

# ***BuyDIRECT*<sup>SM</sup>**

## **OVERVIEW**

### **A Direct Purchase & Sale Plan for the Common Shares of Colgate-Palmolive Company**

The Bank of New York (the “Bank”) is pleased to offer a Direct Purchase and Sale Plan (the "Plan") for the shares of common stock of Colgate-Palmolive Company (“Colgate-Palmolive”). The Plan, ***BuyDIRECT***, provides both registered holders and interested first-time investors with an affordable alternative for buying and selling Colgate-Palmolive common stock.

#### ***BuyDIRECT Plan Features:***

##### **Convenient Purchase Option**

New investors can make their initial purchase directly through the Bank as Transfer Agent for Colgate-Palmolive, and Administrator for the ***BuyDIRECT*** Plan. Once enrolled, Participants can make additional optional cash investments in Colgate-Palmolive common stock through the Plan.

##### **Automatic Dividend Reinvestment**

Participants may choose to purchase additional shares of Colgate-Palmolive common stock by investing all or a portion of their cash dividends. Alternatively, you may choose to receive cash dividends directly.

##### **Certificate or Book-Entry Ownership**

In lieu of physical certificates, shares will be held in book-entry form. You will receive statements and confirmations reflecting your transaction history. You may, however, request the issuance of physical certificates at any time via a toll-free number, website or by mail.

##### **Deposit of Certificated Shares**

Shares of Colgate-Palmolive that you currently hold in certificated form may be deposited directly into your Plan account. The Bank will credit these shares to your Plan account in book-entry form. You can withdraw or transfer all or a portion of your shares at any time.

##### **Direct Sale**

All or a portion of your shares of Colgate-Palmolive that are held through the Plan may be sold directly through the Plan without having to issue a certificate.

***BuyDIRECT*** offers a convenient and flexible way of purchasing and selling shares of Colgate-Palmolive common stock. There are fees associated with utilizing certain Plan features. The fees are set forth on page 15, "Costs to Participants."

***BuyDIRECT<sup>SM</sup>  
IS SPONSORED AND  
ADMINISTERED SOLELY BY  
THE BANK OF NEW YORK,  
NOT BY COLGATE-PALMOLIVE COMPANY***

Shares are not insured by the FDIC or any other government agency, are not deposits or other obligations of, and are not guaranteed by, The Bank of New York, and are subject to investment risks, including possible loss of principal amount invested.

The Bank of New York and Colgate-Palmolive Company provide no advice and make no recommendations with respect to purchasing or selling shares of Colgate-Palmolive. Any decision to purchase or sell must be made by each individual Plan Participant based on his or her own research and judgment. Nothing herein shall be deemed to constitute an offer to sell or a solicitation to buy share(s) of Colgate-Palmolive.

**Important Note:** Shares held in *BuyDIRECT* are not subject to protection under the Securities Investor Protection Act of 1970.

*Please retain this brochure for future reference.*

# ***BuyDIRECT***

## **Summary of Plan Services**

### **for Shareholders of**

### **Colgate-Palmolive Company Common Stock**

#### **Eligibility & Enrollment**

Almost everyone is eligible to enroll in ***BuyDIRECT***. Interested investors may participate in the Plan if they already own Colgate-Palmolive common shares and non-holders may make their initial purchase of shares directly through the Plan (see page 11, "Terms and Conditions," for further information). If you have any questions or would like to receive an Enrollment Form, simply contact the Bank at the following toll-free number **1-800-756-8700** or visit the Bank's website at [www.stockbny.com](http://www.stockbny.com).

#### **Easy, Full Investment Program**

Once enrolled in the Plan you can invest cash dividends when paid and make optional cash investments simply and conveniently. Optional cash investments can be submitted at any time. With ***BuyDIRECT***, you have the advantage of having your cash fully invested because all shares, both full and fractional, are credited to your account and earn dividends when paid.

#### **Deposit of Certificated Shares**

If you already own Colgate-Palmolive common shares in certificated form, you may deposit such shares into your Plan account. The Bank will credit these shares to your Plan account in book-entry form. This feature protects your shares against possible loss, theft or accidental destruction and may save you the expense of having to replace your certificates.

#### **Convenient Ways To Sell or Transfer Your Shares**

Shares owned by you, whether in book-entry or certificated form, can be easily sold or transferred through the Plan. Transfers may be effected in book-entry or certificated form. You may instruct the Bank to issue a certificate in your name for shares held in the Plan at any time.

#### **Plan Costs**

The costs and fees associated with the Plan, including enrollment costs, administrative service fees and/or brokerage commissions, are set forth on page 15, "Costs to Participants."

*BuyDIRECT is sponsored and administered solely by The Bank of New York, not by Colgate-Palmolive. Please review the "Terms and Conditions" and "Costs to Participants" for specific Plan features and the fee schedule.*

# ***BuyDIRECT*<sup>SM</sup>**

## **Frequently Asked Questions and Answers**

### **HOW DO I ENROLL IN THE PLAN?**

Registered holders and other interested first-time investors can enroll in ***BuyDIRECT*** by completing, signing, and returning an Enrollment Form. Enrollment Forms and additional copies of the Plan brochure can be obtained by contacting the Bank at the following toll-free number **1-800-756-8700** or by visiting the Bank's website at [www.stockbny.com](http://www.stockbny.com). Both existing holders and new investors must complete, sign, and return an Enrollment Form to the Bank.

If shares are registered jointly or if the Plan account is to be registered in multiple names, all stockholders whose name the shares or Plan account is to be registered in must sign the Enrollment Form.

Once completed, the Enrollment Form and transaction instructions should be mailed to the Bank (see page 10, "How Do I Contact The Bank of New York?" for mailing instructions). Enrollment in the Plan is voluntary and may not be available to investors in certain countries. Participation in the Plan continues until terminated by you or by the Bank.

There is a one-time Initial Enrollment Fee of \$10.00 for all non-registered holders to open a Plan account. For first-time share purchases by non-registered holders, the minimum initial investment amount is \$500.00. All optional cash investments, including first time purchases, are subject to fees as detailed on page 15 of this brochure.

### **HOW CAN I PURCHASE ADDITIONAL SHARES?**

You can easily purchase additional shares at any time by making optional cash investments. Your optional cash investments, less applicable fees, are used to purchase shares of Colgate-Palmolive common stock for your account. No interest will be paid to investors on optional cash investments held by the Bank pending investment.

You can make an optional cash investment when joining the Plan by enclosing a check with the Enrollment Form. Thereafter, all optional cash investments should be accompanied by the tear-off portion of your account statement or transaction advice.

Once becoming a Plan Participant, you may make additional optional cash investments in amounts of at least \$50.00. In addition, Participants may elect to make automated monthly optional cash investments by Electronic Funds Transfer ("EFT"). If the EFT option is chosen, a minimum of \$50.00 will be deducted from the Participant's checking or savings account on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day (see page 5, "Can I Make Automatic Monthly Investments?").

For each optional cash investment made by check, Participants will incur transaction fees of \$2.50 plus \$0.10 per share. For each optional cash investment made by EFT, Participants will incur transaction fees of \$1.00 plus \$0.10 per share purchased. These fees include brokerage fees and commissions. The maximum investment amount per transaction is \$10,000.00 and the maximum annual aggregate investment is \$120,000.00 per calendar year.

Optional cash investments must be made either by EFT or by check drawn on a U.S. Bank, in U.S. currency, payable to "The Bank of New York - Colgate-Palmolive Plan". To make a payment by check, mail the tear-off portion of your account statement along with your check to the Bank using the address indicated on page 10. **Third party checks, cash, money orders, travelers checks and checks not drawn on a U.S. Bank or not in U.S. currency will not be accepted and will be returned to the sender.**

For optional cash investments, purchases are made at least once a week. Depending on the number of shares being purchased and current trading volume in the shares, purchases may be executed in multiple transactions and may be traded on more than one day.

Purchases are usually made through a broker affiliated with The Bank of New York (the "Affiliated Broker"). The Affiliated Broker will receive brokerage commissions which are included in the per share transaction fees on page 15 of this brochure.

**In the event that a Participant's optional cash investment check or EFT is returned unpaid for any reason, the participant will be charged a \$35.00 return fee. Further, the Bank will immediately remove from the Participant's account shares which were purchased in anticipation of the collection of such funds plus the return fee. These shares will be sold to recover any uncollected funds and the return fee. If the net proceeds of the sale of such shares are insufficient to recover in full the uncollected amounts plus the return fee, the Bank reserves the right to sell such additional shares from the Participant's Plan account as may be necessary to recover in full the uncollected balance plus the return fee. The sale of such shares may, in some cases, yield an amount greater than that required to recover in full the uncollected balance plus the return fee. If this occurs, only amounts in excess of \$1.00 will be remitted to the Participant.**

### **CAN I MAKE AUTOMATED MONTHLY INVESTMENTS?**

Once enrolled in the Plan, Participants may contact the Bank to arrange for automated monthly investments via EFT. EFT payments are deducted monthly from the Participants' designated account at any qualified financial institution that participates in the Automated Clearing House ("ACH"). Deductions are made on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day.

For each optional cash investment made by EFT, Participants will incur transaction fees of \$1.00 plus \$0.10 per share purchased. These fees include brokerage fees and commissions. Such payments are subject to the minimum optional cash investment of \$50.00 per transaction, a maximum investment of \$10,000.00 per transaction and a maximum annual investment of \$120,000.00 per calendar year.

It is the responsibility of the Participant to immediately notify the Bank of any changes in EFT information as it relates to the Participant's authorized monthly deductions. Participants may call **1-800-756-8700** or visit the bank's website at [www.stockbny.com](http://www.stockbny.com) to request an EFT Enrollment Form.

*Participants should be aware that the share price may fluctuate between the time your purchase request is received by the Bank and the time purchase is made on the open market. The Bank may, at its own discretion, accept written requests to revoke instructions.*

## **CAN I INVEST MY DIVIDENDS?**

You may invest all or a portion of the cash dividends paid to you on your Colgate-Palmolive common shares. Following your instructions on the Enrollment Form, the Bank will apply all or part of the cash dividend to the purchase of additional common shares. There are service fees of 5% of the investment amount with a maximum of \$1.25 per dividend payment, plus \$0.10 per share purchased. These fees include brokerage fees and commissions. Dividends are invested as promptly as practicable on or following the payable date. Depending on the number of shares being purchased and current trading volume in the shares, purchases may be executed in multiple transactions and may be traded on more than one day. You may change your reinvestment option at any time by sending a new Enrollment Form to the Bank or by visiting the Bank's website at [www.stockbny.com](http://www.stockbny.com). Changes must be received by the Bank on or before the record date for that dividend.

Purchases are usually made through an Affiliated Broker. The Affiliated Broker will receive brokerage commissions which are included in the per share transaction fees.

## **WHAT OPTIONS FOR DIVIDEND INVESTMENTS ARE AVAILABLE?**

**A. "Full Dividend Investment."** If you elect this option, all your cash dividends on all shares now or subsequently registered in your name (including shares previously purchased for your account pursuant to the Plan) will be used to purchase additional shares.

**B. "Partial Dividend Investment."** If you elect this option, cash dividends on the number of shares which you designate in the appropriate space on the Enrollment Form, and all of the cash dividends on shares purchased thereafter for your account pursuant to the Plan will be used toward the purchase of additional shares.

## **CAN I ELECT TO HAVE MY CASH DIVIDENDS WIRED TO MY BANK OR OTHER FINANCIAL INSTITUTION?**

If you elect to have all or a portion of your dividend paid in cash, this amount will be paid by check or can be wired directly to your bank account via EFT. In order to take advantage of this option your bank or financial institution must be a member of the Automated Clearing House ("ACH"). If you are interested in this option please call **1-800-756-8700** and request an ACH Fulfillment Kit.

## **HOW ARE SHARES PURCHASED?**

The Bank aggregates all requests to purchase shares and then purchases the total shares on the open market on the exchange on which the shares are traded. The price per share cannot be determined prior to the purchase. The price per share purchased will reflect the per share transaction fee, and shall always be the average weighted price for all shares purchased for the Plan on the trade date or dates plus the per share transaction fee. Net dividend funds and optional cash investments from all Participants may be commingled to purchase shares. Purchases are usually made through an Affiliated Broker. The Affiliated Broker will receive brokerage commissions which are included in the per share transaction fee.

The Bank will credit your account for all full and fractional shares (to four decimal places) purchased on your behalf. Purchases with respect to optional cash investments are made at least once a week. Purchases with respect to cash dividends are invested as promptly as practicable on or following the dividend payable date. In either case, depending on the number of shares being purchased and current trading volume in the shares, purchases may be executed in multiple transactions and may be traded on more than one day. The

purchase price will not be known until the purchase is complete. A transaction advice will normally be mailed to you by first class mail within two (2) business days following the final trade settlement date showing the purchase price, per transaction fee, and the number of shares credited to your account.

If Colgate-Palmolive pays a dividend, a summary account statement showing all year-to-date transactions will be mailed to you, as soon as practicable following each dividend payment date. You may choose to suppress the mailing of your statements by electing this option online at [www.stockbny.com](http://www.stockbny.com). A statement may be requested at any time by calling **1-800-756-8700** or you can view your account online directly from the Bank's website at [www.stockbny.com](http://www.stockbny.com).

You should retain these statements for your records. For your convenience, statements and transaction advices have a tear-off portion which can be used to send instructions to the Bank for the issuance of certificates, the sale or purchase of shares, the termination of participation in the Plan or the deposit of certificates (see page 11, "Terms and Conditions" and page 15, "Costs to Participants," for further information).

### **DOES THE PLAN ALLOW DEPOSIT OF CERTIFICATED SHARES?**

If you own Colgate-Palmolive common shares in certificated form, you may elect to deposit the shares represented by these certificates into your Plan account with the Bank. The Bank will credit these shares to your Plan account in book-entry form. To deposit certificated shares, send the certificates via registered mail, return receipt requested, to the Bank along with either, at the time of enrollment, your completed, signed Enrollment Form or the tear-off portion of your account statement with your written instructions regarding the deposit. **Please do not sign the stock certificate.** We recommend that you insure the package for 2% of the value of the shares (see page 10, "How Do I Contact The Bank of New York," for mailing instructions and page 15, "Costs to Participants," for fees and costs associated with the deposit of certificates).

### **HOW CAN I SELL MY SHARES?**

You may instruct the Bank to sell some or all of the shares held in your Plan account by one of the following methods:

#### ***□ Sale Orders via Phone***

You may instruct the Bank to sell some or all of your plan shares by placing a sale order via the Interactive Voice Response ("IVR") system. To place a sale order, contact the Bank, toll-free, at **1-800-756-8700**. Simply enter your social security number or taxpayer ID at the prompt, select the menu option for sales and follow the instructions provided. For security purposes, you will be asked to enter your account number.

#### ***□ Sale Orders via Internet***

You may instruct the Bank to sell some or all of your plan shares by placing a sale order via the Internet. To place a sale order, you will first need to request a PIN by visiting the Bank's website at [www.stockbny.com](http://www.stockbny.com) (see page 10, "How Do I Contact The Bank of New York").

#### ***□ Sale Orders via Mail***

You may instruct the Bank to sell some or all of your Plan shares by completing and signing the tear-off portion of your account statement and mailing the instructions to the Bank. If there is more than one name or owner on the Plan account, all Participants must sign the tear-off portion of the account statement.

To sell certificated shares, send the certificates via registered mail, return receipt requested, to the Bank along with either, at the time of enrollment, your completed, signed Enrollment Form or the tear-off portion of your account statement with your written instructions regarding the sale. **Please do not sign the stock certificate.** We recommend that you insure the package for 2% of the value of the shares (see page 10, "How Do I Contact The Bank of New York," for mailing instructions and page 15, "Costs to Participants," for fees and costs associated with the deposit of certificates).

### **HOW ARE SHARES SOLD?**

As with purchases, the Bank aggregates all requests to sell shares and then sells the total shares on the open market. Sales are usually made through an Affiliated Broker. The Affiliated Broker will receive brokerage commissions. The shares are sold in open-market transactions on the New York Stock Exchange.

Sales are made at least once a week. Depending on the number of shares being sold and current trading volume in the shares, sales may be executed in multiple transactions and may be traded on more than one day. The fee (including brokerage fees and commissions) in connection with the sale of shares is \$15.00 plus \$.10 per share sold. The selling price will not be known until the sale is complete.

The price per share sold will be the average weighted price for all shares sold for the Plan on the trade date or dates less the per share transaction fee.

A check for the proceeds of the sale of shares less applicable taxes and transaction fees, will normally be mailed to you by first class mail within two (2) business days after the final trade settlement date.

*Participants should be aware that the share price may fluctuate between the time your sale request is received by the Bank and the time sale is made on the open market. The Bank may, at its own discretion, accept written requests to revoke instructions.*

### **CAN I REQUEST A CERTIFICATE?**

You may request that the Bank issue a certificate for some or all of the shares (whole shares only) held in your Plan account. Please note that fractional shares cannot be issued in certificate form. To have a certificate issued, simply complete, sign and return the tear-off portion of the account statement or call the Bank. There is no fee for this service.

### **HOW CAN I TRANSFER SHARES?**

Transfers can be made in book-entry or certificated form at any time. In order to transfer shares, you will need to complete a Transfer Instruction Package. Simply visit the Bank's website at [www.stockbny.com](http://www.stockbny.com) to download the form or call **1-800-756-8700** to request one. Remember you must obtain a Medallion Guarantee for any transfer of shares.

A Medallion Guarantee insures that the individual signing the request for transfer is the owner or authorized representative. It can be obtained from financial institutions (including many banks and brokerage firms) participating in one or more of the Medallion Guarantee programs. Book-to-book transfers, which involve transferring shares from an existing Plan account to a new Plan account, should follow the steps listed below.

Call the Bank's toll-free telephone number **1-800-756-8700** to request a Plan brochure and Enrollment

Form for each new Participant's account. Complete the form(s), providing the full registration name, address and social security number of each new Participant. Each new participant must sign the Enrollment Form.

The completed Enrollment Form should be sent along with a written request indicating the number of shares (full and fractional) which should be transferred to the new Participant's account. All existing Participants in the current Plan account should sign the instructions and their signatures should be Medallion Guaranteed as discussed above.

**Unless otherwise instructed on the Enrollment Form, the dividends for the shares in the new Participant's account will be automatically reinvested.** A BuyDIRECT brochure and a confirmation advice of the transfer will be sent to new Participants.

### **HOW CAN I TERMINATE MY PARTICIPATION IN THE PLAN?**

You may withdraw from the Plan at any time. To withdraw from the Plan, simply complete the tear-off portion of the account statement or transaction advice and mail it to the Bank. Upon receipt of your instructions, a certificate for the full shares held in the Plan account will be issued and any fractional shares held in the Plan account will be sold. You will receive a check for the proceeds, less applicable taxes and transaction fees from the sale of any fractional shares.

### **WHAT HAPPENS IF COLGATE-PALMOLIVE ANNOUNCES A RIGHTS OFFERING?**

In the event that Colgate-Palmolive makes available to its shareholders any rights to subscribe for additional Common shares, the right to subscribe will be based on the total number of shares owned, both inside and outside the Plan. Any new shares distributed by Colgate-Palmolive resulting from the exercise of the rights will be issued directly to the Participant.

### **WHAT HAPPENS IF COLGATE-PALMOLIVE ISSUES A DIVIDEND PAYABLE IN SHARES OR DECLARES A STOCK SPLIT?**

Any share dividends or split shares distributed by Colgate-Palmolive on shares that are held in the Plan account will be added to the Participant's existing Plan account. This will include all whole and fractional shares. Any share dividends or split shares distributed on shares that are not held in the Plan account but are registered in the name of the Participant will be mailed directly to the Participant in the same manner as to holders of shares who are not participating in the Plan. Processing of purchases, sales and transfers may be temporarily suspended during such distributions.

### **WHO WILL VOTE THE SHARES HELD IN THE PLAN AT SHAREHOLDERS' MEETINGS?**

Participants in the Plan will receive voting materials and have the sole right to vote the Common shares of Colgate-Palmolive represented by whole shares (fractions will not be included) purchased for such Participant which are held by the Bank under the Plan on the record date for a vote. Participants will receive only one proxy card in respect of any shareholders' meeting which will apply to all shares registered in such holder's name at the Bank, including whole shares credited to a Participant's account under the Plan.

## **HOW DO I CONTACT THE BANK OF NEW YORK?**

**BuyDIRECT**<sup>SM</sup> is administered by the Bank, as Transfer Agent for the Colgate-Palmolive common stock.

**For information regarding the Plan, please contact The Bank of New York at:**

Toll-free number: **1-800-756-8700**

For International calls: **1-212-815-3700**

TTY: **1-888-269-5221**

Or email to [Colgateshareowners@bankofny.com](mailto:Colgateshareowners@bankofny.com)

Or write to:

The Bank of New York  
Shareholder Relations / Colgate-Palmolive  
Church Street Station  
P. O. Box 11258  
New York, New York 10286-1258

**For optional cash investments, sales, transfers, deposits or withdrawals, mail the tear-off portion of your transaction advice or account statement to:**

The Bank of New York  
Investment Services Department / Colgate-Palmolive  
P.O. Box 1958  
Newark, New Jersey 07101-9774

Note: If you are mailing certificates to the Bank, we recommend that you insure the package for 2% of the value of the shares.

Or, you may call **1-800-756-8700**, the Bank's toll-free number with your instructions or visit the Bank's website [www.stockbny.com](http://www.stockbny.com).

*To access your existing account through the Bank's website, please follow these steps:*

Log onto [www.stockbny.com](http://www.stockbny.com)

Choose individual account access.

First-time users will have to enter their social security number or taxpayer ID when prompted in order to establish a Personal Identification Number ("PIN").

First-time users without a social security number or taxpayer ID may request that a PIN be mailed to them.

# *BuyDIRECT*<sup>SM</sup>

## **Terms and Conditions of The Plan for Shareholders of Colgate-Palmolive Company Common Stock**

### **1. Introduction**

The purpose of BuyDIRECT, (the "Plan"), is to provide registered shareholders of Colgate-Palmolive Company common stock and other interested first-time investors with a simple, economical, and convenient method of investing in Colgate-Palmolive common shares. The Plan is administered by The Bank of New York (the "Bank").

Enrollment in the Plan is voluntary and may not be available to investors in certain countries. Persons residing outside the United States should determine whether they are subject to any governmental regulation prohibiting their participation.

### **2. Share Purchases / Optional Cash Investments / Investing Dividends**

All purchases of shares will be made in the open market on the New York Stock Exchange. Purchases are usually made through a broker affiliated with The Bank of New York ("Affiliated Broker"). The Affiliated Broker will receive brokerage commissions. The price per share cannot be determined prior to the purchase. The price per share purchased shall always be the average weighted price of all shares purchased for the Plan on that trade date or dates plus the per share transaction fee. Depending on the number of shares being purchased and current trading volume in the shares, purchases may be executed in multiple transactions and may be traded on more than one day. The purchase price will not be known until the purchase is complete. For optional cash investments, purchases are made at least once a week.

A transaction advice will normally be mailed to you by first class mail within two (2) business days following the final trade settlement date showing the purchase price, transaction fee, and the number of shares credited to your account. Optional cash investments must be made either by Electronic Funds Transfer ("EFT") or check drawn on a U.S. Bank, in U.S. currency, payable to "The Bank of New York - Colgate-Palmolive Plan". **Cash, third party checks, money orders or travelers checks will not be accepted.** EFT deductions are made on the 25th day of each month, or if such date is not a business day, the deduction will be made on the preceding business day.

For each optional cash investment made by check, Participants will incur transaction fees of \$2.50 plus \$0.10 per share purchased. For each optional cash investment made by EFT, Participants will incur transaction fees of \$1.00 plus \$0.10 per share purchased. These fees include brokerage fees and commissions. Such payments are subject to the minimum optional cash investment of \$50.00 per transaction, a maximum investment of \$10,000.00 per transaction and a maximum annual investment of \$120,000.00 per calendar year.

Optional cash investments may be rejected by the Bank if a Participant imposes any restrictions with respect to the number of shares to be purchased, the price at which the shares are to be purchased or the timing of when the purchase is to be made. When Colgate-Palmolive pays a dividend, the Bank, in accordance with your chosen dividend investment option, will use all or part of the cash dividend to purchase additional common shares. Dividends and other cash distributions are paid in U.S. dollars and the dividend payable date is the date on which shareholders are paid. Dividend purchases are invested as promptly as practicable following the dividend payable date and may be commingled with the optional cash investments on that

trade date. There are transaction fees of 5% of the investment amount with a maximum of \$1.25 per dividend payment plus \$0.10 per share purchased. Shares purchased will be credited to each Participant's account in book-entry form (computed to four decimal places). Dividend investment options can be changed at any time by sending a new Enrollment Form to the Bank or via the Bank's website at [www.stockbny.com](http://www.stockbny.com). Changes must be received by the Bank on or before the record date for that dividend (see page 10, "How Do I Contact The Bank of New York").

**In the event that a Participant's optional cash investment check or EFT is returned unpaid for any reason, the participant will be charged a \$35.00 return fee. Further, the Bank will immediately remove from the Participant's account shares which were purchased in anticipation of the collection of such funds plus the return fee. These shares will be sold to recover any uncollected funds and the return fee. If the net proceeds of the sale of such shares are insufficient to recover in full the uncollected amounts plus the return fee, the Bank reserves the right to sell such additional shares from the Participant's Plan account as may be necessary to recover in full the uncollected balance plus the return fee. the sale of such shares may, in some cases, yield an amount greater than that required to recover in full the uncollected balance plus the return fee. If this occurs, only amounts in excess of \$1.00 will be remitted to the Participant.**

### **3. Share Sales**

All sales of shares will be made in the open market on the New York Stock Exchange. Sales are usually made through an Affiliated Broker. The Affiliated Broker will receive brokerage commissions. The fee (including brokerage fees and commissions) in connection with the sale of shares is \$15.00 plus \$.10 per share sold. The price per share cannot be determined prior to the sale. The price per share sold will be the average weighted price for all shares sold for the Plan on the trade date or dates less the \$.10 per share transaction fee. Sales are made at least once a week. Depending on the number of shares being sold and current trading volume in the shares, sales may be executed in multiple transactions and may be traded on more than one day. The selling price will not be known until the sale is complete. A check for the proceeds of the sale of shares less applicable taxes and transaction fees will normally be mailed to you by first class mail within two (2) business days after the final trade settlement date.

### **4. Requests for Certificates or Transfer of Shares**

Participants may request that the Bank issue a certificate for some or all of the shares (whole shares only) held in the Participant's account at any time. Please note that fractional shares cannot be issued in certificate form. To have a certificate issued, simply complete, sign and return the tear-off portion of the account statement or call the Bank. In addition, Participants may always request the transfer of Plan shares by contacting the Bank. Transfers can be made in book-entry or certificated form at any time. In order to transfer shares, you will need to complete a Transfer Instruction Package.

Simply visit the Bank's website at [www.stockbny.com](http://www.stockbny.com) to download the form or call **1-800-756-8700** to request one. A Medallion Guarantee will be required for any transfer of shares and can be obtained from any financial institution (including many banks and brokerage firms) participating in one or more of the Medallion Guarantee programs. Participants can also request book-to-book transfers, which involve transferring shares from an existing Plan account to a new Plan account (see page 8, "How Can I Transfer Shares?").

### **5. Deposit of Certificated Shares**

If you own Colgate-Palmolive common shares in certificated form, you may elect to deposit the shares represented by such certificates into your Plan account with the Bank. The Bank will credit these shares to your Plan account in book-entry form.

To deposit certificated shares, send the certificates via registered mail, return receipt requested, to the Bank along with either, at the time of enrollment your completed, signed Enrollment Form or, with the tear-off portion of your account statement with your written instructions regarding the deposit. **Please do not sign the stock certificate.** We recommend that you insure the package for 2% of the value of the shares (see page 10, "How Do I Contact The Bank of New York", for mailing instructions and page 15, "Costs to Participants", for fees and costs associated with the deposit of certificates).

## **6. Account Statements**

If Colgate-Palmolive pays a dividend, a summary account statement showing all year-to-date transactions will be mailed to you, as soon as practicable following each dividend payment date. If no dividends are paid by Colgate-Palmolive, a summary account statement showing all year-to-date transaction activity will be mailed to you on an annual basis, usually in January, reflecting the preceding year's activity. You may choose to suppress the mailing of your statements by electing this option online at [www.stockbny.com](http://www.stockbny.com). A statement may be requested at any time by calling **1-800-756-8700** or you can view your account online directly from our website at [www.stockbny.com](http://www.stockbny.com). You should retain these statements for your records.

## **ADDITIONAL TERMS AND CONDITIONS**

Affiliates of Colgate-Palmolive, as that term is defined in Rule 144 under the Securities Act, will not be eligible to participate in the Plan. The Plan is not intended for use by institutional investors or financial intermediaries. Enrollment in the Plan is voluntary and may not be available to investors in certain countries. Initiation of a transaction(s), including optional cash investments, dividend investment, depositing certificated shares into the Plan and/or selling or purchasing shares, shall establish an agency relationship by the Participant with the Bank.

### **Distribution of Rights / Rights Proceeds**

In the event that Colgate-Palmolive makes available to its shareholders any rights to subscribe for additional Common shares, the rights to subscribe will be based on the total number of shares owned, both inside and outside the Plan. Any new shares distributed by Colgate-Palmolive resulting from the exercise of the rights will be issued directly to the Participant.

### **Distribution of Stock Dividends / Stock Splits**

Any share dividends or split shares distributed by Colgate-Palmolive on shares that are held in the Plan will be added to the Participant's existing Plan account. This will include all whole and fractional shares. Any share dividends or split shares distributed on shares that are not held in the Plan but are registered in the name of the Participant will be mailed directly to the Participant in the same manner as to holders of shares who are not participating in the Plan. Processing of purchases, sales and transfers may be temporarily suspended during such distributions.

### **Voting/Annual Meetings**

Participants in the Plan will receive voting materials and have the sole right to vote the Common shares of Colgate-Palmolive represented by whole shares (fractions will not be included) which are held by the Bank for such Participant under the Plan on the record date for a vote. Participants will receive only one proxy card in respect of any shareholders' meeting which will apply to all shares registered in such holder's name at the Bank, including whole shares credited to a Participant's account under the Plan.

### **Tax Reporting**

Generally, the Bank is required to report to both you and the U.S. Internal Revenue Service information regarding dividend amounts paid by Colgate-Palmolive as well as any proceeds you received from the sale of shares, rights or other securities. The tax consequences of participating in the Plan can vary depending

on each Participant's tax situation. Accordingly, you are responsible for determining the tax effect of Plan participation and should consult with your tax advisor with respect to the current and proposed federal, state, local, foreign and other tax laws.

### **Liability**

Neither Colgate-Palmolive Company nor the Bank will be liable for any losses or liability howsoever incurred by Participants arising from, related to or in connection with the administration of the Plan or the Bank's actions or non-actions with respect to the Plan (including by way of example and not by way of limitation any losses or claim of liability arising from (i) the failure to terminate a Participant's account, sell shares in the Plan or invest optional cash investments or dividends without prior receipt of proper documentation and instructions; (ii) the prices at which shares are purchased or sold for the Participant's account, the timing of such purchases and sales, and the fluctuation of prices of the shares (a) between the receipt of cash or dividends for investment and such investment, (b) between the receipt of instructions to sell and such sale and (c) after the purchase and sale of shares, and (iii) the transfer of shares from Participant's account to a broker pursuant to the Profile Program of The Depository Trust Company) except for such losses and liabilities caused by the negligence or willful misconduct of the Bank; and Participant shall indemnify and hold harmless the Bank from all losses and liabilities incurred by the Bank (including losses and liabilities arising from disputes with Participant) other than those caused by the Bank's negligence and willful misconduct. In no event shall the Bank be liable for special, consequential or punitive damages or losses due to forces beyond its control (including by way of example and not by way of limitation strikes, work stoppages, acts of war or terrorism, insurrection, revolution, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware services).

**These Terms and Conditions and the administration of the Plan and the Bank's duties and responsibilities under the Plan shall be governed by the substantive laws (and not the choice of law rules) of the State of New York; all proceedings relating to the Plan shall be brought by the Participant only in courts located in the City of New York; and Participants waive their right to trial by jury.**

The Bank reserves the right to modify the Plan including the right to terminate the Plan upon notice to Plan Participants. In addition, the Bank reserves the right to interpret and regulate the Plan as it deems necessary or desirable in connection with its operation.

**Shares are not insured by the FDIC or any other government agency, are not deposits or other obligations of, and are not guaranteed by, the Bank, and are subject to investment risks, including possible loss of principal amount invested. The Bank and Colgate-Palmolive provide no advice and make no recommendations with respect to purchasing or selling shares of Colgate-Palmolive. Any decision to purchase or sell must be made by each individual Participant based on his or her own research and judgment. Nothing herein shall be deemed to constitute an offer to sell or a solicitation to buy share(s) of Colgate-Palmolive.**

**Important Note: Shares held in *BuyDIRECT* are not subject to protection under the Securities Investor Protection Act of 1970.**

## COSTS TO PARTICIPANTS

Listed below are the costs incurred by Participants of **BuyDIRECT**. The fees are subject to change at any time. This is considered part of the “Terms and Conditions” of the Plan.

**Initial Enrollment Fee** ..... \$10.00 (one-time charge, per account, for first-time investors)

### Optional Cash Investments

By Check..... \$2.50 per investment plus  
\$.10 per share purchased

By EFT Debit..... \$1.00 per investment plus  
\$0.10 per share purchased

### Reinvestment of Dividends

Transaction Fee..... 5% up to a maximum of \$1.25 (of the dividend payment) plus \$.10 per share purchased

### Sale of Shares

Transaction Fee..... \$15.00 per transaction plus  
\$0.10 per share sold

**Deposit of Certificates** ..... No Charge

**Certificate Withdrawal** ..... No Charge

**Book to Book Transfers** ..... No Charge

### Minimum Optional Cash Investments

Minimum initial investment by non-registered holders .... \$500.00

Minimum investment by existing registered holders ..... \$50.00

### Maximum Optional Cash Investments

Maximum amount per investment by holders ..... \$10,000.00  
(first-time non-registered and existing registered holders)

**Maximum Aggregate Investment Per Calendar Year** ..... \$120,000.00

**Returned Check/EFT** ..... \$35.00

# The Bank of New York

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## ***BuyDIRECT***<sup>SM</sup>

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*A Direct Purchase and Sale Plan  
for the Common Stock of*

*Colgate-Palmolive Company*

**THE PLAN AND PARTICIPATION IN  
THE PLAN IS GOVERNED BY THE  
PLAN BOOKLET IN ITS ENTIRETY.**

**PLEASE CAREFULLY REVIEW ALL  
SECTIONS PRIOR TO SENDING AN  
ENROLLMENT FORM OR ANY FUNDS TO  
THE BANK OF NEW YORK.**

***BuyDIRECT* is sponsored and  
administered solely by The Bank of New York,  
not by Colgate-Palmolive Company**

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