



MARY KAY®

INDEPENDENT BEAUTY CONSULTANT CAREER PATH BOOKLET

This is a description of the career path and incentive programs in effect Oct. 1, 2023. The Company reserves the right to alter, modify or change any terms of the incentive programs described herein.

This document is not intended to replace, modify or alter in any way the terms contained within your Agreements with the Company. In the event of a conflict between this brochure and the Independent Beauty Consultant Agreement, Independent Sales Director Agreement and the Independent National Sales Director Agreement, the terms of the Agreements will prevail.

Career Path At-a-Glance

All Independent Beauty Consultants and above

- Have 50% profit potential on personal retail product sales.

INDEPENDENT BEAUTY CONSULTANT

- Independent Beauty Consultant Agreement is received and accepted by the Company.

INDEPENDENT SENIOR BEAUTY CONSULTANT

- 1 or 2 active personal team members.
- 4% personal team commission

STAR TEAM BUILDER

- 3 or 4 active personal team members.
- 4%, 6% or 8% personal team commission.

REDS

TEAM LEADER

- 5-7 active personal team members.
- 9% or 13% personal team commission.

ELITE TEAM LEADER

- 8 or more active personal team members.
- 9% or 13% personal team commission.

All Independent Sales Directors through Independent Elite Executive Senior Sales Directors

- Have 50% profit potential on personal retail product sales.
- Must have \$4,500 or more in monthly unit retail sales volume of wholesale Section 1 product.

INDEPENDENT SALES DIRECTOR

- 4%, 9% or 13% personal team commission.
- 9%, 13% or 23% unit commission.

INDEPENDENT SENIOR SALES DIRECTOR

- 1 or 2 active first-line offspring Sales Directors (including GLDP units).

All the compensation opportunities of an Independent Sales Director, plus:

- First-Line Offspring Commission of 5%.
- First-Line Offspring Sales Director Bonus.

INDEPENDENT FUTURE EXECUTIVE SENIOR SALES DIRECTOR

- 3 or 4 active first-line offspring Sales Directors (including GLDP units).

All the compensation opportunities of an Independent Sales Director, plus:

- First-Line Offspring Commission of 6%.
- First-Line Offspring Sales Director Bonus.

INDEPENDENT EXECUTIVE SENIOR SALES DIRECTOR

- 5-7 active first-line offspring Sales Directors (including GLDP units).

All the compensation opportunities of an Independent Sales Director, plus:

- First-Line Offspring Commission of 7%.
- First-Line Offspring Sales Director Bonus.
- Second-Line Offspring Commission of 1%.

INDEPENDENT ELITE EXECUTIVE SENIOR SALES DIRECTOR

- 8 or more active first-line offspring Sales Directors (including GLDP units).

All the compensation opportunities of an Independent Sales Director, plus:

- First-Line Offspring Commission of 7%.
- First-Line Offspring Sales Director Bonus.
- Second-Line Offspring Commission of 2%.

All Independent National Sales Directors and above:

- Have 50% profit potential on personal retail product sales.
- 4%, 9% or 13% personal team commission.
- 13% Sales Director personal unit commission and 10% NSD personal unit sales volume commission.
- 9% offspring unit commission on first-line, 4% on second-line and 2% on third-line offspring units.
- 2% top 10 fourth-line and beyond Sales Director commission for all NSDs.
- 2% fourth-line offspring unit commission for Elite Executive NSDs only.
- Opportunity to develop leaders in designated international markets.

INDEPENDENT NATIONAL SALES DIRECTOR

(appointment at the discretion of the Company)

- 30 or more unit members in your personal unit.
- 20 total offspring Independent Sales Directors (12/3/8), (11/3/9) or (10/3/10).
- Cadillac Career Car or Cash Compensation qualifier.

INDEPENDENT SENIOR NATIONAL SALES DIRECTOR

- 1 offspring National Sales Director in any line, regardless of debut order.

INDEPENDENT EXECUTIVE NATIONAL SALES DIRECTOR

- 3 offspring National Sales Directors* from any unaffiliated line.

INDEPENDENT ELITE EXECUTIVE NATIONAL SALES DIRECTOR

- 5 offspring National Sales Directors* from any line.

**Any offspring National Sales Director who debuted as an NSD after your debut and for whom you are eligible to receive the Offspring NSD Anniversary Bonus*

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Business Guidelines

For All Career Path Statuses

The foundation of a strong Mary Kay business is and always will be the sale of amazing *Mary Kay*® products to your customers! Thanks to the Company's generous 50% profit potential on all retail sales, you have an incredible opportunity to earn by simply building a strong and loyal customer base and selling products to your satisfied customers!

Earned Discount Privilege:

- Active Independent Beauty Consultants are eligible to receive a 50% wholesale discount on Section 1 products.
- An Independent Beauty Consultant is considered active with personal retail sales of \$225 in wholesale Section 1 products.
- An Independent Beauty Consultant will remain active for two months following any month with personal retail sales of \$225 in wholesale Section 1 products.

Spouses may be Mary Kay Independent Beauty Consultants. However, once one spouse becomes a Sales Director, the other spouse is not eligible to become a Sales Director. They may operate separately, just as if they were not related. However, for Company record purposes, one will be considered a personal team member of the other. In other words, the spouse of a Beauty Consultant must be recruited by that Beauty Consultant. The personal team commission and team-building cash bonus normally paid on team members will not be paid when an Independent Beauty Consultant recruits her/his spouse. Spouses do not count toward any program except unit Section 1 product sales volume and unit commission. The spouse will not count in any way toward Independent Sales Director qualification, career path status requirements or any Company promotions or awards, including qualification for or maintenance of a Career Car under the Career Car Program.

Commissions and Bonuses: Commissions are based on monthly wholesale Section 1 product sales volume, and bonuses can be earned in many ways. When earned, commissions and bonuses are paid in three different ways.

Faster Bonus Payment: Several bonuses will be paid in up to three business days upon completion when you have direct deposit or already have a Prepaid Wire Card. If you achieve any of these bonuses and do not already have a Prepaid Wire Card, we will send you one. This will take 7–10 business days.

Midmonth Commissions can be earned by Sales Directors and above who have met any of the following requirements:

- Midmonth Unit Commission for Sales Directors and above.
 - » If a Sales Director or above has \$1,000 – \$5,499.99 in unit Section 1 product sales volume by the 15th of the month, she is eligible to earn 13% unit commission.
 - » If a Sales Director or above has \$5,500 or more in unit Section 1 product sales volume by the 15th of the month, she is eligible to earn 23% unit commission.
- Midmonth first-line and second-line offspring Independent Sales Director commission for Senior Sales Directors through Elite Executive Senior Sales Directors.
 - » If a Senior Sales Director or Future Executive Senior Sales Director has \$4,500 or more in personal unit Section 1 product sales volume by the 15th of the month, she is eligible to earn first-line offspring commission.
 - » If an Executive Senior Sales Director or Elite Executive Senior Sales Director has \$4,500 or more in personal unit Section 1 product sales volume by the 15th of the month, she is eligible to earn first-line and second-line offspring commission.
 - » The minimum requirement of \$4,500 in Section 1 product sales volume in order to be eligible to earn first-line and second-line offspring Independent Sales Director commission is waived for the first three months following the debut of an offspring Sales Director.

When earned, midmonth payment is issued on the first of the following month, for all months except December (Jan. 1 is a holiday). If the first falls on a holiday or a weekend, the payment will be made on the previous business day except for December (payment will be made the first business day in January).

Month-End Commissions: When earned, month-end payment is issued on the 15th of each month. If the 15th falls on a holiday or a weekend, the payment will be made on the previous business day.

Glossary of Terms

The definitions included in this glossary apply throughout the brochure.

ACTIVE: An Independent Beauty Consultant is considered active with personal retail sales of \$225 in wholesale Section 1 products and will remain active for two months following any month with this amount in sales.

A RED: an Independent Beauty Consultant who achieves one of the following statuses at the end of any month: Star Team Builder, Team Leader or Elite Team Leader.

FIRST-LINE OFFSPRING: an Independent Sales Director who has debuted from your personal Sales Director unit.

GREAT START-QUALIFIED: one who has personal retail sales of \$600 or more in wholesale Section 1 products within the *Great Start* time frame. The wholesale order(s) to support this retail sales amount can be single or cumulative.

GREAT START TIME FRAME: the month your Agreement is received and accepted by the Company plus the following three calendar months.

PERSONAL TEAM COMMISSION: the money you are eligible to earn as a percentage of your personal team sales volume when the requirements are met. Note for Star Team Builders: The wholesale Section 1 value of personal retail sales and personal team sales volume is used to determine the percentage of the commission, but the commission is paid only on personal team sales volume.

PERSONAL TEAM / PERSONAL TEAM MEMBER: Your personal team consists of Independent Beauty Consultants with whom you have personally shared the Mary Kay opportunity whose Independent Beauty Consultant Agreements have been received and accepted by the Company. A personal team member is anyone on your personal team.

PERSONAL TEAM SALES VOLUME: the monthly wholesale Section 1 product sales volume generated by your personal team. If you have an Independent Sales Director or above on your personal team, that Sales Director's personal retail sales in wholesale Section 1 products can be included in this total.

SECOND-LINE OFFSPRING: an Independent Sales Director who has debuted from your first-line offspring's unit.

SECOND-TIER TEAM: the personal team members of your personal team members.

UNIT COMMISSION: the money earned as a percentage of your unit's sales volume.

UNIT SALES VOLUME: the monthly wholesale Section 1 product sales volume generated by your unit. As a Sales Director, your personal retail sales in wholesale Section 1 products can be included in this total.

Activity Status Codes

N1, N2, N3: New status. Has submitted an Independent Beauty Consultant Agreement but has not yet placed an activating wholesale Section 1 order of \$225 or more.

A1, A2, A3: Active status. Has placed a wholesale Section 1 order of \$225 or more.

- A1: The activating order was placed in the current month.
- A2: The activating order was placed last month.
- A3: The activating order was placed two months ago.

I1, I2, I3: Inactive status. Has placed an activating wholesale Section 1 order of \$225 or more at least three (I1), four (I2) or five (I3) months ago. Needs to place an activating order to earn personal team commissions and bonuses.

T1: Terminated status. Has not placed an activating wholesale Section 1 order of \$225 or more in six months. Will lose their personal team at the end of the month if an activating order is not placed within the month.

T2, T3, T4, T5 and T6: Continuation of Terminated status. Must place an activating wholesale Section 1 order of \$225 or more to remain an Independent Beauty Consultant.

T7: Last month of Terminated status. Has been 12 months since an activating wholesale Section 1 order of \$225 has been placed. Must place an activating order by the end of the month to maintain Consultant number.

XA: No longer an Independent Beauty Consultant. Must submit a new Independent Beauty Consultant Agreement.

Independent Beauty Consultant*

Career Path Qualification

Independent Beauty Consultant Agreement is received and accepted by the Company.

Compensation

1. 50% profit potential on personal retail product sales.
2. Earned Discount Privilege.

Additional Incentives and Rewards

1. Is eligible to earn **Great Start Program** rewards, such as **Great Start: Independent Beauty Consultant Team-Building Cash Bonus**.
 - Must be an active **Independent Beauty Consultant**, Senior Beauty Consultant, Star Team Builder, Team Leader or Elite Team Leader.
 - Is eligible to earn a \$50 Team-Building Cash Bonus for each *Great Start*-qualified new personal team member. She will receive the bonus in the month the new personal team member becomes *Great Start*-qualified.
2. Is eligible to earn **Star Consultant Program prizes**.
3. Is eligible to earn **yearlong challenge prizes**.
4. Is eligible to earn **Seminar Awards: Queen's Court of Sharing and Consultant Queen's Court of Personal Sales**.
5. Is eligible to attend **Company events planned for Beauty Consultants and above**.
6. Will receive access to monthly *Applause*[®] magazine digital edition.
7. Is eligible to wear the *Mary Kay*[®] pin.

*A Beauty Consultant is an independent contractor, not an employee of Mary Kay Inc., and will not be treated as an employee for federal tax purposes or otherwise.

Independent Senior Beauty Consultant*

Career Path Qualification

1 or 2 active personal team members.

Compensation

1. 50% profit potential on personal retail product sales.
2. Earned Discount Privilege.
3. **Personal team commission: 4%**.
 - Must be an active Independent Senior Beauty Consultant.
 - Is eligible to earn a 4% personal team commission on the combined personal team sales volume in any calendar month.

Additional Incentives and Rewards

1. Is eligible to earn **Great Start Program** rewards, such as **Great Start: Independent Beauty Consultant Team-Building Cash Bonus**.
 - Must be an active Independent Beauty Consultant, **Senior Beauty Consultant**, Star Team Builder, Team Leader or Elite Team Leader.
 - Is eligible to earn a \$50 Team-Building Cash Bonus for each *Great Start*-qualified new personal team member. She will receive the bonus in the month the new personal team member becomes *Great Start*-qualified.
2. Is eligible to earn **Star Consultant Program prizes**.
3. Is eligible to earn **yearlong challenge prizes**.
4. Is eligible to earn **Seminar Awards: Queen's Court of Sharing and Consultant Queen's Court of Personal Sales**.
5. Is eligible to attend **Company events planned for Beauty Consultants and above**.
6. Will receive access to monthly *Applause*[®] magazine digital edition.
7. Is eligible to wear the **Senior Consultant pin enhancer**.

*A Senior Beauty Consultant is an independent contractor, not an employee of Mary Kay Inc., and will not be treated as an employee for federal tax purposes or otherwise.

Star Team Builder*

(A Red is a Star Team Builder, Team Leader or Elite Team Leader.)

Career Path Qualification

3 or 4 active personal team members.

Compensation

1. **50% profit potential on personal retail product sales.**
2. **Earned Discount Privilege.**
3. **Personal team commission: 4%, 6% or 8%.**
 - Must be an active Star Team Builder.
 - Is eligible to earn a personal team commission on the combined personal team sales volume in any calendar month.

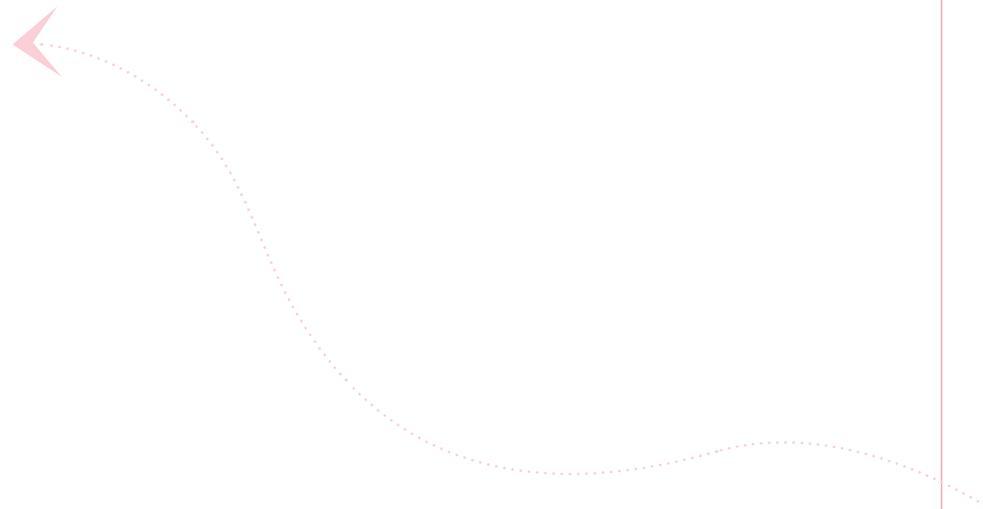
Star Team Builder Personal Team Commission Schedule

Monthly Personal Retail Sales and Personal Team Sales Volume	Commission
\$0 – \$999.99	4%
\$1,000 – \$1,799.99	6%
\$1,800 or more	8%

NOTE: Personal retail sales and personal team sales volume are combined to determine the percentage of commission, but the commission is paid only on personal team sales volume.

Additional Incentives and Rewards

1. **Is eligible to earn *Great Start* Program rewards, such as *Great Start: Independent Beauty Consultant Team-Building Cash Bonus*.**
 - Must be an active Independent Beauty Consultant, Senior Beauty Consultant, **Star Team Builder**, Team Leader or Elite Team Leader.
 - Is eligible to earn a \$50 Team-Building Cash Bonus for each *Great Start*-qualified new personal team member. She will receive the bonus in the month the new personal team member becomes *Great Start*-qualified.
2. **Is eligible to earn Star Consultant Program prizes.**
3. **Is eligible to earn yearlong challenge prizes.**
4. **Is eligible to order and wear the official red jacket from Mary Kay Inc.**
5. **Will receive a 50% discount on their first red jacket order.**
6. **Is eligible to earn Seminar Awards: Queen’s Court of Sharing and Consultant Queen’s Court of Personal Sales.**
7. **Is eligible to attend Company events planned for Beauty Consultants and above.**
8. **Will receive access to monthly *Applause*® magazine digital edition.**
9. **Is eligible to wear the Star Team Builder pin enhancer.**



*A Star Team Builder is an independent contractor, not an employee of Mary Kay Inc., and will not be treated as an employee for federal tax purposes or otherwise.

Team Leader*

(A Red is a Star Team Builder, Team Leader or Elite Team Leader.)

Career Path Qualifications

5–7 active personal team members.

Compensation

1. **50% profit potential on personal retail product sales.**
2. **Earned Discount Privilege.**
3. **Personal team commission: 9% or 13%.**
 - Must be an active Team Leader.
 - **9%** personal team commission can be earned on combined personal team sales volume in any calendar month when you have 5 or more active personal team members.
 - **13%** personal team commission can be earned on combined personal team sales volume in any calendar month when you have 5 or more active personal team members with a \$225 or more individual sales volume in the same calendar month that you have personal retail sales of \$600 or more in wholesale Section 1 products.

Additional Incentives and Rewards

1. **Is eligible to earn *Great Start* Program rewards, such as *Great Start*: Independent Beauty Consultant Team-Building Cash Bonus.**
 - Must be an active Independent Beauty Consultant, Senior Beauty Consultant, Star Team Builder, **Team Leader** or Elite Team Leader.
 - Is eligible to earn a \$50 Team-Building Cash Bonus for each *Great Start*-qualified new personal team member. She will receive the bonus in the month the new personal team member becomes *Great Start*-qualified.
2. **Is eligible to earn Star Consultant Program prizes.**
3. **Is eligible to earn yearlong challenge prizes.**
4. **Is eligible to wear the official red jacket of Mary Kay Inc.**
5. **Is eligible to earn Seminar Awards: Queen's Court of Sharing and Consultant Queen's Court of Personal Sales.**
6. **Is eligible to be on-target for Grand Achiever status (Grand Achiever Career Car or Cash Compensation option).**
7. **Is eligible to attend Company events planned for Beauty Consultants and above.**
8. **Will receive access to monthly *Applause*® magazine digital edition.**
9. **Is eligible to wear the Team Leader pin enhancer.**

*A Team Leader is an independent contractor, not an employee of Mary Kay Inc., and will not be treated as an employee for federal tax purposes or otherwise.

Elite Team Leader*

(A Red is a Star Team Builder, Team Leader or Elite Team Leader.)

Career Path Qualifications

8 or more active personal team members.

Compensation

1. **50% profit potential on personal retail product sales.**
2. **Earned Discount Privilege.**
3. **Personal team commission: 9% or 13%.**
 - Must be an active Elite Team Leader.
 - **9%** personal team commission can be earned on combined personal team sales volume in any calendar month when you have 5 or more active personal team members.
 - **13%** personal team commission can be earned on combined personal team sales volume in any calendar month when you have 5 or more active personal team members with a \$225 or more individual sales volume in the same calendar month that you have personal retail sales of \$600 or more in wholesale Section 1 products.

Additional Incentives and Rewards

1. **Is eligible to earn *Great Start* Program rewards, such as *Great Start*: Independent Beauty Consultant Team-Building Cash Bonus.**
 - Must be an active Independent Beauty Consultant, Senior Beauty Consultant, Star Team Builder, Team Leader or **Elite Team Leader**.
 - Is eligible to earn a \$50 Team-Building Cash Bonus for each *Great Start*-qualified new personal team member. She will receive the bonus in the month the new personal team member becomes *Great Start*-qualified.
2. **Is eligible to earn Star Consultant Program prizes.**
3. **Is eligible to earn yearlong challenge prizes.**
4. **Is eligible to wear the official red jacket of Mary Kay Inc.**
5. **Is eligible to earn Seminar Awards: Queen's Court of Sharing and Consultant Queen's Court of Personal Sales.**
6. **Is eligible to earn the use of an Independent Beauty Consultant Grand Achiever Career Car or Cash Compensation option.**
7. **Is eligible to attend Company events planned for Beauty Consultants and above.**
8. **Will receive access to monthly *Applause*® magazine digital edition.**
9. **Is eligible to wear the Elite Team Leader pin enhancer.**

*An Elite Team Leader is an independent contractor, not an employee of Mary Kay Inc., and will not be treated as an employee for federal tax purposes or otherwise.

DIQ Program

Independent Sales Director-in-Qualification Program

Acceptance into the Independent Sales Director-in-Qualification (DIQ) Program is at the Company's sole discretion.

Acceptance:

To begin the Independent Sales Director-in-Qualification Program, an Independent Beauty Consultant must:

- Be active and in good standing with the Company.
- For a limited time starting Jan. 1, 2023, be active and have 8 or more active personal team members the month prior to submitting a DIQ Commitment Form.
- Submit a DIQ Commitment Form that is received and accepted by the Company.

Qualification Requirements:

- A DIQ may qualify as an Independent Sales Director in one, two, three or four months based on when she achieves the following:
 - » \$13,500 cumulative team wholesale Section 1 product sales volume in one, two or three months or \$18,000 cumulative team wholesale Section 1 product sales volume in four months.
 - » \$4,000 minimum team wholesale Section 1 product sales volume each month, even if the DIQ has already reached \$13,500 or \$18,000 cumulative team wholesale Section 1 product sales volume during the qualification period.
- The DIQ's team members must contribute at least \$10,500 toward the \$13,500 wholesale Section 1 product sales volume requirement or \$14,000 toward the \$18,000 wholesale Section 1 product sales volume requirement.
 - » A DIQ may contribute up to \$3,000 in personal Section 1 product sales toward the \$13,500 cumulative team wholesale Section 1 product sales volume during a one-, two- or three-month qualification period or \$4,000 in a four-month qualification period.

Debut:

For a limited time starting Jan. 1, 2023, to debut as a Sales Director, a Beauty Consultant must have:

- 24 active DIQ team members.
 - » The DIQ may count as one of the 24 active DIQ team members.
- Cumulative total DIQ team wholesale Section 1 product sales volume of \$13,500 or \$18,000. DIQ must not contribute more than \$3,000 in personal wholesale Section 1 product sales during a one-, two- or three-month qualification period or \$4,000 in personal Section 1 product sales during a four-month qualification period. The DIQ team must contribute \$10,500 or more of the required \$13,500 wholesale Section 1 product sales volume or \$14,000 or more of the required \$18,000 wholesale Section 1 product sales volume.

If the DIQ's qualifying team does not meet all of the requirements, the DIQ has not qualified and must submit a new Commitment Form to begin qualification again. She may submit a new Commitment Form immediately if she chooses to and is eligible. A DIQ may only submit a Commitment Form a maximum of four times in a rolling 12-month time frame.

Details to Know Prior to Entering the Independent Sales Director-in-Qualification Program

- Be in good standing with the Company (which includes, but is not limited to, compliance with the terms of the Independent Beauty Consultant Agreement and paying in full any accounts receivable she may have with the Company under her current or previous Consultant numbers).
- The Independent Beauty Consultant must formally submit a Commitment Form requesting acceptance into the DIQ program. The Commitment Form is available on *Mary Kay InTouch*® from the 1st through 3rd of each month.
- In order to submit a Commitment Form to the Company stating the intent to begin the Independent Sales Director-in-Qualification (DIQ) program, an Independent Beauty Consultant must:
 - » Be active.
 - » For a limited time starting Jan. 1, 2023, have 8 or more active personal team members by the end of the month prior to submitting the Commitment Form. For example, if a potential Independent Sales Director-in-Qualification (DIQ) wanted to submit a Commitment Form in June, then the Independent Beauty Consultant must have at least 8 active personal team members by May 31.
 - To count toward this requirement, none of the personal team members can be any of the following:
 - ▶ The spouse of the DIQ.
 - ▶ The spouse of an Independent Beauty Consultant.
 - ▶ A current DIQ or current Sales Director.
 - ▶ For a limited time starting Jan. 1, 2023, a personal team member who submits her Commitment Form in the same month as the DIQ. If one of the personal team members submits a Commitment Form in the same month as the DIQ, then the DIQ will need to replace that personal team member and have 9 or more active personal team members by the end of the month prior to submitting the Commitment Form.

Details to Know While in DIQ

- Once accepted, the DIQ enters the program with her personal team members, regardless of unit affiliation (exception: personal team members who are already Independent Sales Directors or who are already in qualification to become Sales Directors), and her second-tier team members (the recruits of her personal recruits, also excluding Independent Sales Directors or those who are already

