTUAL PROPERTY

7.1

who recruited the Sales Leader referred to in this Agreement.

1.10 Words defined in the Glossary of the Advanced Leadership Business Guide have the same meanings in this

Sales Leader will be responsible for the remuneration of the substitute.

## 3. DURATION

This Agreement will come into effect when the Company notifies the Sales Leader in writing that he/she has been registered as such, and will continue unless terminated in terms of Clause 11 below.

## 4. RESPONSIBILITIES OF THE SALES LEADER

4.1 The Sales Leader will undertake the Activities in accordance with the provisions of the Advanced Leadership Business Guide.

4.2 At the time of signing this Agreement, the Sales Leader must have access to a telephone and provide the number at which he/she may be contacted, by the Company. The Sales Leader is required have access to the Internet, with a unique e-mail address and cell phone number, within six (6) months of signing this Agreement.

4.3 The Sales Leader shall be fully responsible to pay all costs, expenses and liabilities associated with his/her business activities including all tax, insurance, telephone accounts and any other costs.

4.4 The Sales Leader may not promote the

nominated by the Sales Leader. The commission model may be amended by the Company from time to time in accordance with the requirements of Clause 11.3 below.

6.2 The Company shall be entitled, at its sole discretion, to set off from the commission due to the Sales Leader any amounts due and payable to the Company at any time.

Agreement, unless there is any inconsistency or the context requires otherwise, in which case the terms of this Agreement will prevail.

Company's products in any manner which is likely to mislead or deceive potential customers. In particular, the Sales Leader must not make false promises on the earnings potential arising from the recruitment of new representatives.

4.5 The Sales Leader indemnifies the Company for and in respect of any liability for any claim arising as a result of a breach by the Sales Leader of the terms of this Agreement.

## 5. CONFLICTS OF INTEREST

5.1 The Sales Leader warrants that he/she is over the age of 18 and/or legally emancipated at the time of signing this Agreement.

5.2 The Sales Leader agrees not to encourage or invite the Company's Sales Leaders or Representatives to participate in other network or multi-level marketing or direct selling programmes in competition with those promoted by the Company.

5.3 Nothing in this Agreement shall prevent the Sales Leader from being engaged in any other business, occupation or activity provided that such business, occupation or activity does not cause a breach of or conflict with any of the Sales Leader's obligations under this Agreement.

6.3 In the event that this Agreement is terminated for any reason whatsoever, the Sales Leader will only receive commission in respect of those Net Closed Paid Sales which were accrued on or before the date on which this Agreement was terminated.

The Sales Leader shall do nothing to bring the Company into disrepute or utilise the Intellectual Property of the Company without written consent, which are the exclusive property of the Company or its affiliated companies and are protected by law.

7.2 Advertising and promotional materials,

## 8. CONFIDENTIAL INFORMATION

8.1 Confidential Information means all information and data, which, by its nature and/or content, is identifiable as confidential and/or proprietary to the Sales Leader and which is disclosed under and/or pursuant to this Agreement, whether such information is formally

## 9. DATA PROTECTION

9.1 The Sales Leader consents to his/her personal details being held and processed (including processing by automatic means) by the Company and its authorized third parties (including any Upline Sales Leaders) for the purposes of performing functions on the Company's behalf, including (but not limited to) order fulfilment and delivery, marketing, research, customer service, administration, payment processing, the production of electronic invoices and

## 10. RESERVATIONS

10.1 The Company reserves the right in its absolute discretion to reject, or place additional conditions on any Representative or Sales Leader referrals which are made by the Sales Leader, and which may be based on any referral incentive scheme introduced by the

## 11. TERMINATION

11.1 This Agreement may be terminated by the Company on one or more of the following ground(s):-

11.1.1 the Sales Leader's Representative account remains inactive for three consecutive Campaigns;

11.1.2 the Sales Leader fails to achieve the relevant sales targets required to reach Sales Leader status within

including materials on the Internet or other electronic media, must comply in all material respects with the provisions of the Advanced Leadership Business Guide, and the Sales Leader will promptly remove any such materials on request by the Company, regardless of whether they have previously been approved by the

designated as confidential or not, and whether communicated orally or in writing.

8.2 Information which is provided by the Sales Leader or the Company in connection with this Agreement and which is not or has not been publicly disclosed shall be kept

statements of fees earned, which may also be provided to other Team members.

9.2 The Sales Leader consents to allowing data transfer of his/her personal details to any other company within the Company's group and business contacts located in other countries outside of South Africa in order to facilitate the proper performance of this Agreement. The Sales Leader further consents to allowing data transfer by the Company of his/her personal

Company.

10.2 Nothing contained in this Agreement is intended to grant to the Sales Leader any sole or exclusive rights to conduct his/her business in or from any particular geographical territory and the Company

6 (six) consecutive Campaigns of joining the Sales Leadership programme; or

11.1.3 the Sales Leader does not achieve one or more of the Sales Leadership qualification criteria in any three consecutive Campaigns.

11.2 Where this Agreement is terminated, the

Company.

7.3 The Sales Leader may not create, operate or maintain any website for the purpose of promoting his/her business unless such website has been approved in writing by the Company.

confidential and shall not be used or divulged other than in accordance with this Agreement. The provisions pertaining to confidentiality shall be of full force and effect during this Agreement and endure thereafter.

details to third parties to assess creditworthiness and/or for the collection or any other administration relating to monies owing to the Company.

9.3 The Parties hereby undertake to comply with all the provisions set out in Protection of Information Act, No. 4 of 2013 for the protection of personal information exchanged by either Party.

reserves the right in its absolute discretion to perform, or to appoint others to perform, the same or similar services from the same or similar geographical territory.

Representative Agreement will remain in effect, unless terminated in respect thereof.

11.3 The Company reserves the right to alter and/or amend this Agreement or the Sales Leadership programme on 30 (thirty) days' written notice. The Sales Leader will always be given no less than 30 (thirty) days' written notice; except that

where such changes affect the Sales Leader's status or the structure or method of calculation of fees payable to the Sales Leader, in which case, the Sales Leader will be given no less than 60(sixty) days' written notice. In the latter instances or in any other instance wherein the proposed changes prejudice the rights of the Sales

Leader in any way, such changes will not come into effect unless the proposed changes have been agreed upon by both parties.

Company or destroy, any and all signs, stationery or other material reflecting the name or logo of the Company that came into his/her possession during this Agreement and must stop holding his/herself out, in any manner, as a Sales Leader of the Company.

11.4 Where this Agreement is terminated, the Sales Leader must, at the Company's request, remove and return to the

12. GENERAL

12.1 The Sales Leader's rights and obligations under the Agreement may not be assigned or otherwise transferred by the Sales Leader, except as provided for in Clause 2.4 above.

Leader agrees that such communications will satisfy any legal requirements for such communications to be in writing in terms of the provisions of the Electronic Communications and Transactions Act, 2002.

12.5.1 This clause does not limit the liability of either party for fraud; and

12.2 The Sales Leader must keep the Company informed of any change to his/her physical address, email address or telephone number.

12.4 The Sales Leader may be required to attend mandatory meetings from time to time with an Upline Sales Leader or with a Zone Manager of the Company.

12.5.2 This Agreement is supplementary to the Representative Agreement concluded between the Sales Leader and the Company.

12.3 The Sales Leader expressly authorizes the Company to issue communications (including invoices) electronically, by email to the Sales Leader, [by posting messages or notices on the Company's website ([www.avon.co.za](http://www.avon.co.za)) or such other website address as the Company may notify from time to time]] or by short message service (SMS), and the Sales

12.5 This Agreement, including the Advanced Leadership Business Guide, constitutes the entire agreement between the parties and supersedes any previous agreement/s or understanding, save for the following two exceptions:

12.6 This Agreement is governed by the laws of South Africa.

12.7 By signing this Agreement, the Sales Leader records that he/she has carefully read and reviewed the contents of the Agreement and acknowledges that he/she fully understands all of its terms and conditions.

SIGNED at \_\_\_\_\_ on this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

.....  
The Sales Leader

SIGNED at GAUD AANOR on this the 3RD day of AUGUST 2016.

.....  
Signatory name: KEVIN HAYES

Capacity: EXECUTIVE DIRECTOR FINANCE

For and on behalf of The Company as a duly authorized representative (e.g. Zone Manager)

## Annexure

A once-off fee will be applied to the Sales Leader Representative account for administrative costs and a Sales Leadership Bag (which includes pamphlets and material to assist in appointing Representatives and developing Downlines). This fee is the Sales Leader's only financial obligation under this Agreement, unless otherwise specified within the Advanced Leadership Business Guide. The Sales Leader has the right to cancel this Agreement within 10 days of it being signed. The fee is then refundable in full within 15 days of The Company receiving the returned Sales Leadership Bag, provided the Sales Leadership Bag is returned in a usable form (which will be determined at the sole discretion of The Company).

Sales Leader can obtain a copy of the updated Advanced Leadership Business Guide at [www.avon.co.za](http://www.avon.co.za) in the Online Training Section under Training Materials.

If you have signed this agreement based on a direct marketing approach, please note that you have a 5-day cooling-off period within which you can cancel this agreement without any penalty provided you return your first order and Sales Leadership Bag.