

Independent Beauty Consultant Agreement

General Terms and Conditions

A. THE INDEPENDENT BEAUTY CONSULTANT AGREES:

1. To promote and sell Mary Kay® products only to ultimate consumers and not to resellers, and only in quantities generally purchased by an ultimate consumer for personal use. I understand that I may not sell or display Mary Kay® products in retail sales or service establishments. I further understand that I am authorized to sell Mary Kay® products only in the United States, Puerto Rico, the U.S. Virgin Islands and Guam.
2. To provide each consumer with the written Mary Kay® Satisfaction Guarantee and to promptly honor it upon request. I understand that Mary Kay Inc. ("Company") sponsors a complete satisfaction or money-back guarantee as to each Mary Kay® product sold by me to a consumer.
3. To maintain the highest standards of integrity, honesty and responsibility in dealings with the Company, consumers and other Beauty Consultants. To present Mary Kay® products in a truthful and sincere manner and hold the Company harmless from damages resulting from misrepresentations by me.
4. To protect the Mary Kay® trademarks and trade name by obtaining the Company's written permission prior to my use in any advertising (including but not limited to the Internet) or literature other than Company-published material. I understand that display or sale of Mary Kay® products in or to public, retail or service establishments of any kind (including Internet retail or auction sites) is prohibited under the terms of this Agreement. I agree that I will not (directly or indirectly through any intermediary or instrumentality) offer for sale, or facilitate the offering of Mary Kay® products for sale through such establishments or websites (including, but not limited to, eBay and Amazon). I understand that the obligations in this paragraph survive the termination of this Agreement.
5. As an independent contractor, to assume sole liability for all self-employment (Social Security) taxes, tax filings and registrations legally required by my activities as an Independent Beauty Consultant and to abide by all federal, state and local laws governing my Mary Kay business, including anti-spam, privacy and other consumer protection laws.
6. To purchase the Starter Kit and all Mary Kay® products only from Company. All orders submitted to Company shall be accompanied by cash, credit card charge, cashier's or certified check or money order made payable to the order of "Mary Kay Inc." for the full amount due. I understand that all orders are subject to acceptance by Company and the terms of this Agreement.
7. I am not a joint venturer with, or franchisee, partner, agent or employee of Company. I have no power or authority to incur any debt, obligation or liability on behalf of Company. I understand that all Independent Beauty Consultants, Independent Sales Directors and Independent National Sales Directors are independent contractors and are subject to this provision.
8. When presenting the Mary Kay opportunity to do so in a truthful and sincere manner and ensure that any prospective Beauty Consultant recruited by me is the age of 18 years or older and receives education and materials related to a Mary Kay business upon submission of an Independent Beauty Consultant Agreement.
9. To keep my contact information on file with the Company up-to-date, including my current address and phone number. I agree that Company may release my name and telephone number in response to a customer's request for a Beauty Consultant in my area. If this information is not to be released, I agree to notify Company that I do not want this information released by written notice directed to: Consultant Records Department, P.O. Box 799040, Dallas, TX 75379-9040. The Company also may share information about me with other Independent Beauty Consultants and third-party vendors as necessary for the fulfillment of contractual obligations.
10. To keep the personal information of other Independent Beauty Consultants, customers and potential customers that I obtain as a result of, or in connection with, my Mary Kay business secure and not to disclose or share this information with others without express permission from the individual. I further agree to treat any and all personal information received by me directly or indirectly from the Company as highly confidential and to not disclose it to others without the express authorized written permission of the Company.
11. To abide by the terms, conditions and guidelines of all tools and services that the Company makes available and that I use to support my business.
12. To comply with any changes to the General Terms and Conditions of the Independent Beauty Consultant Agreement that may be made by the Company. The Company may change suggested retail prices, discounts, commissions, shipping and handling charges, contest rules and active status requirements at any time, which become effective after the Company has provided 10 days' written notice of the changes by posting on the Company website(s).
13. I may not delete, add, modify, tamper with, or alter any labels, material, or packaging for Mary Kay® products or associated product literature.
14. I am responsible for providing customers with high quality Mary Kay® products and for the proper storing and handling of Mary Kay® products. I agree to follow any specific instructions provided on product labels, literature, and fact sheets, as well as any other instructions that may be provided through marykayintouch.com.
15. I agree to provide truthful and accurate information to my customers and potential customers regarding Mary Kay® products and will provide advice, answer questions, and teach customers how to use the products using product information and educational tools approved and provided by the Company for use by Independent Beauty Consultants. I will provide contact information to my customers sufficient to allow them to contact me in the event the customer has questions about a product or a product purchase.

B. MARY KAY INC. ("COMPANY") AGREES:

1. In exchange for Beauty Consultant's compliance with the terms and conditions set forth above, to sell to the Beauty Consultant items from the then current Consultant order form ("COF") and to allow an active Beauty Consultant a discount from suggested

retail prices on Section 1 items from the COF ("Section 1 products"). The discount shall not apply to samplers, premiums, demonstrators, literature or sales promotion items.

2. To pay Beauty Consultant with one or more active team members a monthly personal team commission on all purchases of Company products (excluding Starter Kits and sales aids) made by persons whom Beauty Consultant has personally recruited to become Mary Kay Beauty Consultants and who have been accepted by the Company, with commissions to be calculated and paid in accordance with the then current Company-published monthly personal team commission schedule for so long as both Beauty Consultant and team member are active, provided that commissions and bonuses paid on merchandise not sold at retail to ultimate consumers which is subsequently returned for Company repurchase pursuant to this Agreement, may be charged back or deducted from commissions or other sums payable by Company to Beauty Consultant. A Consultant must be active and have one or more active team members in order to receive a monthly personal team commission. An Independent Beauty Consultant is considered "active" in the month a minimum \$225 wholesale Section 1 product order is received by Company and in the following two calendar months.
3. Not to impose any geographical territories on Beauty Consultant concerning sales and team-building except as provided in Section A. 1.
4. Company reserves no right of control or direction of Beauty Consultant's activities, other than the right to question results.
5. **To accept Consultant's cancellation of this Agreement within thirty (30) days after acceptance of the Agreement by Company, and upon return of Consultant's original and unused Starter Kit to Company, to refund to Consultant the Consultant's cost of the Starter Kit; or if Agreement is terminated and Consultant's original and unused Starter Kit is returned to Company after the cancellation period and within one (1) year of purchase, to repurchase such Starter Kit at ninety percent (90%) of Consultant's original net cost.**
6. **To repurchase, upon termination of this Agreement, at ninety percent (90%) of Consultant's original net cost, original and unused Section 1 products, provided such items were purchased by Consultant from Company within one (1) year prior to return.**
7. Starter Kit and Section 1 products must be shipped freight prepaid accompanied by a signed "Request for Repurchase" form to the Mary Kay Repurchase Department in Dallas. Consultant agrees that Company's cost of any prizes, product bonuses or credits awarded to Consultant based on the purchase of the returned Section 1 products, and any indebtedness Consultant owes Company, will be deducted from the repurchase amount. Consultant who returns product to Company is not eligible to rejoin the Mary Kay independent sales force. Consultant agrees that Section 2 items are not intended to be purchased from the Company for resale and are not subject to the repurchase provisions.
8. Customer names and addresses furnished by Beauty Consultant to Company in connection with optional programs shall remain the sole property of Beauty Consultant and will not be used by Company or disclosed by Company to other parties without Beauty Consultant's permission, except as may be required by law.
9. There will be no direct sales from Company to the Beauty Consultant's customer without a commission being paid to customer's Beauty Consultant, provided Beauty Consultant is a member of the Mary Kay independent sales organization at the time of the sale. Company will not accept an order directly from customer without the name and Beauty Consultant number of customer's Beauty Consultant. Commissions will be charged back on customer returns.

This Agreement is subject to acceptance by Company at its corporate headquarters in Dallas, Texas, through issuance of a Notice of Acceptance. Such acceptance is conditioned upon receipt of a Starter Kit by Beauty Consultant. This Agreement shall be governed by the laws of the State of Texas as to all matters. The parties further agree that if any dispute or controversy arises between them concerning any matter relating to this Agreement that any issues which either party may elect to submit for legal jurisdiction shall be submitted to the jurisdiction of the courts of the State of Texas, with the exception of any dispute or controversy arising out of or relating to the use or misuse of Mary Kay® intellectual property, which dispute may, at the sole discretion of the Company, be submitted to the exclusive jurisdiction of the Federal District Court for the Northern District of Texas. The parties agree that the venue for any state court action shall be Dallas, Dallas County, Texas and that the venue for any federal court action shall be the Dallas Division of the Federal District Court for the Northern District of Texas.

This Agreement is not subject to alteration, modification or change, except in writing, signed by an authorized executive of the Company and shall not be deemed to be changed, modified or altered by reason of any advice, suggestions, guides or sales aids furnished by the Company to the Beauty Consultant. This Agreement shall be effective from the date of acceptance until December 31 of the same year and shall thereafter be automatically renewed each January 1, for additional terms of one year each, provided that the Agreement may be terminated by either party effective immediately for any breach of its provisions or by either party at any time during the initial term or any renewal term by not less than thirty (30) days written notice.

It is not necessary to submit a new Agreement (or purchase a new Starter Kit) if reinstating within one year of last order month (anniversary month, if no last order) as the terms and conditions of the then current Independent Beauty Consultant Agreement will continue in full force and effect. For record purposes, a Consultant must have a minimum \$225 wholesale Section 1 product order to update her last order date.

This is the sole and only Agreement between the parties relating to the subject matter hereof, and both parties acknowledge that the Independent Beauty Consultant is not an employee of Company and will not be treated as an employee with respect to this Agreement for federal, state or local tax purposes, or otherwise.