

ORDER FULFILLMENT OPTIONS

Table of Contents
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<u>Topic</u>	<u>Page Number</u>
Overview of Optional Services	2
Independent Beauty Consultant Eligibility Comparison	3
Tracking Your Sales and Shipments	3
Shipping and Handling	3
Sales Tax	5
Changes and Cancellations	6
ProPay®	6
Order Requirement Comparison	7
Customer Delivery Service Specifics	8
EZ Ship Specifics	8
Eligibility/How to Enroll in Program	8
Customer Participation	9
Guest Checkout Specifics	11
Eligibility/How to Enroll	11
Consumer Information/Privacy	11
Order Connection	12
Notifications	13
Discounts	13
Order Size Limits	13
Security Measures/Fraud	14
Chargebacks/Disputed Orders	14

Order Fulfillment Options

You can always fulfill customer orders with inventory on hand; you also can choose to have the Company ship products to your customers using the Customer Delivery Service, EZ Ship or Guest Checkout optional services.

Optional Services Available

Customer Delivery Service:

- Customer Delivery Service (CDS) is an optional shipping service for eligible Independent Beauty Consultants that quickly and conveniently delivers products directly to customers from the nearest Mary Kay branch.
- This can be done with sales from an Independent Beauty Consultants' Mary Kay® Personal Web Site or an order for which she prepares a sales ticket.
- When using this service, Independent Beauty Consultants can send a copy of *The Look* or two Mary Kay® product samples at no additional charge, and other product samples, literature or a gift with purchase, for an additional charge.
- CDS requires the Independent Beauty Consultant to approve the order and final pricing. Any delay in the approval process can result in a delay of shipment to customers, who are getting used to other online shopping sites shipping their online orders quickly.

EZ Ship:

- If an eligible Independent Beauty Consultant opts into the EZ Ship feature, when one of her registered customers places an order on her Personal Web Site to ship to her/his address, the order will ship without delay from the closest Mary Kay branch unless the Independent Beauty Consultant has removed that customer from EZ Ship.
- There will be no need to approve, adjust or process a Personal Web Site order after receipt, because Independent Beauty Consultants participating in EZ Ship will provide their approval and predetermine the terms of the sale (including shipping and handling, order limits and any discounts) in advance.
- Mary Kay also will calculate the appropriate sales tax to be charged on the order based on the customer's shipping address.

Guest Checkout:

- Guest Checkout can help eligible Independent Beauty Consultants reach consumers who have expressed interest in Mary Kay® products but are not ready to register on the Personal Web Site of an Independent Beauty Consultant in order to buy them.
- Consumers who select the new Guest Checkout option on marykay.com will be connected directly to the Personal Web Site of an eligible independent sales force member who has opted into the Guest Checkout feature. The consumer will shop and check out without registering, and since the actual sale takes place seamlessly on your ProPay® site, your profits from the sale will appear automatically in your ProPay® account.

- Mary Kay also will calculate the appropriate sales tax to be charged on the order based on the consumer’s shipping address.
- Mary Kay will then ship the products to the consumer on your behalf.
- Although the Independent Beauty Consultant will not receive the Guest Checkout consumer’s contact information, the consumer will learn about the benefits of having their own Independent Beauty Consultant during the checkout process. What's more, the Independent Beauty Consultant’s contact information will be provided to the Guest Checkout consumer so she can contact the Independent Beauty Consultant with any questions about the products or place a reorder.

Independent Beauty Consultant Eligibility Comparison			
	CDS	EZ Ship	Guest Checkout
“Active” IBC	YES	YES	YES
ProPay® Account	YES	YES	YES
PWS subscription	Not needed	YES	YES
Opt-in to program	Not needed	YES	YES

Tracking Your Sales and Shipments:

- You will receive commissions and Seminar credit with your use of any of the optional order fulfillment options. All order fulfillment options orders will accumulate toward maintaining your Active status.
- You will see the Section 1 credit in production on your myBusinessSM reports.
- You and your customer will receive an email notification from the Company when your customer places her order. You and your customer also will receive an email confirmation once the order has shipped.
- All orders will be shipped via UPS to ensure your ability to track your customers' orders. Once the orders have shipped, you can use “Order Status” to see orders placed by your customers and check on the status of specific orders. As part of these programs, Mary Kay also will send an automatic email notification to you and your customer once the order has shipped which will include the UPS tracking information.

Shipping and Handling:

- For Customer Delivery Service, EZ Ship and Guest Checkout, you have two options to choose from for shipping:
 - The US Postal Service (USPS) option is \$5.75 and delivery is estimated to be 3-8 business days
 - The UPS Ground option is \$9.95 and delivery is estimated to be 2-5 business days

	United States Postal Service	UPS Ground
Customer Delivery Service	\$5.75	\$9.95
EZ Ship	\$5.75	\$9.95
Guest Checkout	\$5.75	\$9.95

- For Customer Delivery Service only, the shipping and handling fee is \$37, plus applicable sales tax, for orders shipped to Alaska, Guam, Hawaii, Puerto Rico and the U.S. Virgin Islands. We cannot ship EZ Ship or Guest Checkout orders overseas.
- It is your choice whether or not to pass along the shipping and handling fee (plus applicable sales tax) to your customer.
 - For CDS orders, you can choose between the two shipping options and determine whether to offer free shipping when you charge the customer for his/her order.
 - If you choose to offer free shipping, EZ Ship and Guest Checkout consumers will have the option to choose between free shipping via USPS or a reduced shipping charge for UPS. The UPS charge is \$4.20, the difference in cost between the USPS and UPS options. This is what will display when you offer free shipping:

Delivery Preferences

What is your delivery preference?

- USPS ~~\$5.75~~ FREE**
estimated 3-8 business days
- UPS ~~\$9.95~~ \$4.20**
estimated 2-5 business days

Delivery times will vary depending on destination.

Continue

- Tax on the shipping and handling fee is calculated by multiplying the sales tax rate that appears on the payment section of your customer's order by the shipping and handling fee. For a list of states that do not tax shipping and handling fees go to InTouch > Resources > Taxes.
- Mary Kay branches cannot ship products that are not currently available for ordering from the Consultant Order Form, including discontinued or out-of-stock products. (Consider fulfilling your customer's order for last chance products or out-of-stock items from your own inventory.)
- If a product is damaged in the shipment of a CDS or EZ Ship order, you should advise your customer to notify you directly. You may elect to replace the damaged product from your existing inventory or you may contact branch

customer service. Based on your instructions, the Company will either ship the replacement product directly to your customer or ship it to you so you can resolve the issue with your customer. In these instances, branch customer service would only contact you, not your customer.

- If a product is damaged in the shipment of a Guest Checkout order, you should still handle this situation as you would normally. Remember, because Guest Checkout consumers receive your contact information, you may receive a call from a consumer whom you have not met. Both you and the consumer can reference the order number to help identify the order in question.
- If the Guest Checkout consumer calls the Company, branch customer service will follow the normal procedures for handling consumer questions, product returns, exchanges and refunds. In each case, the Company first asks, "Have you contacted your Independent Beauty Consultant?" If the consumer has not, the Company will encourage that connection. If the consumer has tried but is unable to connect with the Independent Beauty Consultant, Mary Kay will act as a liaison between the consumer and the Independent Beauty Consultant, and always honor the Mary Kay® Satisfaction Guarantee.

Sales Tax:

- For Customer Delivery Service, you need to determine what you will charge your customer for the order, including shipping and handling charges and sales taxes, and add that final total amount to the "Amount to Charge Credit Card" field within the payment section of the order. If you choose to pass shipping and handling charges to your customer, remember to charge applicable sales tax on the shipping and handling fee. **Also remember, if you discount your order to your customer, sales tax should only be collected on the amount you charge your customer.** For a list of states that do not tax shipping and handling fees or other products, go to InTouch > Resources > Taxes .
- For EZ Ship and Guest Checkout, Mary Kay will calculate the sales tax on your behalf for the customer's transaction based on the actual retail sales price including shipping and handling (if applicable) utilizing the "ship to" address. The sales tax, as part of your proceeds, will be deposited directly into your ProPay® account. Mary Kay will then deduct the total cost of your order, including applicable sales tax, from your ProPay® account. Mary Kay will remit all sales tax collected directly to the taxing jurisdictions.
- For EZ Ship and Guest Checkout orders, Mary Kay is not able to recognize your customer's exemption or your resale. For sales to exempt customers use Customer Delivery Service.
- For general sales tax information, go to Sales Tax FAQs at InTouch > Resources > FAQs > Legal & Taxes > Sales Tax FAQs.

Changes and Cancellations:

- Orders placed through these additional order fulfillment options will be processed as quickly as possible through our fulfillment operations in order to assist you in providing optimum service to your customers. Therefore, these orders cannot be changed or cancelled once submitted.
- Because all sales are between you and your customers, there is no refund available from Mary Kay. If you are refunding payment to your customer, you'll work with ProPay® without involving branch customer service.

ProPay®:

- ProPay® is an online payment processing system to help you accept your customers' credit cards simply, safely and affordably. Click here [\[LINK\]](#) for full details through the ProPay® website or call 1-800-630-8115. There is no minimum balance required to process orders automatically. However, it is important to keep your ProPay® account active as orders will not process if it is expired.
- Processing your customer's credit card or your own credit card will require a ProPay® processing fee as with any credit card processed through ProPay®. Using the funds directly from your ProPay account to pay for an order does not incur a fee.
- You will be charged for wholesale orders using **these services**.
 - If your customer is paying by credit card:
When you are ready to submit the Customer Delivery Service order and enter the amount you're charging your customer's credit card on the payment screen, a pop-up screen will appear to review the details of your customer's charge* and what is being credited to the your ProPay® account. The screen also will show you what you are being charged by the Company for the order, so the amount can be debited from your ProPay® account and paid to Mary Kay Inc. This final summary also details your actual earnings on the order. Once you've verified all of the information and its accuracy, you can press "YES," and the order will be submitted.
 - If your customer is paying by check, cash or money order:
You can choose to deduct the amount you owe the Company from your ProPay® account** or enter your credit card number. (Please note: Processing your own credit card will require a ProPay® processing fee as with any credit card processed through ProPay®. Using the funds directly from your ProPay® account to pay for an order does not incur a fee.)
- You can view the details of your submitted order on Mary Kay InTouch® under myCustomers > Orders.

*Independent Beauty Consultants who have a ProPay® Premium account also

can process charges on American Express® credit cards. ProPay® Basic accounts do not accept American Express® credit cards as a method of payment.

**To use your ProPay® account funds to pay for an order, you must have a ProPay® Premium account.

Order Requirement Comparison			
	CDS	EZ Ship	Guest Checkout
Placed on PWS	YES	YES	YES
Created from sales ticket	YES	NO	NO
Order size election in PWS	NO	YES	YES
Customer must have valid shipping address	YES	YES	YES
Last chance, discounted (Pink Sale items) or out of stock items	NO	NO	NO
Ships to Continental U.S.A.	YES	YES	YES
Ships to Hawaii, Alaska and eligible U.S. Territories	YES	NO	NO

Please note: It is important to maintain your active status in order to participate in these order fulfillment options. You will not receive Guest Checkout orders if you are inactive, and EZ Ship orders will convert to regular Personal Web Site orders that you will need to personally fulfill.

Individual Option Specifics

Customer Deliver Service:

- Customer Delivery Service does not require an opt-in and can be selected as a fulfillment option in myCustomersSM with each order that is processed.
- Customer Delivery Service requires the Independent Beauty Consultant's review and approval of each order before it is shipped.
- Simply select Customer Delivery Service when fulfilling your order, and Mary Kay, ships the order directly to your customer on your behalf or to your customer's gift recipient on her behalf.
- You can customize the order by adding a personalized message and copy of *The Look* or two Mary Kay[®] product samples free of charge to you.
- All Customer Delivery Service orders must come through your Mary Kay[®] Personal Web Site or a sales ticket to ensure that you meet the requirements of the program, as well as to ensure that the order itself qualifies for the program.

EZ Ship:

- EZ Ship is an optional enhancement to CDS. Independent Beauty Consultants who opt-in to this program will no longer need to review and approve CDS orders to their *registered* customers because orders will be shipped automatically, based on the Independent Beauty Consultant's preselected criteria, to customers who select "ship to my address" as their delivery preference.

Eligibility/How to Enroll in Program:

- To be eligible to participate, you must be in "active" status with a ProPay[®] account and a Personal Web Site. You also will need to take the following actions:
 1. Go to Mary Kay InTouch[®] and find the Business Tools menu. Scroll down and click on "Personal Web Site Manager." Then click on "Update" and go to the Order Fulfillment tab.
 2. Review the Terms and Conditions and click "Yes" to agree.
 3. Select the maximum retail order size limit you want to accept for EZ Ship orders (from \$200 to \$500 suggested retail). Orders that exceed the maximum order size limit you selected will require your review and approval. (Note: there is a minimum order size (\$25.00) for EZ Ship *only* when you offer free shipping and handling on your Personal Web Site.)
 4. Click "Save Changes" to complete your registration.

PWS Manager

[✓ Terms & Conditions](#)
[✓ Profile](#)
[✓ Locator](#)
[✓ Site Settings](#)
[✓ Promotion & Offers](#)
[Order Fulfillment](#)

Customer Delivery Service (CDS)

CDS is available to Beauty Consultants who are active and have an active ProPay account.

EZShip

No, I would not like to enroll in EZShip at this time
 Yes, I agree to the [Terms & Conditions](#) and want to enroll in EZShip
 Order Limits (suggested retail): \$200

Guest Checkout

No, I would not like to enroll in Guest Checkout at this time
 Yes, I agree to the [Terms & Conditions](#) and want to enroll in Guest Checkout
 Order Limits (suggested retail): \$150

[Previous](#)
[Save Changes](#)

Customer Participation:

- When you enroll in EZ Ship, all of your *registered* customers will be automatically opted in to receive EZ Ship orders if they select “ship to my address” as their PWS delivery preference.
- You may remove any customer from EZ Ship by accessing their Customer Profile in myCustomersSM and clicking on the EZ Ship link on the customer detail page to toggle to “off.”

myCustomers | InTouch Home | Customers | Orders | Reminders | Reports | [+ New Order](#) | [+ New Customer](#)

Customer Detail [Help](#)

Test AddressFail Registered **EZShip**

[Add to Group](#)

[Notes](#)
[Customer Information](#)
[Orders](#)
[Products](#)
[Activity Summary](#)

Add a note about Test

1000

[Add this note](#)

[Add Order](#)
[Edit customer](#)
[Archive customer](#)
[Delete customer](#)
[Send eCard](#)
[New Virtual Makeover](#)
EZ Ship Customer

SUBSCRIPTIONS

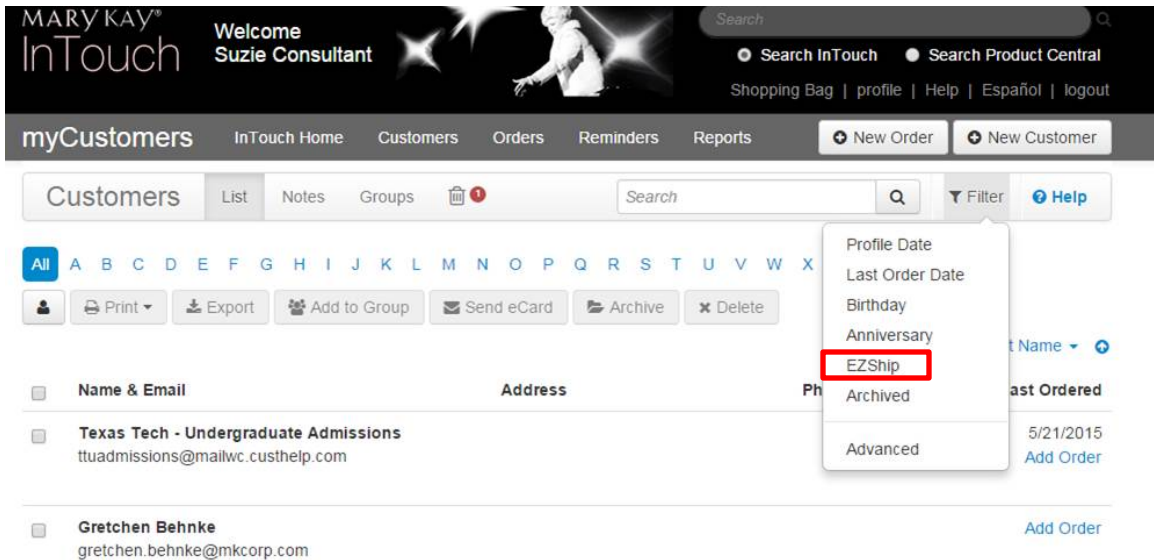
Beaut-e-News
 MK eCards
 Product Reorder Reminders

REMINDERS

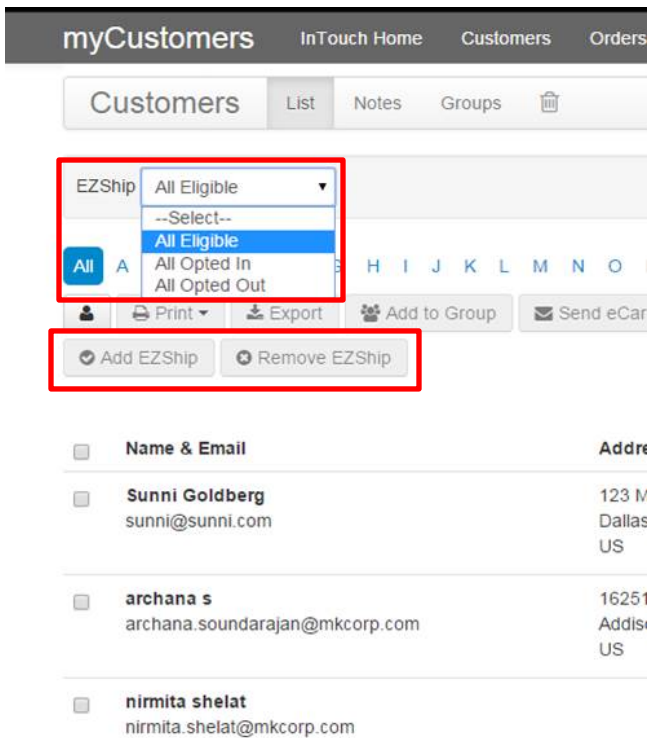
Indicates customer is enrolled in EZ Ship
 Click this link to remove customer from EZ Ship

* Notes should not be used to store confidential information about your customer such as credit card numbers.

- An EZ Ship filter has been added in myCustomers.



- Once the EZ Ship filter is selected, you can see All Eligible, All Opted Out and All Opted In. You can then use the check boxes and buttons to quickly add or remove EZ Ship for the selected customers



- The Company will select two product samples to be included in all EZ Ship orders. Samples will be changed periodically. You can find which samples were added to a customer's order in the myBusinessSM order status detail.
- Your customers will not see "EZ Ship" as an option on your Mary Kay[®] Personal Web Site. Instead, they will see "Ship to the address above".
- Please work with your customers to resolve any satisfaction issues, just as you would for a CDS order or an in-person sale.

Guest Checkout:

- Guest Checkout is an optional program that allows consumers to shop from your Mary Kay[®] Personal Web Site without requiring them to register. Product orders will be directly shipped from the Company to Guest Checkout consumers.
- Consumers will be randomly connected to active Independent Beauty Consultants who have opted into the program and are servicing the consumer's ZIP code.
- Guest Checkout will only show as an option on your Personal Web Site if you have opted in to this program. Because it preserves a degree of the shopper's privacy, Guest Checkout allows consumers who may not have come in contact with you another way to reach you. Once enrolled, you may receive orders and potential customers who decide to register on your Personal Web Site.

Eligibility/How to Enroll

- To be eligible to participate, you must be in "active" status with an active Personal Web Site and ProPay[®] account. You also will need to take the following actions:
 1. Go to Mary Kay InTouch[®] and find the Business Tools menu. Scroll down and click on "Personal Web Site Manager." Then click on "Update" and go to the Order Fulfillment tab.
 2. Review the Terms and Conditions and click "Yes" to agree.
 3. Select the maximum retail order size limit you want to accept for Guest Checkout orders (from \$150 to \$300 suggested retail).
 4. Click "Save Changes" to complete your registration.

Consumer Information/Privacy

- Please keep in mind that a consumer who selects the Guest Checkout option has chosen to shop without registering or sharing her contact information. As part of the terms and conditions of Guest Checkout, you agree to respect that choice and to refrain from attempting to contact or send anything to a Guest Checkout consumer. Independent Beauty Consultants who violate this condition may be removed from the Guest Checkout program.
- The Company will promote the benefits of registering with an Independent Beauty Consultant throughout the online shopping experience. The consumer will be sent the Independent Beauty Consultant's contact information in the order confirmation email and on the packing slip inside of her order. She will be encouraged to reach out to her Independent Beauty Consultant with any

questions or customer satisfaction concerns about the products or her order. In the event that she contacts 1-800-marykay, the Company can direct her to the Independent Beauty Consultant she ordered from.

- The consumer information that Mary Kay will collect through the Guest Checkout process (for example, shipping address) will be used to fulfill the order and for customer satisfaction purposes only, and will not be shared.
- When the Company tested this program with consumers during a research study, many indicated that they would consider contacting the Independent Beauty Consultant if they had a good experience.
- While the Guest Checkout consumer will be encouraged to register throughout her purchase experience, she will not be limited from using Guest Checkout for future orders.
- Occasionally a current customer may utilize Guest Checkout instead of shopping with their current Independent Beauty Consultant. To help prevent this from happening, the name and photo of the Independent Beauty Consultant who is tied to the Guest Checkout order is displayed throughout the purchasing process. Below the Independent Beauty Consultant information is a link to the Consultant Locator that says “Already have a Beauty Consultant? Click here,” allowing the customer the opportunity to search for their current Independent Beauty Consultant before completing their order. Should the customer complete the order as a guest, Mary Kay cannot move the order. By building great relationships with your customers through Golden Rule customer service and by promoting your Personal Web Site, encouraging customers to register with you and encouraging them to bookmark your Personal Web Site, we hope that your loyal customers will seek you out for their online ordering needs.

Order Connection

- A Guest Checkout consumer will enter her ZIP code and be connected to an Independent Beauty Consultant’s Personal Web Site. Independent Beauty Consultant selection will happen behind the scenes. The connection will be based on the following criteria:
 - You are active, have a Personal Web Site and ProPay® account.
 - You have opted in to Guest Checkout.
 - The ZIP code of the consumer matches one of the ZIP codes you have selected in Personal Web Site Manager
 - The retail amount of the consumer’s order is less than what you set as your maximum retail limit in Personal Web Site Manager for Guest Checkout orders.

IBC is selected according to the following:	
• Active status	✓
• Personal Web Site (PWS)	✓
• ProPay®	✓
• Enrolled in Guest Checkout	✓
• ZIP code match	✓
• Order total is below retail limit set by IBC	✓

Notifications

- The Independent Beauty Consultant will receive an email with the first name, city, state, and ZIP code of the Guest Checkout consumer. Once the order is fulfilled, the Independent Beauty Consultant will receive an email with the shipping status information. Guest Checkout orders will be indicated with a “Guest” in the status column of myCustomersSM on Mary Kay InTouch®.
- Mary Kay will send a Guest Checkout consumer a thank-you/order confirmation email on your behalf once the order has been processed. You will receive a copy of this email as well. Guest Checkout orders also will include a copy of *The Look*.
- If a Guest Checkout consumer chooses to register on your Mary Kay® Personal Web Site before checking out, this information will be provided to you in myCustomersSM in the same way that your current registered customers appear.

Discounts

- Guest Checkout consumers cannot be offered discounts. Mary Kay Ash always recommended that discounts be used with your best customers. If a Guest Checkout consumer registers on your Personal Web Site, she will be able to use any discounts that you offer in the future.

Order Size Limits

- When enrolling in Guest Checkout, you will need to choose the maximum order size you will accept for Guest Checkout orders. This will be based on the actual retail order size (including the discount that an Independent Beauty Consultant may offer). This maximum limit is put in place to help protect you from a fraudulent order of a large amount.
- Guest Checkout consumers shopping on marykay.com will be connected with an Independent Beauty Consultant who set her order size limit above the Guest Checkout order total.
- Guest Checkout orders that exceed the maximum order size limit you selected will not be processed. The consumer will be encouraged to contact you directly.
- The \$25 minimum order requirement is a safeguard to help prevent you from losing money on a Guest Checkout order when you offer free shipping and handling on your Personal Web Site.

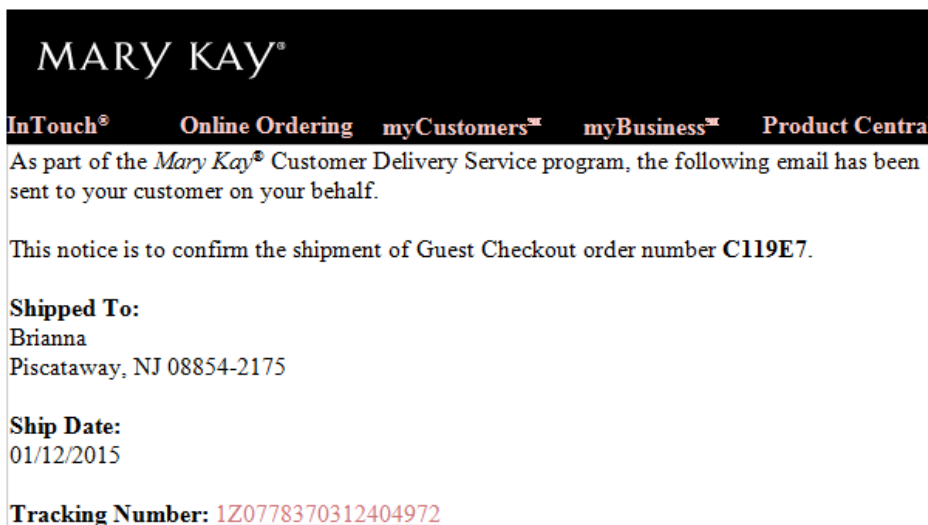
Security Measures/Fraud

- Consumer credit cards will be processed when orders have been placed. If the credit card used does not clear the security measures when it is used, the order will not be processed.
- As with all credit card sales, the Independent Beauty Consultant accepts the risk of a fraudulent transaction. Please be aware that participation in Guest Checkout and EZ Ship requires your acceptance of the program's Terms and Conditions, which also includes assumption of risk concerning fraudulent or stolen credit cards.

Additional security measures have been put into place for the EZ Ship and Guest Checkout process. Beginning June 20, 2016, a Guest Checkout or EZ Ship customer's billing address will be used for shipping orders. If the billing address does not match the address for the card, the order will not be processed.

Chargebacks/Disputed Orders

- If a cardholder disputes a transaction with his/her bank and the bank has reversed the charge, funds will be moved from the Independent Beauty Consultant's ProPay account into the cardholder's account.
- ProPay® will notify the Independent Beauty Consultant via email of the chargeback
- If you receive a notification from ProPay® that there is a chargeback on an order you can contest that chargeback and potentially recover the funds back to your ProPay® account. You will need to provide documentation to ProPay® within the time period specified in the notification, usually 14 days from the date of notification. Documentation that you will need to provide includes:
 - Sales Ticket – Find this on Mary Kay InTouch/myCustomers/Orders. Find the customer order from your list and click on it to provide the details and generate an invoice.
 - Shipping documentation/delivery confirmation – find the link to the tracking number on the order shipped confirmation email



- You will also need to create a written and signed letter supporting your case and refuting the reason for the chargeback.
- ProPay® will send this information to the bank that initially authorized the chargeback. Please note, it is ultimately the decision of the credit card issuing bank, not ProPay® or Mary Kay, as to whether or not a chargeback stands. The bank has 60 days in which to determine whether or not to honor the initial transaction. You will be notified via email of the outcome.
- You can find more information about chargebacks at ProPay's web site <https://www.propay.com/> or you may contact ProPay® at 1-866-573-0951 for assistance.

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