



BUSINESS MANUAL

ENGLISH
SINGAPORE



CONTENT

Amway Business Opportunity

Every day you are presented with opportunities: a new idea, a special promotion, a different approach to the way you do things. We invite you to examine what makes Amway one of the best business opportunities in the world.

01	Helping People Live Better Lives
02	The Amway Sales & Marketing Plan
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HELPING PEOPLE LIVE BETTER LIVES

Amway™ cares and encourages you to reach your goals – whether success means earning additional income for you and your family, a greater sense of fulfilment, creating a better life for your loved ones, or something entirely different, your goals are completely up to you.

We've already helped over 3 million people start on their paths to success. They're attracted by the unlimited potential of the opportunity, the support of a corporation with over 50 years of experience and compassion, a global community ready to offer support, and a premier compensation plan.

A FIRM FOUNDATION FOR SUCCESS

This Amway Business Manual details two essential pillars of the business.

The Amway Sales & Marketing Plan

The Amway Sales & Marketing Plan provides business principles in order to achieve the rewards. It explains the income potential of the business, as well as the rewards and recognition accorded to the various levels of achievement.

The Amway Code of Ethics and Rules of Conduct

Ethical values are outlined in the Amway Code of Ethics and the parameters for operating an Amway business are outlined in the Rules of Conduct. They are established to uphold essential standards of behaviour to support and preserve the benefits of the Amway Sales & Marketing Plan equitably for all Amway Business Owners (ABOs).

The Amway Sales & Marketing Plan

The Amway Sales & Marketing Plan was conceived over 50 years ago by two young entrepreneurs, Rich DeVos and Jay Van Andel. They saw an opportunity for a retail business without stores and with minimal operating costs, a person-to-person sales business built upon quality products and services. That business would offer each individual real rewards for their effort and give them the ability to share their success with others.

PIONEERING SUCCESS

As one of the world's best-known opportunity brands, Amway offers an opportunity for people to own their own business.

Amway's direct selling approach offers four important advantages:

- It is an immediate channel to the marketplace. ABOs market products and services directly to family, friends, and people that they know.
- It offers superior services to customers. ABOs provide personal service, product demonstrations, and the convenience of home delivery.
- It is an opportunity for anyone to own a business.
- Among the best-known features of the Amway Sales & Marketing Plan are its low entry cost and high-quality products backed by the Amway Satisfaction Guarantee.



Doug DeVos
PRESIDENT

Steve Van Andel
CHAIRMAN

THE AMWAY SALES & MARKETING PLAN

Understanding the Amway Business

The Amway business income is calculated monthly.

Definitions

ABO	Amway Business Owner.
PV	Point Value is a figure assigned to a product which generally reflects Amway's estimation of the relative effort required to market the product. An ABO's monthly group PV determines the Performance Bonus percentage, ranging from 3% to 21%.
BV	Business Volume is a monetary figure assigned to a product. It's related to the price of the products and changes with inflation. An ABO's monthly group BV is used for calculation of Performance Bonus.
AP	ABO Price is the price of Amway products to ABOs.
CP	Customer Price is the retail price to customers who aren't ABOs.

What is a Silver Producer Month or Q (Qualifying) Month?

A Silver Producer month or Q month is awarded to an ABO who achieves any one of the following prerequisites in a month:

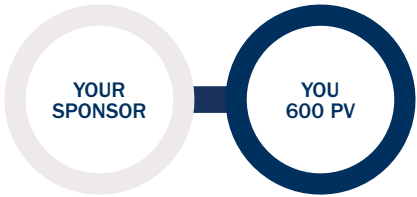
- Has a Personal Group PV of at least 12,500 PV.
- Personally or foster sponsors one 21% group and maintains a balance Personal Group PV of 5,000 or more.
- Personally or foster sponsors 2 or more 21% groups.

What is a Performance Year?

The Amway Performance Year is from September to August of the following year (12 months). Any achievement made during this duration contributes to the qualification of an ABO. Any achievement after the stipulated duration is accounted into the next Performance Year.

- **Award PV/BV** – This refers to a specific way of accumulating PV/BV monthly. It includes PV/BV achieved by an ABO's individual business, and PV/BV achieved by the ABOs he/she personally sponsored and their ABOs, as long as they are not at the 21% Performance Bonus level. This is used to determine Silver Producer qualification months.
- **VE** – Volume Equivalency means the volume for a group with 10 or 11 Silver Producer qualifying months which is equivalent to 120% of the full volume of a group with 12 qualifying months, e.g. VE for 12 qualifying months is 12,500 PV x 12 x 120% = 180,000 PV.
- **Pass-up** – Pass-up is defined as the volume from a Performance Bonus of less than 21% of your ABOs and non-qualified Platinums.
- **In-between 21%** – In-between 21% volume is the volume generated by a Silver Sponsor. A Silver Sponsor is a person who has a downline who qualified a Silver Producer month but he/she doesn't meet the requirement of a Silver Producer month.

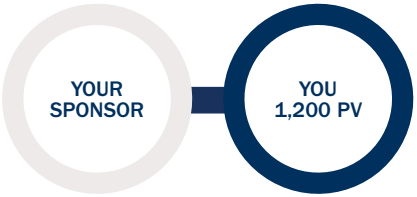
STARTING OUT



Example 1

Assuming your monthly PV is 600 of which your immediate gross income would accumulate as follows:

25% Retail Profit on 1,200 BV	= \$ 300.00
3% Performance Bonus on 1,200 BV	= \$ 36.00
Your Gross Income Per Month	= \$ 336.00
Your Gross Income Per Year (12 x \$ 336.00)	= \$ 4,032.00



Example 2

Assuming your monthly PV increases to 1,200 points, your gross income would rise accordingly:

25% Retail Profit on 2,400 BV	= \$ 600.00
6% Performance Bonus on 2,400 BV	= \$ 144.00
Your Gross Income Per Month	= \$ 744.00
Your Gross Income Per Year (12 x \$ 744.00)	= \$ 8,928.00

* For illustration purpose, we use 1 PV : 2 BV

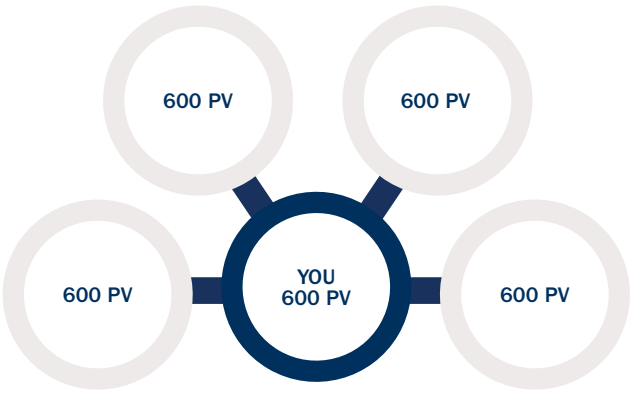
Please refer to page 10 for details on Performance Bonus Schedule.

GROW THROUGH SPONSORING

You can expand your business by sponsoring others. Let's assume that you sponsor four other ABOs¹, each of whom generates 600 PV in a month, while you continue to do 600 PV a month. Your income could be as follows:

Example 3

Your Total Monthly Group PV at 3,000 PV.



12% Performance Bonus on personal BV (1,200 BV x 12%)	= \$ 144.00
Differential Performance Bonuses from downlines (1,200 BV x 9% x 4)	= \$ 432.00
Performance Bonus You Earn	= \$ 576.00
25% Retail Profit on 1,200 BV	= \$ 300.00
Your Gross Income per Month	= \$ 876.00
Your Gross Income per Year (12 x \$ 876.00)	= \$ 10,512.00

¹ Not every ABO will sponsor four ABOs. Some will sponsor more, some will sponsor fewer, depending on time and effort spent on building the business. The numbers used are simply to show you how the Amway Sales & Marketing Plan works and how income is computed.

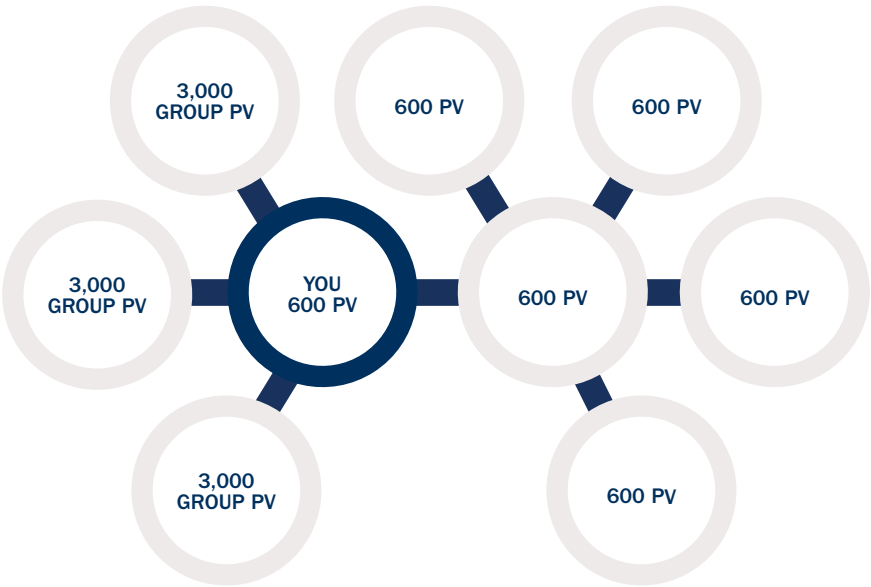
GROW THROUGH DUPLICATION

Your business continues to grow as your ABOs follow your example and begin sponsoring their own ABOs.

Let's say that all four ABOs continue to do 600 PV a month and they each sponsor four ABOs of his/her own who likewise do 600 PV a month. The total PV for each group would be 3,000. If you continue to personally generate 600 PV a month, your income could be as follows:

Example 4

Your Total Monthly Group PV at 12,600 PV.



21% Performance Bonus on personal BV (1,200 BV x 21%)	= \$ 252.00
Differential Performance Bonuses from downlines (6,000 BV x 9% x 4)	= \$ 2,160.00
Performance Bonus You Earn	= \$ 2,412.00
25% Retail Profit on 1,200 BV	= \$ 300.00
Your Gross Income per Month	= \$ 2,712.00
Your Gross Income per Year (12 x \$ 2,712.00)	= \$ 32,544.00

RECOGNITION LEVELS

Awards and Rewards

Levels of Achievement

To recognise and reward the achievements of ABOs, Amway has an extensive awards and bonus system. Pins, certificates and plaques are awarded in honour of business-building achievements. At many levels, cash bonuses and other rewards are bestowed.

To be eligible for these bonuses and awards, an ABO must be in compliance with all of the provisions of the Amway Rules of Conduct. All award qualifications are subject to verification and review before any recognition is accorded and are not based solely on technical grounds.

100% User Pin		For ABOs who have used 25 different types of Amway products. The purpose of the 100% User Pin is to encourage new ABOs to personally experience the wide range of Amway products.
Sales Consistency Pins There are 3 different Sales Consistency Pins, and are awarded by a Sponsor to ABOs who achieve 600 PV for a certain number of consecutive months :		One Star: Achieve 600 PV for 3 consecutive months
		Two Star: Achieve 600 PV for 6 consecutive months
		Three Star: Achieve 600 PV for 12 consecutive months
Sales Achievement Pins There are 4 different Sales Achievement Pins, awarded by a Sponsor to ABOs who achieve :		600 PV Pin: At least 600 PV Personal Sales Volume in one month
		12% Pin: At least 3,000 PV Personal Sales Volume in one month
		15% Pin: At least 4,500 PV Personal Sales Volume in one month
		18% Pin: At least 7,500 PV Personal Sales Volume in one month
Achievement Pins		Silver 'Inner Circle' Pin: Award for sponsoring 1 to 4 ABOs during the first 90 days as an ABO.
		Gold 'Inner Circle' Pin: Award for sponsoring 5 or more ABOs during the first 90 days as an ABO.

The above pins are awarded by Sponsors to ABOs.



Silver Producer



Founders Platinum



Emerald



Executive Diamond



Triple Diamond



Gold Producer



Founders Ruby



Founders Emerald



Founders Executive Diamond



Founders Triple Diamond



Crown Ambassador



Platinum



Sapphire



Diamond



Double Diamond



Crown



Founders Crown Ambassador



Ruby



Founders Sapphire



Founders Diamond



Founders Double Diamond



Founders Crown

		PERFORMANCE BONUS	LEADERSHIP/ FOSTER BONUS	RUBY BONUS*	MONTHLY DEPTH BONUS	EMERALD BONUS	DIAMOND BONUS	DIAMOND PLUS BONUS	FOUNDERS ACHIEVEMENT AWARD (FAA)	TWO TIME CASH AWARD (TTCA)	NEW PLATINUM SEMINAR (NPS)	AMWAY LEADERSHIP SEMINAR (ALS) **	PRE-ALS AND DIAMOND INVITATIONAL (DI)	FOUNDERS COUNCIL...
	NEW PIN REQUIREMENTS	BONUS QUALIFICATION								EXCLUSIVE BUSINESS INVITATION				
 Silver Producer	1 Silver Producer month	✓	✓	✓										
 Gold Producer	3 Silver Producer months	✓	✓	✓										
 Platinum	6 Silver Producer months	✓	✓	✓						✓	✓			
 Ruby	2 X Maximum Performance Bonus, 1 month	✓	✓	✓							✓			
 Founders Platinum	12 Silver Producer months	✓	✓	✓							✓			
 Founders Ruby	2 x Maximum Performance Bonus, 12 months	✓	✓	✓							✓			
 Sapphire	5,000 PGV & 2 Q Legs or 3 Q Legs - 6 months	✓	✓	✓							✓			
 Founders Sapphire	5,000 PGV & 2 Q Legs or 3 Q Legs - 12 months	✓	✓	✓							✓			
 Emerald	3 Q6 Legs	✓	✓	✓	✓	✓					✓			
 Founders Emerald	3 Q12 Legs	✓	✓	✓	✓	✓					✓			
 Diamond	6 Q6 Legs	✓	✓	✓	✓	✓	✓		✓		✓	✓		
 Founders Diamond	6 Q12 Legs	✓	✓	✓	✓	✓	✓	✓			✓	✓		

- * Ruby is conditional. The ABO must qualify as a Platinum first, achieve 25,000 Ruby PV in one month. Ruby Volume includes Personal Volume plus Pass-up Volume from any downline who has not qualified at the 21% Performance Bonus level for the month. The Downline Platinum volume is not included, regardless of whether or not they have achieved 21% Performance Bonus for the month.
- ** ALS requirements are different globally, but it is for Platinum and above. Please refer to the terms and conditions on the next page.
- *** Founders Council can be qualified with GAR Crown and above.
- Gold Producer can be any 3 Silver Producer months within 12 rolling months.
 - First time Platinum qualification can be qualified by rolling 12 months with 3 months are consecutive.
 - Platinum Requalification are any 6 months within Performance Year.
 - Founders Platinum and above qualifications are qualifying within Performance Year.
 - All Founders qualifications can be qualified through Volume Equivalency (VE). Refer to page 2.

- Founders Sapphire VE: must have at least 10 Sapphire months. Sapphire months are 2 legs + 5,000 PGV in one month or 3 or more legs in one month. Total VE for Sapphire volume is 432,000 PV. This is derived by:
 - 2 legs at 12,500 PV x 120% x 12 months = 360,000 PV
 - 5,000 Award volume x 120% x 12 months = 72,000 PV
- PGV means Personal Group PV.
- Emerald and Founders Emerald qualifications can be achieved by local and international legs.
- Diamonds and above qualifications can be achieved by local and international legs, with at least 3 local legs as the base (must be EBR).
- First time Founders Diamond: Starting PY2020, must have 6 Q12 legs to qualify Founders Diamond and this will meet the eligibility requirement for GAR.
- Founders Diamond Requalification: Can be requalified with:
 - 6 Q12 legs or
 - DBR with 8 original FAA points during the transition period (PY2020 & PY2021), but this will not meet the eligibility requirement for GAR.

		PERFORMANCE BONUS	LEADERSHIP/ FOSTER BONUS	RUBY BONUS*	MONTHLY DEPTH BONUS	EMERALD BONUS	DIAMOND BONUS	DIAMOND PLUS BONUS	FOUNDERS ACHIEVEMENT AWARD (FAA)	TWO TIME CASH AWARD (TTCA)	NEW PLATINUM SEMINAR (NPS)	AMWAY LEADERSHIP SEMINAR (ALS) **	PRE-ALS AND DIAMOND INVITATIONAL (DI)	FOUNDERS COUNCIL...
	NEW PIN REQUIREMENTS (GAR)	BONUS QUALIFICATION								EXCLUSIVE BUSINESS INVITATION				
 Executive Diamond	6FP legs and 10QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓		
 Founders Executive Diamond	6FP legs and 16QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓		
 Double Diamond	8FP legs and 25QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓		
 Founders Double Diamond	8FP legs and 34QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓		
 Triple Diamond	10FP legs and 43QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓		
 Founders Triple Diamond	10FP legs and 52QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓		
 Crown	12FP legs and 64QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	
 Founders Crown	12FP legs and 76QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	
 Crown Ambassador	14FP legs and 88QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	
 Founders Crown Ambassador	14FP legs and 100QC	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	

- Global Award Recognition (GAR): A new approach qualification which starts at the Executive Diamond level and is effective from Performance Year 2019. A three-year transition period (from PY2019 to PY2021) which allows ABOs to maintain their qualification using the better of the three programs (FAA points, qualified legs or GAR) during this transition period. In PY2020 and PY2021, growth qualification can only occur through GAR. (Refer to GAR brochure in Amway website).
- GAR Executive Diamond must be a Founders Diamond who is an EBR with 6 or more Q12 legs, including international legs in at least one of their #1 or #2 businesses, and has 6 Founders Platinum (FP) legs and 10 Qualification Credits (QC) globally.
- Emerald bonus must be an Emerald Bonus Recipient (EBR) with at least qualified 3 local legs.
- Diamond bonus must be a Diamond Bonus Recipient (DBR) with at least qualified 6 local legs.
- Diamond Plus bonus must be a Diamond Bonus Recipient (DBR) with at least qualified 7 local legs.
- Founders Achievement Award (FAA) must be a DBR in at least one market (#1 or #2 businesses), have four(4) in-market FP legs under their #1 and #2 businesses, and have earned a minimum of 20 FAA points on a global basis.

- Two Time Cash Award (TTCA) and FAA payment may be subjected to revision when the need arises. (Refer to page 14 and 15 for TTCA and FAA Payment Schedule.)

TERMS AND CONDITIONS FOR ALS **

1. The Amway Leadership Seminar is not part of the Amway Sales & Marketing Plan and may be subject to future modifications.
2. The ALS is strictly based on invitational basis, not automatic upon qualification. Platinum will be assessed to determine if he/she conducts his/her business ethically, in accordance to the letter and spirit of the Amway Rules of Conduct.
3. The Platinum must be the owner or operator of the Amway business. An inherited business may not be eligible for invitation.
4. The Platinum must have attended a New Platinum Seminar within 6 months of qualification as Platinum.
5. The Platinum accounts must be kept in good order.
6. Diamond can qualify for ALS if he/she requalifies as Diamonds or achieves the required targets. Either condition applies.

TYPES OF BONUSES

The Performance Bonus

Let’s say that during your first month you personally sell products totalling 600 points. Assuming that your average retail profit on the products is about 25%, your immediate gross income can be \$292.50 (25% of 1,170 BV).

In addition, when your monthly Point Value total exceeds 250 points, you are eligible to receive a Performance Bonus. Under the Performance Bonus Schedule you would receive a Performance Bonus of 3% on your 1,170 BV, or \$35.10, plus your immediate gross income of \$292.50, giving you a total gross monthly income of \$327.60 or total gross annual income of \$3,931.20 (See Example 1 on page 3).

■ Not everyone will, of course, have 600 points per month. Some will have less and some will have more. This figure is used merely to demonstrate the business opportunity.

■ The suggested retail profit varies with each product and averages about 25%.

The total Point Value of all the products you purchase and sell during a particular month determines your Performance Bonus percentage for that month. The greater your total monthly Point Value, the greater your Performance Bonus percentage due to you.

Computing your Performance Bonus percentage bracket on the total of the Point Value places the emphasis on the number of units sold, not on the selling price per unit. As inflation causes prices to increase, each ABO receives a larger bonus for the same number of units sold. And the Performance Bonus is based not only on an ABO’s own Business Volume, but also on purchases made by ABOs whom he/she sponsors.

IF YOUR TOTAL MONTHLY POINT VALUE IS	YOUR PERFORMANCE BONUS IS
12,500 or more	21% of your BV
7,500	18%
4,500	15%
3,000	12%
1,750	9%
900	6%
250	3%

NOTE: The minimum amount of performance bonus to be credited to your bank account is set at RM10.00/BR\$10.00/\$\$10.00. If your performance bonus is below RM10.00/BR\$10.00/\$\$10.00, it will be carried forward until such amount is reached before the bonuses are credited to your account. For illustration purpose, we use 1 PV : 1.95 BV

Ruby Bonus

A Ruby Bonus, equal to 2% of that month’s total Ruby BV, will be paid to a qualified ABO.

Leadership Bonus

The Leadership Bonus is paid each month by Amway to a qualified sponsor on the Personal Group BV of each 21% level group that he/she personally sponsors.

In the course of building an Amway business, a sponsor motivates and trains an ABO to assist him in attaining the level of Platinum. At that time, both the sponsor and the new Platinum are in the same Performance Bonus percentage bracket: 21%. Therefore, in order to provide the sponsor with an incentive to develop a Platinum and to compensate for the hard work involved in doing so,

the Amway Sales & Marketing Plan provides payment to the sponsor with a Leadership Bonus. This Bonus is computed by Amway on the BV of each 21% qualifying group he/she personally sponsors.

Under this system, the sponsor receives payment as long as the sponsored ABO qualifies, and as long as the sponsor maintains his/her Personal Group PV at the levels described under Section 5 of the ‘Rules Governing Calculation of the Leadership Bonus’ (Refer to page 11).

6% Leadership Bonus Adjustment

While a qualified sponsor earns a Leadership Bonus on the Personal Group BV of the 21% groups that he/she personally sponsors, he/she must also remember that his/her sponsor is entitled to receive a Bonus that is 6% of his/her BV or the established 6% Leadership Bonus Adjustment amount, whichever is greater.

If the Personal Group BV of a qualified sponsor is insufficient to fulfil the 6% Leadership Bonus Adjustment to this sponsor, the difference between the Leadership Bonus actually generated by his/her volume and the 6% Leadership Bonus Adjustment is deducted from his/her Leadership Bonus by Amway, and added to the Bonus of

his/her sponsor. This same adjustment is applied up the line of sponsorship.

To assure the effectiveness of this feature of the Amway Sales & Marketing Plan, the 6% Leadership Bonus Adjustment of Leadership Bonus must be adjusted whenever there are adjustments to the BV or PV amounts. This 6% Leadership Bonus Adjustment is determined in accordance with the ratio between BV and PV. As BV and/or PV adjustments take place in the future, the amount is recalculated and the revised figure will be published by Amway in the eNewsgram™, AmwayNow and the ABO Price List.

Rules Governing Calculation of Leadership Bonus

- It is paid on every BV of each month by Amway. Amway computes and pays all Leadership Bonuses.
- It is computed from the lowest level up – never from the highest level down.
- You must have at least 5,000 Personal Group PV in order to receive any Leadership Bonus if you sponsor 1 qualified group.
- Once the 6% Leadership Bonus Adjustment is generated, at least that amount of Leadership Bonus must continue to pass up the line of sponsorship.
- Each sponsor of a qualified group may be entitled to a Leadership Bonus based on the following rules:

- A. You will keep ALL of the Leadership Bonus generated to you:**
- If you sponsor 1 qualified group and the Leadership Bonus generated by your Business Volume is equal to or exceeds the 6% Leadership Bonus Adjustment or the amount of Leadership Bonus generated to you, or
 - If you sponsor 2 or more qualified groups and the Leadership Bonus generated by your Business Volume is equal to or exceeds the average of the Leadership Bonus generated to you by your qualified groups.

- B. You will keep SOME of the Leadership Bonus generated to you:**
- If you sponsor 1 qualified group and the Leadership Bonus generated by your Business Volume is less than the 6% Leadership Bonus Adjustment or the amount of Leadership Bonus generated to you by that group, or
 - If you sponsor 2 or more qualified groups and the Leadership Bonus generated by your Business Volume is less than the average Leadership Bonus generated to you.
 - You will not keep any of the Leadership Bonus generated to you if you sponsor 1 qualified group and your Point Value is less than 5,000.

The 5,000 Point Value mentioned above does not include any downline qualified volume (21%). It will however, include pass-up volume (non-qualified Silver Producer or Platinum volume). Because an Amway business is part of an ABO’s estate, the Bonus for which a Platinum is eligible can, in the event of death, be paid to the heirs. The heirs must however become ABOs and continue to qualify the ABOship to remain eligible for continued payments.

International Leadership Bonus Schedule

Foster Sponsors will share in a portion of the International Leadership Bonus. Based on the date Amway receives the original application of the qualified 21% foster sponsored ABOship, it will be paid as follows:

- 3% to Foster Sponsor and 3% to International Sponsor for SA88 Application Forms received before 1 September 1991 (including new markets opened before 1 May 1991).

- 4% to Foster Sponsor and 2% to International Sponsor for SA88 Application Forms received on or after 1 September 1991 (including new markets opened on or after 1 May 1991).

See International Sponsoring on page 17.

Monthly Depth Bonus

Each ABO who personally or foster sponsors 3 or more groups which qualify at the 21% Performance Bonus level in any one month is eligible to receive a Monthly Depth Bonus.

Each month, Amway pays a qualified recipient a Monthly Depth Bonus equal to 1% of the BV generated by all second level 21% groups, down to and including the first qualified Monthly Depth Bonus recipient plus the personally or foster sponsored 21% groups of that (downline) Monthly Depth Bonus recipient.

1% Monthly Depth Bonus Adjustment

Each qualified Monthly Depth Bonus recipient must guarantee to his/her sponsoring Monthly Depth Bonus recipient a minimum of 1% of 12,500 points times the BV/PV ratio on his/her 21% group as well as one each of his/her personally or foster sponsored 21% groups.

The 1% Monthly Depth Bonus Adjustment changes if and when the BV or PV values of products change. Amway will

If a qualified Monthly Depth Bonus recipient personally or foster sponsors a qualified Monthly Depth Bonus recipient, the Monthly Depth Bonus for the sponsoring Monthly Depth Bonus recipient is paid only on the 21% groups personally or foster sponsored by the sponsored Monthly Depth Bonus recipient. (BV generated by first level 21% groups does not count toward the Monthly Depth Bonus since the Leadership Bonus is paid on this volume. Monthly Depth Bonus is paid to the upline Monthly Depth Bonus recipient on this volume.)

publish the amount updates in the eNewsgram, AmwayNow and in the ABO Price List.

Whenever a qualified Monthly Depth Bonus recipient or one of his/her personally or foster sponsored 21% groups does not generate sufficient volume to fulfil the 1% Monthly Depth Bonus Adjustment to the upline Monthly Depth Bonus recipient, Amway will adjust the Bonus of the Monthly Depth Bonus to make up the difference.

Emerald Bonus

To qualify for the annually paid Emerald Bonus, a Platinum must personally or foster sponsor 3, 21% groups in his/her own market, each of which qualifies at the 21% Performance Bonus level at least 6 months during the performance year.

The Emerald Bonus is paid annually. Amway sets aside an amount equal to ¼ of 1% of all qualified BV downline from all qualified Emerald in the market (including ¼ of 1% of all Amway foreign subsidiary volume traceable to Singapore sponsorship, provided that volume is only one country removed from the market). At the end of each performance year (August 31), this fund is distributed among all the Emerald who qualify in the following manner:

- 1. The annual qualified BV of each of the Emerald groups, including the BV on which the Emerald has earned the Leadership Bonus, is added together.
- 2. A point value of 4 points is assigned for each 1,000 BV per group for the first 62,500 BV; 2 points are assigned for each 1,000 BV per group for the next 125,000 BV; 1 point is assigned for each 1,000 BV per group for the next 125,000 BV and 1 point is assigned for each 10,000 BV per group thereafter. This computation is made for each group.

- 3. The total points for all groups of each participating Emerald are then added.
- 4. Dividing the total fund available by the total points gives a RM value per point.
- 5. The Emerald Bonus is then determined for each qualified Emerald by multiplying his/her points by the S\$ value per point.
- 6. Payment for the performance year ending August 31 are sent out in December.

NOTE: For all bonus purposes, a No. 2 ABOship (an ABOship which has been purchased or otherwise acquired, and is being operated by a Platinum or above in a different line of sponsorship) is treated as a completely separate business. Volumes generated by the 2 ABOships are not combined for purposes of calculating bonuses or for award purposes.

Diamond Bonus

To qualify for the annual Diamond Bonus, a Platinum must personally or foster sponsor 6, 21% groups in his/her own market, each of which qualifies at the 21% Performance Bonus level during at least 6 months of the performance year.

The Diamond Bonus is paid out of a fund consisting of ¼ of 1% of all qualified BV downlines from all qualified Diamonds in the market (including ¼ of 1% of all Amway foreign subsidiary qualified volume traceable to Singapore sponsorship, provided that volume is only one country removed from the market).

The fund is distributed to eligible participants in accordance with the same formula employed for the calculation of the Emerald Bonus. The Diamond who personally or foster sponsors at least 7, 21% groups, each of which qualifies at the 21% Performance Bonus level during 6 months out of the performance year can also share in the Diamond Plus Bonus Fund. (See below for Diamond Plus Bonus Qualification Schedule.)

Diamond Plus Bonus

A Diamond Plus Bonus is paid to each Platinum who personally or foster sponsors 7 or more 21% groups whose volume qualifies for at least 6 out of 12 months of a given performance year. Internationally sponsored groups are not included in the computation and payments of the Diamond Plus Bonus. The bonus is paid according to the following method: Units are assigned to each qualified 21% group for each month they qualify. The number of units assigned to each group per month is as follows:

- Each performance year Amway sets aside a fund equal to ¼ of 1% of the in-market Business Volume generated by all the 21% groups in the line of

sponsorship of the Diamond Plus Bonus qualifiers. Once the total number of units is assigned to each Diamond Plus Bonus Qualifier, see schedule below, the grand total of units is divided into the Diamond Plus Bonus Fund to determine the S\$ value of each unit. Each qualifier’s bonus is determined by multiplying the RM value per unit by the total number of units for that qualifier.

- This amount is to be paid before the end of the calendar year for the previous performance year.

Diamond Plus Bonus Qualification and Unit Computation Schedule

QUALIFIED 21% GROUPS TALLING	BONUS UNIT (MULTIPLIED BY MONTHS QUALIFIED)
7 to 11 groups	100 per group
12 to 14 groups	200 per group
15 to 17 groups	300 per group
18 to 19 groups	400 per group
20 or more groups	500 per group

Two Time Cash Awards (TTCA) Payment Schedule

TTCA is awarded to first time New Executive Diamond and above via GAR.

	Singapore (\$)	
GAR LEVEL	FIRST YEAR CASH AWARD	SECOND YEAR CASH AWARD
Founders Crown Ambassador	341,600	112,700
Crown Ambassador	292,800	96,600
Founders Crown	244,000	80,500
Crown	195,200	64,400
Founders Triple Diamond	146,400	48,300
Triple Diamond	109,800	36,200
Founders Double Diamond	85,400	28,200
Double Diamond	61,000	20,100
Founders Executive Diamond	48,800	16,100
Executive Diamond	42,700	14,100

First Year Cash Award To Celebrate New Achievement

- All new awards must be achieved via GAR qualification methods in order to qualify for any TTCA.
- ABOs can earn the first year cash award for multiple new awards in one Performance Year.

Second Year Cash Award for Requalification

- Only available in the year immediately following the first time achievement and can be earned by requalifying via GAR.
- ABOs who earn multiple new awards in one year using GAR can earn second year cash award for multiple requalification in the subsequent Performance Year.

FAA Bonus Program

AVERAGE MONTHLY
CORE PLAN BONUS

X

MULTIPLIER
(based on width and depth)

=

FAA
BONUS

Monthly Core Plan bonuses are:

Performance	Monthly Depth
Ruby	Foster
Leadership	International Leadership

Multiplier Table

MIN FP LEGS	POINTS	MULTIPLIER PERCENTAGE	
12	150	750%	+Super Legs
10	125	700%	
	105	650%	
	90	600%	
8	75	500%	
	60	450%	
	45	400%	
4	35	300%	
	27	250%	
	20	200%	

Points

Points are awarded based on the following values per qualifiers:

PIN	POINTS	MAXIMUM POINT PER LEG
Founders Platinum (FP)	1.0	6.0
Emerald Bonus Recipient (EBR)	1.5	–
Diamond Bonus Recipient (DBR)	3.0	–
Maximum Points		30.0

In order for a FP leg to contribute more than 1 point, the multiple business must be EBR in the local market. If not, the FP leg is capped at 1 point regardless of the number of qualifiers in the leg.

Super Legs Bonus

- A Super Leg is a Founders Platinum leg with 30+ points.
- This bonus rewards ABOs who earn the highest multiplier (750%) and have two or more legs at 30 points.

‘RETIREMENT’ AND THE AMWAY SALES & MARKETING PLAN

Amway offers an excellent opportunity to build a career and to gain financial independence. It does not, however, offer superannuation or a guaranteed pension plan. If an ABO's sponsoring presentation is largely devoted to the availability of retirement income, that ABO is seriously misrepresenting the Amway Sales & Marketing Plan.

No part of the Amway Sales & Marketing Plan is designed to imply that it is relatively easy to build an organisation and then retire.

Additional income at retirement can be earned through the Leadership Bonus, but this Bonus depends on other ABOs generating Personal BV before their sponsor realises any income.

There are times when you may wish to consider retirement or for health reasons, take time off. Or, once you've built a strong business, you may wish to ease off and not work as hard as you once did. Understandably, you may wish to relax a bit, travel and enjoy the rewards of success. It is certainly possible to do so, as long as your business is strong and you make proper advance preparations.

Begin ‘retirement’ gradually by turning over the day-to-day details of the business to someone in your own family or group. Be sure to maintain your Platinumship qualification, and don't hesitate to step in when necessary to provide the motivation to keep your business thriving. Continue your role as leader, but at a more relaxed pace. Amway retirement is what you make it to be!

Important Notes

- Amway (Malaysia) Sdn. Bhd. is operated as a Single Line of Sponsorship with Amway (B) Sdn. Bhd. and Amway (Singapore) Pte. Ltd. So, ABOs of Amway (Malaysia) Sdn. Bhd., Amway (B) Sdn. Bhd. and Amway (Singapore) Pte. Ltd. share the same Amway Sales & Marketing Plan. The Performance Bonus Schedule, all other bonus qualifications and calculations, and all recognitions and awards given, as stated in this manual apply to Amway (Malaysia) Sdn. Bhd., Amway (B) Sdn. Bhd. and Amway (Singapore) Pte. Ltd.
- “Amway” used herein refers to Amway (Malaysia) Sdn. Bhd., Amway (B) Sdn. Bhd. and Amway (Singapore) Pte. Ltd.
- Core Plus+ Discretionary Incentives, FAA and ALS are discretionary awards and not part of the Amway Sales & Marketing Plan. Attendance to the ALS and other incentive trips is by invitation only and NOT automatic upon qualification. To receive the reward, an ABO must meet the criteria set forth by Amway to be considered for the awards, and must also demonstrate the high ethical and business standards that are aligned with the goals and objectives of Amway.
- “Singapore sponsorship” as used herein refers also to sponsorship in Malaysia and Brunei.

Inheritable Income for Your Family

One of the attributes of the Amway Sales & Marketing Plan is the ability of ABOs to build and establish a substantial business, and then pass it on to their heirs as part of their estate. This is best accomplished by working with one's own solicitor to assure that the transfer of the ABOship complies with the owner's wishes and with the laws that govern inheritance in the respective country, for example, the Will Ordinance 1959 in Malaysia as well as Amway's requirements for transfer of an ABOship. The specific information can be obtained by contacting Amway directly and we will be glad to assist you and your solicitor with the details.

The benefits of an ABOship can be passed on to the heirs of the original ABO only if someone has been prepared and authorised to assume the position of the original ABO. In short, an ABOship can only be passed on to another ABO. Amway has no legal obligation to continue paying Performance Bonuses, 6% Leadership Bonuses, or higher award bonuses to anyone other than an ABO. This means either the heir(s) or the administrator of the estate must already be, or must become, an ABO if the estate is to continue to receive the benefits of that ABOship.

It is obvious, therefore, that the original ABOs must make proper arrangements during their lifetime for the orderly and legal transfers of ownership of their ABOship to their heirs. This is either by preparing the heirs to assume responsibility, or by providing for an executor of the estate who is an ABO, preferably a Platinum. Or, alternatively by authorising

the executor to retain the services of an ABO, preferably a Platinum, to manage the Amway business during the administration of the estate.

Unless a surviving spouse and/or the heirs of the deceased ABO take steps to take over the ABOship and operate it, the ABOship will be moved up the line of sponsorship to the next qualified sponsor. This is to ensure that downline ABOs will continue to receive proper service, training and motivation. Amway can wait no longer than 60 days for the survivors to take appropriate steps before it moves the ABOship up the line of sponsorship to the next qualified sponsor.

In the event that the deceased ABO leaves no surviving spouse and leaves no Will under which his/her ABOship is bequeathed to his/her heirs, that ABOship may be passed to the administrator appointed under the laws that govern inheritance in the respective country, for example, the Muslim laws of inheritance or the Distribution Ordinance of 1958 in Malaysia, subject to approval by Amway.

It is true that an Amway business has some unique features. Nevertheless, for purposes of preparing a Will, it should be treated in the same manner as any other business. It is recommended that your legal advisor be made aware of the nature of an Amway business. The bequest of an ABOship is more beneficial when the recipient has knowledge of and an interest in the business and is familiar with the manner in which it should be operated.

Succession Planning

For Succession Planning, there are few ways of operating the ABOship to ensure the inheritable proportions are handed down to your family/heirs accordingly. This can be done by either registering the ABOship as a legal entity (for Diamonds) or to have the inclusion of one own/legally adopted child in the ABOship (for qualified/requalified Emeralds and above who are single, divorced or widowed).

INTERNATIONAL SPONSORING

An Amway business may be conducted in any of those countries where Amway has established corporate operations.

Important Note

Amway prohibits advertising for leads in foreign countries. You are advised to contact the local Amway office since regulations differ from one country to another. We recommend for you to fully understand the legal requirements and cultural perspective before initiating any sponsoring activity.

Zero Tolerance Policy

Amway has adopted a Zero Tolerance Policy for all unauthorised activities in unopened markets. Unauthorised activities may seriously jeopardise Amway's future corporate business planning in those unexplored markets. Refer to www.amway.my for more details.

International Sponsoring

In general, an internationally sponsored 21% leg will result in an award/reward month flowing back to the International Sponsor. However, in situations where the award flows back to the home market of this 21% leg, no subsequent award will be generated to the International Sponsor from the home market.

List of countries and territories

- | | | | |
|---|-------------------------------------|--------------------|--|
| • Anguilla | • Costa Rica | • Isle of Man | • Singapore |
| • Antigua | • Croatia | • Isle of Wight | • Slovak Republic |
| • Argentina | • Curacao | • Italy | • Slovenia |
| • Aruba | • Czech Republic | • Jamaica | • South Africa |
| • Australia | • Denmark | • Japan | • South Korea |
| • Austria | • Dominica | • Kazakhstan | • Spain |
| • Azores | • Dominican Republic | • Latvia | • St. Eustatius |
| • Bahama Islands | • El Salvador | • Lithuania | • St. Kitts (f.k.a. St. Christopher) |
| • Barbados | • England | • Macau | • St. Lucia |
| • Barbuda | • Estonia | • Madeira Islands | • St. Maarten |
| • Belgium | • Finland | • Malaysia | • St. Vincent |
| • Bermuda | • France | • Martinique | • Sweden |
| • Bonaire | • Germany | • Melilla | • Switzerland |
| • Botswana | • Greece | • Mexico | • Taiwan |
| • Brazil | • Grenada | • Montserrat | • Thailand |
| • British Virgin Islands (includes Virgin Gorda, Tortola, Anegada, Jost Van Dyke, Peter Island) | • Grenadines | • Namibia | • Tobago |
| • Brunei | • Guadeloupe | • Netherlands | • Tortola |
| • Bulgaria | • Guatemala | • Nevis | • Trinidad |
| • Caicos Islands | • Guernsey | • New Zealand | • Turkey |
| • Canada | • Guyana | • Norway | • Turks Island |
| • Cayman Islands (Grand Cayman, Cayman Brac, Little Cayman) | • Haiti | • Panama | • Ukraine |
| • Ceuta | • Hebrides Islands | • Philippines | • United Kingdom (Northern Ireland, Scotland, Wales) |
| • Channel Islands (Guernsey & Jersey) | • Honduras | • Poland | • United States |
| • Chatham Islands | • Hong Kong | • Portugal | • Uruguay |
| • Chile | • Hungary | • Puerto Rico | • U.S. Virgin Islands |
| • China | • India | • Reunion | • Venezuela |
| • Colombia | • Indonesia | • Romania | • Vietnam |
| | • Ireland | • Russia | |
| | • Islas Baleares (Balearic Islands) | • Saba | |
| | • Islas Canarias (Canary Islands) | • Shetland Islands | |

GROW THROUGH INTERNATIONAL SPONSORING

There are two ways to build an Amway business internationally.

FIRST METHOD: By International Sponsoring

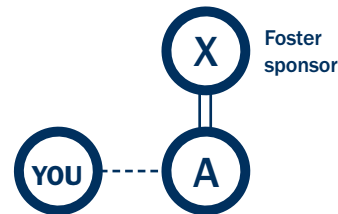
If you have a prospect in a known Amway market in a particular country, you should follow these recommended procedures:

1. Enlist the prospect's interest and explain to him/her the Amway Sales & Marketing Plan.
2. Refer to your upline ABOs if they know any ABOs in the affiliate of your prospect, who your upline ABO may contact to be or to get a foster sponsor for your prospect.
3. Otherwise, provide your name, address and ABO Number and ask the prospect to contact the Amway local office. It is important that your prospect personally contacts and informs the Amway affiliate of his/her intention as Amway will not contact the prospect.
4. Only upon your prospect's contact, the Amway affiliate will then assign a nearby Platinum who will become the Foster Sponsor of your prospect, to explain thoroughly the Amway Sales & Marketing Plan for the local market.

5. Your prospect must acquire the Amway Business Kit and fill in an application form.
6. Your particulars need to be inserted as the International Sponsor.

A Foster Sponsor is responsible for training, motivating and supplying your new ABO with products.

As International Sponsor, you must not send literature, sales aids or products to them as this may be illegal, but you may maintain your communication with your prospect.



Your Benefits As An International Sponsor

International Leadership Bonus (ILB)

When your new ABO qualifies at the maximum Performance Bonus level, for e.g. 21%, you may be entitled to receive the ILB, based on the following criteria:

- If you qualify 21% level in your own country in the same month, you will receive the entire amount of the ILB. (See page 11 for the ILB Schedule.)
- If you internationally sponsor 2 or more ABOs who qualify 21% during the same month and you do not reach the 21% level in your own country, you will receive a portion of the ILB. (The first upline qualified ABOship in your Line of Sponsorship (LOS) will receive the average amount of ILB generated, not exceeding the Leadership Bonus Adjustment amount of your country, and you will receive the remaining ILB monies generated.) (See page 11 for the ILB Schedule.)
- If you internationally sponsor one qualifying ABO and you do not reach the 21% level in your own country during the same month, the ILB will be paid to the first upline qualified ABOship in your LOS.

* International ILB follows the International LOS and an international LOS is considered the primary link.

Additional Benefits

- Emerald and above pin awards – You can count internationally sponsored 21% Bonus groups toward your qualification for Emerald and above pin awards (not bonuses) and invitations to higher achievement functions.
- Emerald and Diamond bonus – You can count an internationally sponsored 21% leg towards Emerald and Diamond bonus only if you have qualified as an Emerald or Diamond bonus recipient in your own country. Emerald and Diamond Bonuses are paid to both the International and Foster LOS.
- One-time cash awards – Your qualified international leg will also count towards your one-time Double Diamond and above cash awards.

The Foster Sponsor receives the following benefits

- The Foster Sponsor receives credit for all PV and BV generated by the new ABO and his/her group for Performance Bonus purposes until the ABO reaches the 21% Performance Bonus level.
- The Foster Sponsor may count foster-sponsored 21% groups toward his/her qualification for all awards and bonuses.
- The Foster Sponsor, subject to his/her qualification at 21% Performance Bonus level, is entitled to a portion of the Leadership Bonus generated from the foster-sponsored 21% group. (See page 11 for the ILB Schedule.)
- The Foster Sponsor receives points on all BV generated by the new ABO and his/her group for Leadership Seminar qualification.

SECOND METHOD: Establishing a Multiple Business

You may expand your Amway business internationally by establishing a Multiple Business in another market. Your No. 1 business shall be the International Sponsor of your No. 2 business.

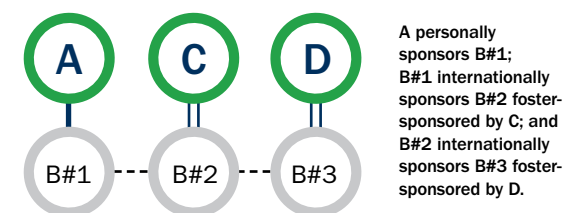
Prior to establishing a Multiple Business you should:

1. Be at least a current Qualified Platinum level in any Amway market and pass the Multiple Business Certification test.
2. Alternatively, an ABO residing outside of their home market may be exempt from the current Qualified Platinum requirement if the ABO can provide proof of residency and/or has an immediate family member in the target market (parents, siblings or children) and is eligible to own and operate an Amway business in the target international market.
3. These requirements apply to all markets that allow foreigners to open a Multiple Business.
4. Check with the Amway local office and relevant authorities for requirements to establish a Multiple Business in another market. You should also refer to the nearest Embassy or Consulate for advice and instructions on the requirements.
5. Refer to your upline ABOs if they know any ABOs in the market you wish to establish a Multiple Business. Otherwise, contact the Amway local office for the assignment of Foster Sponsor.
6. Obtain the Amway Business Kit for that market and fill up the Application Form.

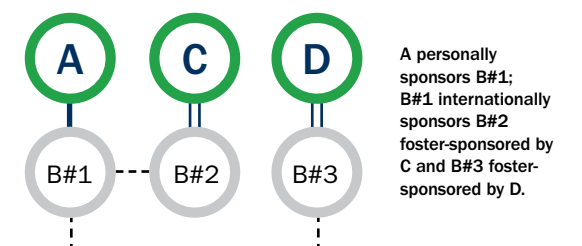
7. Indicate it is to be processed as your Multiple Business.
8. Designate one of your existing businesses as the International Sponsor on the application.
9. Be given a second ABO number to be used in that market upon the approval of your application.
 - You must repeat with the above provisions should you wish to establish a Multiple Business at another Amway International market.
 - Subsequent Multiple Business in another market can be internationally sponsored by any one of your existing ABOships if you indicate your choice on the Application Form for the subsequent Groups.
10. To be Amway certified and must understand and adhere to being Amway's Rules and Policies and local laws and regulations. In particular, you must fulfill your responsibilities as a Sponsor in the international market; you must build balanced Multiple Businesses including personally providing training and support to your downline ABOs.

For example, if an ABO has a No. 1 business in Singapore, a No. 2 business in Hong Kong and a No. 3 business in Taiwan, the ABO must have determined at the time of signing the application form for his/her No. 3 business which existing ABOship will serve as the International Sponsor. Therefore, the ABO would have two options from which to choose as shown below.

OPTION 1



OPTION 2



YOU ARE SUPPORTED

Your business is well supported by a company you can trust, Amway. The most important thing an ABOship provides is the immediate access to a range of quality Amway products. No bulk inventory purchase is required, and the products are backed by the Amway Satisfaction Guarantee. Our desire is to see you succeed. We have various Departments and Divisions within Amway that you can reach out to as you build your business.

Sales Division

The Sales Division services ABOs through sales support and activities. If you have queries about your Amway business, first consult your sponsor or Platinum. Then if you need further clarification, call the Sales Division at Amway. The Sales Division is also responsible for administering the Amway Sales & Marketing Plan.

Leader Growth Solutions (LGS)

- Frequently organises forums and meetings.
- Provides ABO organisations with the latest information on Amway, and communicates the leadership's comments and suggestions to Amway's management.
- Develops, institutes and reviews programmes, including new concepts, policies, and initiatives to build and strengthen the rapport between Platinums and Amway.

Sales Administration

- Tracks all awards qualifications including ALS & Core Plus+.
- Ensures recognition is accorded properly to new qualification.

Training

- Conducts product workshops to enhance ABO knowledge.
- Designs workshop modules and materials.
- Provides product information and answers product queries.

ABO Records

- Maintains of ABO records.

Business Conduct & Rules

- Upholds and enforces the Amway Code of Ethics and Rules of Conduct.

Special Events

- Specialises in event management and travel seminars.
- Organises all major events in the company, such as the National Convention, Amway Leadership Seminar, Diamond Invitational, Diamond Recognition Meeting, New Platinum Seminars, etc.

Marketing Division

The Marketing Division manages the Amway products/brands portfolio and its related product promotions.

Product Management

- Identify and launch new products under core lines.
- Implements product promotions.
- Provides product information and answers product queries.
- Manage overall core business lines.

Business Development

- Identifies, sources, develops, launches and manages product catalogue through the Amway Lifestyle Catalogue.

Technical & Regulatory

- Ensures that AMWAY products comply with regulatory approvals for ingredients, formulation, packaging, labelling, religious consideration, transportation, and environmental issues.
- Provides product safety support for consumer product enquiries or complaints.

Training

- Plan product workshops to enhance ABO knowledge.
- Trainers design modules and materials for product workshop.

Supply Chain

Customer Service

- Provides one-stop service to ABOs and customers on enquiries relating to operations and products.

After Sales Service

- Provides after sales service to electrical products retailed by Amway. These products are serviced by our team of technicians as well as third party vendors.

Physical Presence & Logistic

- Manages Amway City Shop and RDC.
- Provides delivery services.

Public Relations and Communications

Amway seeks to build reputation and foster goodwill within the community in which the company operates through proactive, sustained and accurate communication. Good government, media, industry and community relations, are important in order to create a positive and conducive operating environment which, in turn will benefit the businesses of ABOs.

Key areas of responsibilities include:

- Production of corporate materials and monthly newsletters (e-Newsgram and e-Newsletter).
- Oversee media and trade association relationships, external sponsorships, advertising, as well as corporate social responsibility initiatives.
- Managing all digital content, drive engagement on social media platforms and produce mobile apps and digital folios (DPS).

Amway Mobile Business Dashboard

The Mobile Business Dashboard is a crucial tool for the growth of your Amway business. It provides key action reports like My Performance, Who's Close, Renewal Reminder, Convert APC to ABO, Downline Order Tracking and New Sign-Up Coupon Reminder.

Elevate your business with ease and efficiency - Experience a comprehensive view of your business performance, while receiving proactive downline support and timely renewal reminders. Streamline your operations with features like converting APC to ABO and downline order tracking. Foster seamless interactions with the New Sign Up Coupon Reminder and efficient built-in communication options.

PRODUCTS

AMWAYPROMISE

AMWAY**PROMISE** is our global consumer protections communications platform. Our goal is to deliver the most comprehensive customer service and consumer protections offering in the direct selling industry.

The direct selling industry is self regulated by a Code of Ethics established by the World Federation of Direct Selling Associations (WFDSA) that states that direct selling companies and independent sellers shall not use misleading, deceptive or unfair sales practices.

Most countries also have individual Direct Selling Association codes of ethics that localise the WFDSA Code under applicable laws and regulations. Amway adheres to these codes through its consumer protections, which AMWAY**PROMISE** brings together under the following pillars:

 Low-cost, Low-risk Opportunity

Promises zero purchase requirements and minimal sign-up fees for new business owners.
We believe that everyone deserves the opportunity to get ahead. That's why we promise to always provide a low-cost, low-risk opportunity.

 Warranty Programs

Peace of mind with Amway products.
We're confident in the quality of the durable products that we offer. If your product has an issue we provide a variety of innovative service, repair and warranty programs that allow you to easily address any concerns that you may have.

 Customer Services

Support you can count on.
We know you'll have questions along the way and we have the answers. For ABOs and consumers, Amway is committed to providing top-notch service, whether face-to-face, on the phone, or online.

 The Right to Know

Knowledge is power.
We promise to clearly communicate and make easily accessible all information related to the above consumer protections, as well as to our Inventory Buy-Back policy and Cooling Off Period.

Return of Products

Return Unused and Unopened Products

Amway accepts the return of unused product/s from ABO/APC under the following criteria:

- The product must be in its original packaging, unused/unopened and in good sellable condition.
- The product must be returned within 7 calendar days from the purchase date/date received.

Return under Stock Reduction

Amway accepts the return of BV items which are current and in saleable condition from ABO under the following criteria:

 90-day* 100% Satisfaction Guarantee

Helps ensure satisfaction with our products or opportunity.
Should you decide the product that you have purchased and used is not satisfactory, you may return the product within 90 calendar days from the date of purchase. You will be offered a choice to have it returned without charge, receive full credit on the returned product for the purchase of another Amway brand product, or receive a refund on the full purchase price. The content of the product should be at least 80% full in order to be eligible for a return. In order to safeguard ethical conduct and effectively process merchandise returns, all goods returned must be accompanied with the order numbers.

This Guarantee does not apply to:

- Products that have been intentionally damaged or misused.
- Amway durable products (High Ticket items) such as the eSpring Water Treatment System, iCOOK™, QUEEN™, Multi-Purpose Shears, ARTISTRY™ Dermasonic, ARTISTRY™ Dermasonic Ultimate Eye 270 and ARTISTRY™ Skin Analyzer, Atmosphere SKY & Mini Air Purifier and Atmosphere DRIVE, which are covered by a separate manufacturer's warranty.
- Amway Lifestyle Catalogue items & XS Drinks, COLOUR CREATION™, Food and Beverage items, premiums, BSA, sales aids, limited edition, seasonable items, NLA or expired products.
- Amway products which have been purchased from unauthorised sellers (online platforms or retail shops) will not be accepted for returns. It will not be covered by the Amway Satisfaction Guarantee or warranty. Amway will not guarantee the authenticity, quality of the products or accept complaints about product related issues.

- The product must be in its original packaging, unused/unopened and in good sellable condition.
- The purchase of the products must be within 90 days from the date of purchase (please refer to our Satisfaction Guarantee for more details).

Return Due To Damage (Delivery)

Amway accepts the return of damaged product/s and/or product shortage/s from ABO/APC upon the receipt of shipment (delivery) under the following criterion:

- ABO/APC must report damaged product and/or product shortage upon the receipt of shipment (delivery) within 7 days from the date received.

Return Due To Resignation

ABOs who decide to resign from the Amway business are required to submit his/her resignation via www.amway.sg. A stock return form must be completed if there is any saleable stock to be returned. Amway does not accept the return of sales aids, Non-BV items, promotional premiums, Amway Lifestyle Catalogue products, XS Energy Drinks and limited life/ seasonal / festive items. The prerequisites for such returns shall be in accordance with our Stock Reduction policy.

Amway accepts the return of product due to ABO resignation under the following criteria:

- The product should be purchased by the resigning ABO and must be in its original packaging, unused/unopened and in good sellable condition. Products that have been discontinued will not be accepted.

Product Return Procedure

In order to facilitate the processing of a return, an ABO/APC must provide the following information when completing a SA112 Returned Merchandise Authorisation Form and return the form together with the product/s to Amway for further processing:

- The reason for return.
- The product name and quantity.
- The original invoice/order number.
- The name and address of the customer.
- The person who returns on behalf of the ABO/APC must be within the same Line Of Sponsorship.
- There is no outstanding EPP instalment on the product.

Refund via Credit Voucher or Bank Transfer

All stock return (except for Satisfaction Guarantee, unused product return within 7 days from the purchase date and Delivery Damage), the refund will be based on the original price less 5% handling charge and miscellaneous charges where applicable.

The PV/BV adjustment will be reflected in the ABO's or upline sponsor APC's account. Any return could be refunded in the form of Amway's Credit Voucher or bank transfer with bank accounts information furnished.

The Credit Voucher functions as follows:

- The refund amount will be based on the original price less 5% handling charge and miscellaneous charges where applicable.
- The Credit Voucher is not part of your PV/BV value. During your next purchase, the Credit Voucher can be considered as a payment option, while PV/BV figures will be deducted and used accordingly.
- When an APC returns for a credit voucher or refund, the PV/BV deduction will be applied to the upline APC's sponsor.

Example:

1. Mary buys Amway Product A for S\$100.00 with PV:25 and BV:100. Several days later, she returns it under the Amway Satisfaction Guarantee policy.
2. During this return, she gets a Credit Voucher value of S\$100.00. As for her PV and BV, it will be shown as (PV:-25) and (BV:-100).
3. During her next purchase, which is Amway Product B priced at S\$80.00, her S\$100 Credit Voucher can be used as a payment option. Her PV and BV figures will be deducted accordingly.

	Returning Product A	Purchasing Product B Price: S\$80.00 PV:20 BV:80	Mary's Balance
Credit Voucher (CV)	+S\$100.00	-S\$80.00	S\$20.00
PV	-25	+20	-5
BV	-100	+80	-20

- The Credit Voucher must be redeemed within one year from the date of its issuance.

Amway reserves the right to approve or reject a return based on the current returns policy. For more details on the terms and conditions of returns, you may refer to the Customer Careline.

Returns based on reactions derived from product consumption are handled on a case by case basis. Both Nutrilite and XS products practice either 3-month or 6-month pull-off from shelves as the safety and well-being of our ABOs are our priority. All Amway products sold in Singapore do not contain placenta, pork or its derivatives. Actual products may vary slightly from products shown in the Amway Product Catalogue due to the print production process.

Repackaging Amway Products

Amway does not permit repackaging of its products. Amway products are to be sold only in their original packages as manufactured by Access Business Group. Under no circumstances is a person authorised to repackage Amway products into new containers bearing the Amway name.

The reasons are as follows:

1. 'Amway' is the registered trademark of Alticor Inc. and is an extremely valuable asset. Accordingly, Amway will not permit persons to market any product under the Amway name which was not manufactured and packaged at Amway.
2. Laws contain detailed provisions as to what must be included in the labelling of products. These laws also limit the claims which can be made about a product. Amway carefully follows these rules and regulations. They are extremely complicated and change from time to time. An individual ABO is in no position to keep abreast of the current status. Accordingly, an amateur attempting to develop his/her own packaging is very likely to unintentionally violate labelling laws. Use of the Amway name on such repackaging not only puts the packager in jeopardy, but may also make Amway liable to possible penalty under the laws of the country.
3. Each product packaged by Amway is prepared under precise specifications. Whenever a repackaging operation is undertaken, there is always a possibility of contamination or adulteration of the product. Repackaging of any product is subject to the same laws and regulations governing manufacturing practices as are the original manufacturing and packaging operations.
4. The sizes in which Amway makes its products available have been determined after very careful consideration. If other persons (including ABOs) were permitted to repackage into sizes other than those made available by Amway, this would undoubtedly cause considerable confusion among ABOs and customers.

Product Liability Protection

Amway products should not cause damage or injury if they are used for their intended purpose and in accordance with instructions provided. Amway stands behind its products if they are defective in manufacture or have been damaged while still in Amway's control, but it cannot accept responsibility for careless use or handling, whether by ABOs or customers.

Amway carries product liability insurance on its products which protects both the company and its ABOs. However, this insurance protection may not cover every situation and is dependent on whether the injury or damage resulted from a faulty product, from careless or negligent applications, or from the improper use of a product. Amway's insurance coverage does cover injury or damage where a faulty product is involved, but does not cover careless or negligent application or improper use of a product.

Summary of Main Principles Regarding Product Liability

1. Like all people engaged in business, ABOs are liable to possible damage or injury suits. Such lawsuits are, however, extremely rare.
2. ABOs can avoid exposure to lawsuits if they are careful and if they recommend only those uses of Amway products which are spelled out on Amway's labels or in Amway's literature.
3. Amway does carry product liability insurance which protects both the company and ABOs where the injury or damage results from a faulty product.
4. Amway's insurance may not protect an ABO where the damage or injury results from changing an Amway label, misrepresenting a product, or from making claims other than those listed on the product or printed in the Amway literature.
5. Every ABO who can secure his/her own liability insurance at a relatively low premium should do so since this will afford him/her not only extra protection, but will also make available for his/her defence experienced solicitors at the insurance company's expense.

THE AMWAY RULES OF CONDUCT

SECTION 1 - INTRODUCTION

The Rules of Conduct ("Rules" or "RoC") define and establish:

1. Certain principles to be followed in the development and maintenance of an Amway Business.
2. The rights, duties, and responsibilities of each ABO.

The terms and conditions of this relationship are set forth in:

1. The ABO Contract.
2. The Business Manual, which include these Rules of Conduct.
3. Other official Amway literature, publication, notification or communications.

While the Rules primarily define relationships between Amway and ABOs, they also concern relationships among ABOs. Its objectives are:

- To ensure an equal opportunity for ABOs through ethical and responsible business conduct.

- To protect and build a conducive environment for a long-term and profitable Amway business.
- To promote unity and harmony among ABOs.
- To preserve the benefits of the Amway Sales & Marketing Plan equitably for all ABOs.

From time to time, the contents of these documents may change. Amway will notify the ABO leadership of such changes. Upon final notification by Amway with respect to those changes presented to the ABO leadership, such changes will be communicated to all ABOs in a timely manner in official Amway communications channel and literature, and shall become effective upon publication. In order to preserve the goals and purposes of the Amway Sales & Marketing Plan, Amway reserves to itself the sole right to adopt, amend, modify, supplement, or rescind any or all of these Rules, as necessary.

SECTION 2 - DEFINITIONS

ABO (Amway Business Owner): An independent contractor who has had his/her Amway Application Form accepted by Amway.

ABOship: An ABOship is another way to describe an Amway business, which is identified by an ABO number.

ABO Contract: Refers to the ABO Application along with the incorporated documents that form the terms of the contractual agreement between the ABO and Amway.

ABO in Good Standing: For the purposes of interpreting and enforcing the Rules of Conduct only, the term "good standing" shall refer to an ABO who is currently authorised by Amway to position himself as an ABO and whose conduct complies with the letter and spirit of the Rules of Conduct and Amway Business Policies for each market in which an ABO has a presence; is not engaged in conduct that negatively affects the reputation of Amway, Amway's affiliates, and its ABO; is not engaged in conduct that supports or defends the activity of other ABOs which jeopardises the ongoing nature of an Amway affiliate or otherwise is inconsistent with the other criteria set forth herein; is not engaged in conduct that does not comply with all applicable laws and regulations in each country and whose conduct does not demonstrate cultural sensitivity given market conditions.

Amway: "Amway" shall mean Amway Singapore Pte Ltd.

Amway Business: A business, as identified by the ABO

number and the Amway Application for Appointment as an Authorised ABO of Amway Products Form.

Amway eBusiness Kit: The collection of literature, sales aid and other materials that ABOs are required to possess in connection with acceptance by Amway of their application and the ABO Contract.

Amway Business Opportunity: The products, marketing, support and compensation system offered by Amway.

Amway Business Policies: Rules and policies set forth in official Amway literature, including the Rules of Conduct and various other policies and bulletins that may be maintained by Amway from time to time which are incorporated by reference into; (1) the ABO Contract, (2) the Business Manual, and (3) other official Amway literature or communications.

Amway Produced Business Support Materials ("Amway BSM"): BSM produced by, or on behalf of Amway.

Amway Products: All goods and services, including literature and other support or auxiliary materials, made available by Amway Singapore to ABOs.

Amway Sales & Marketing Plan ("Plan"): The system used to calculate the Bonus compensation and recognition for ABOs based on product sales as described in the Amway Business Manual and other official Amway literature.

Bonus: The monetary rewards that Amway pays to ABOs in accordance with the Amway Sales & Marketing Plan.

Business Support Materials (“BSM”): The definition for BSM is intended to be interpreted broadly and means all products and services, both online and offline (including, but not limited to, books, magazines, and other printed material; literature; websites and social media pages; audio, video, live streaming and digital media; blogs, podcasts, and mobile applications; rallies, meetings, and educational seminars), which are: (i) designed to solicit and/or educate Prospects, customers, or prospective customers about Amway products and services, or to support, train, motivate, and/or educate ABOs, or (ii) which incorporate or use one or more of Amway’s name, or trademarks, service marks, copyrighted works, or other intellectual property belonging or licensed to Amway, or (iii) otherwise offered with an explicit or implied sense of affiliation, connection, or association with Amway.

Digital Communications: Digital Communications are electronic transmissions (generally by computer or mobile device) of text, data, images, video, voice and other information including, without limitation, any posts or publications made available within the digital space, including emails, videos, live streaming, podcasts, blog posts, mobile applications (apps), advertising, forums, webpages, and through any social media or messaging platform, e.g. Facebook® , Instagram® , Line® , Snapchat® , Telegram® , Twitter® , WeChat® , WhatsApp® or YouTube® .

Digital Communications Standards (“DCS”): The document published by Amway and amended from time to time, containing those terms that ABOs must comply with when engaging in any digital communications regarding the Amway opportunity, Amway products or Amway services (directly or indirectly). The DCS are fully incorporated into and made enforceable as a part of these Rules of Conduct.

Leg: A downline ABO and all other ABOs that are downline of that ABO.

Line of Sponsorship (“LOS”): The structural organisation of ABOs established by the contractual relationship that each ABO has with Amway.

LOS Information: Includes all information that discloses or relates to all or part of the structural arrangement of ABOs within the Line of Sponsorship, including but not limited to ABO numbers and other ABO business identification data, ABO personal contact information, ABO business performance information, and all information generated or derived there from, in its present or future forms.

Platinum: An ABO who has achieved a certain level of business activity as specified by the Amway Sales & Marketing Plan.

Prospect: A potential ABO or customer.

Quality Assurance Standards (“QAS”): The document published by Amway and amended from time to time, comprising the Program Standards and Content Standards, as those terms are defined in the QAS, which collectively contains the mandatory processes, requirements, subject matters, messaging, content, and material for BSM, ABO communications, and statements relating to the Amway business. The QAS are fully incorporated into, and made enforceable as a part of these Rules of Conduct.

Sponsor: There can be one of three relationships:

- **Personal Sponsor:** An ABO who introduces and sponsors a Prospect into the Amway Business Opportunity.
- **International Sponsor:** An ABO who introduces a prospect from another market to the Amway Business Opportunity and he/she becomes the (“International Sponsor”) when this prospect signs up and is being foster sponsored by another ABO in that market.
- **Foster Sponsor:** An ABO of the Amway affiliate in the other market who is designated to provide training and support to an Internationally Sponsored ABO.

SECTION 3 - BECOMING AN ABO

3.1 ABO Application Form and Business Kit: To become a duly authorised ABO capable of merchandising Amway’s products and services and sponsoring other ABOs, an applicant must apply for authorisation from Amway by completing and signing the ABO Application Form and obtain the Amway Business Kit. The completed ABO Application must be sent to Amway immediately, and accepted by Amway as authorised in accordance with the provisions of Section 3.3. No ABO shall present the Amway Business Opportunity as anything other than a business opportunity available to Singapore Citizens and Permanent Residents.

3.2 Husband and Wife ABOs: Individuals who are husband and wife shall, upon acceptance by Amway, be authorised as one ABOship. A person whose spouse is an authorised ABO shall not be eligible to apply as an authorised ABO of another ABOship.

3.2.1 Amway may at its sole discretion terminate the ABOship if Amway is of the opinion (which opinion shall be final) that any act of the ABO and/or his/her spouse (whether or not the spouse is a registered partner) is found to be in contravention of any of the Rules of Conduct of Amway.

3.2.2 If two ABOs, each of whom owns and operates an ABOship in different or same Lines of Sponsorship (neither of which is at the Platinum or above level), become married to each other, one ABOship must be terminated. If either member of the newly married couple has attained the status of Platinum or above, then the newly married couple may operate both ABOships, each of which will, however, be operated in its original Line of Sponsorship. The ABO must notify Amway as soon as possible.

3.2.3 In a husband and wife ABOship, if a spouse resigns from Amway for any reason pursuant to the Rules of Conduct herein, Amway shall be entitled to terminate the ABOship of the remaining spouse without assigning any reasons. Amway may however allow the remaining spouse to continue operating the ABOship in which event the remaining spouse and resigning spouse shall be subject to these Rules of Conduct and to such other terms and conditions which Amway may deem fit to impose.

3.2.4 Husbands with more than one legal wife can elect only one wife for the husband and wife partnership, subject to appropriate local legislation. Subsequent wives who wish to be ABOs must be sponsored under this husband/wife partnership.

3.3 Requirements: Without limiting Amway’s rights, the following are requirements for becoming an ABO or renewing an ABOship:

- 3.3.1 Must be at least 18 years of age.
- 3.3.2 Must not be the spouse of a currently authorised ABO unless he/she qualifies under 3.2.2.
- 3.3.3 Must not have been terminated for breach of contract under a previous ABOship or ABOship with another Amway affiliate.
- 3.3.4 Must comply with Section 6.4 of these Rules of Conduct if the applicant previously operated under an ABOship that was terminated or expired (and has not been renewed).
- 3.3.5 Must not be an employee of a direct selling company at the time of the initial application or during the term of his/her authorisation as an ABO.
- 3.3.6 Must be a Singaporean or resident duly authorised by the relevant authority to conduct business in Singapore.
 - 3.3.6.1 Must reside within the country where the business is being registered, if this is the person’s first Amway business in any market where Amway operates. The company retains the discretion to allow registration beyond the restriction.

3.3.7 Must not be a person serving an imprisonment sentence or otherwise confined to any correctional institution or have a previous conviction record for an offence relating to production (and/or) trading of counterfeit goods, false advertisement, illegal conduct of business, tax evasion (or) deception of customers, or an offence relating to deceptive appropriation of assets, abuse of trust to appropriate assets (or) unlawful possession of assets.

3.4 Acceptance or Rejection of ABO Application or Renewal: Amway reserves the right to accept or reject any ABO Application. Likewise, Amway reserves the right to refuse any Renewal request and

can revoke the ABOship if an ABO’s activities have not been in accordance with the Rules of Conduct or if the ABO is not in Good Standing or has not complied with the requirements of Section 3.3.

3.5 ABOs Operated through a Legal Entity: A party to an ABO Contract may apply to Amway to operate the ABOship through a legal entity, provided it complies with certain requirements and conditions, including where legally feasible the entity’s sole purpose is the operation of the Amway Business Opportunity. Contact Amway for current information. The person signing the ABO Contract on behalf of a legal entity must be an authorised representative of that legal entity and must personally meet the qualifications set forth in Section 3.3. A legal entity may be required to submit, in addition to other documents, proof of existence and qualification to conduct the activities anticipated in the ABO Contract, proof of compliance with applicable registration requirements, a document (such as an Authorisation for Legal Entity Form) containing various information about and agreements of both the legal entity and the founders and management of the legal entity, or such other similar information and documentation as Amway may request.

3.6 Date of Authorisation: The date of authorisation as an ABO is when the ABO Application has been processed and accepted by Amway.

3.7 Prohibited Sponsoring Practices: A sponsor shall not impose on a Prospect, nor any ABO, as a condition to receiving from the Sponsor assistance in the development of such person’s ABOship, conditions such as:

- 3.7.1 Purchase any specified amount of products or services.
- 3.7.2 Maintain a specified minimum inventory.
- 3.7.3 Purchase any non-Amway produced “starter,” “decision,” or other “pack” or “kit”.
- 3.7.4 Purchase literature, audio-visual aids or other materials.
- 3.7.5 Purchase tickets for and/or attend or participate in rallies, seminars or other meetings.

3.8 Term and Expiration: Unless the term is renewed in accordance with Section 3.9 of the Rules of Conduct and the Amway Business Policies, an ABOship expires or may be terminated in accordance with its terms. As specified in the ABO Contract, unless earlier terminated by an ABO or Amway, the ABOship shall expire on the one year anniversary of his/her original application.

3.8.1 **Buy-Back Rule:** Upon expiration or voluntary termination of the ABO Contract, an ABO may apply to Amway to return unsold inventory of Amway products that he/she may possess, provided such products are in new, unused and original condition. Amway will repurchase such products at the cost for which the ABO purchased such Amway products from Amway, according to the existing policy (please refer to Business Manual). In the event that the ABOship is terminated for an ABO’s breach, Amway shall have discretion as to the repurchase of products under the Buy Back Rule.

3.9 Renewal: An ABOship may be renewed at the discretion of Amway provided the ABO is not in violation or breach of Amway's Rules and Policies and terms of the ABO Contract in any market. To be eligible for extension, an ABO must submit (annually) a notice to Amway requesting that the ABOship be renewed (annually). If accepted by Amway, any extension of the term of the ABO Contract and Amway's Rules and Policies shall be effective from the date of extension and concluding 12 months thereafter. The terms of such extension shall be the terms and conditions of the ABO Contract in effect at the time of extension. Without limiting Amway's discretion to deny the extension of an ABOship, the following shall automatically disqualify an ABO from the extension of his/her ABOship.

- 3.9.1 The ABO was operating in a manner that was contrary to the reputation and interests of Amway; or
- 3.9.2 The ABO did not comply with or is in breach of the ABOship within the 12 months preceding the period for which extension is sought; or
- 3.9.3 Failure to meet the requirements outlined in Section 3.3 of these Rules of Conduct.

3.10 Termination: An ABO may terminate the ABOship at any time by providing Amway with a written notice of termination at Amway's address. Amway may terminate the ABOship at any time by providing the ABO with a written notice of termination at his/her specific address if he/she fails to comply with the Amway Business Policies, including the Amway Rules of Conduct, the Amway Sales & Marketing Plan and other policies maintained by Amway and which have been incorporated into the ABO Contract.

3.11 Invitations Limited to Husband and Wife only: Invitations for business seminars, incentive trips and other events organised by Amway will only be extended to the authorised ABO and the legal and registered spouse per ABOship. These individuals shall be listed on Amway's records.

- 3.11.1 However, Amway, at its sole discretion, may extend invitations to two other individuals per ABOship instead of the husband and wife referenced in Rule 3.11, provided it is done in accordance with the policy on Second Generation Attendance and Treatment at Non-Cash-Awards Events.

3.12 Conspiracy; Inducement to Breach: An ABO shall not conspire with any other person to breach or induce a breach of any Rules of Conduct or the Amway Business Policies or to induce or attempt to induce another ABO to breach any of the Rules of Conduct or the Amway Business Policies. Any such activity shall constitute a breach of the Rules of Conduct or the Amway Business Policies.

3.13 Exceeding Scope of Authorisation: An ABO shall not exceed the scope of authorisations granted pursuant to the ABO Contract. Any such activity shall constitute a breach of the ABO Contract.

3.14 Representations and Warranties: An ABO shall not make any false representation or statement to Amway, nor induce Amway to enter into an ABO Contract under false pretences, nor breach any representation or warranty implied in this contract or by law. Any such activity shall constitute a breach of the Rules of Conduct or the Amway Business Policies.

3.15 Multiple Breaches: It is a breach of the Rules of Conduct or the Amway Business Policies for an ABO to allow any breach to remain uncorrected following notification from Amway of the existence of the same, or to have multiple simultaneous, serial or repeating breaches of the Rules of Conduct or the Amway Business Policies.

3.16 Unauthorised Amway Business Owner Activity in Unopened Markets: Each ABO has an ABO Contract that authorises the ABO to engage in activities within the countries and territories described in that ABO Contract ("Opened Market"). Any activity taken in furtherance of an Amway business in any country or territory other than an "Opened Market" is considered "Unauthorised Activity" and is strictly forbidden. No ABO shall conduct unauthorised activities in markets Amway has not opened (also refer to the Unauthorised ABO Activity in Unopened Markets Policy, available in the website).

3.17 Circumvention of the Rules of Conduct: In case of any attempt to circumvent or act against the intent and spirit of the Rules of Conduct, Amway may at any time take corrective action at its discretion.

- 3.17.1 All ABOs shall be subject to the Enforcement Procedure which is set out in the Business Manual provided that Amway expressly reserves the right to terminate, at any time and with immediate effect, the authorisation of an ABO who shall have provided false information in the Application or who shall have accepted authorisation as an ABO in violation of these Rules or who shall have conducted himself/herself in a manner that in Amway's opinion brings the Amway Sales & Marketing Plan into disrepute.

charged with the duty of good faith and fair dealing under the terms of the ABO Contract.

- 4.1.1 **Cooperation with Investigations:** ABOs shall cooperate in any investigation undertaken by Amway into activities that are potentially in contravention of his/her ABOship or the ABOship of another ABO.

4.2 Cross Group Buying or Selling/Supplying: No ABO shall engage in cross-group buying or selling/supplying. "Cross group buying and selling/supplying" occurs when an ABO sells or supplies Amway distributed or supplied products and/or services to another ABO who is not personally sponsored and downline of those sponsored, down to the next Platinum.

- 4.2.1 An ABO must only purchase Amway products and services and Amway BSM directly from his/her Sponsor, or Amway.
- 4.2.2 An ABO must not sell or supply Amway products and services to another ABO who is not personally sponsored and downline of those sponsored, down to the next Platinum.

4.3 Retail Stores: With the exception of limited Retail Service Establishments as referenced in Rule 4.3.1, or Temporary Events described in Rule 4.3.2 below, no Amway Business Owner (ABO) shall allow the sale or promotional display of Amway products or services in establishments whose main purpose is the retail sale of products, including both physical retail locations and unauthorized internet sites.

- 4.3.1 **Selling and Displaying Amway XS Products at Retail Service Establishments:** Notwithstanding the restrictions of Rule 4.3, Amway shall retain the sole discretion to permit the sale or promotional display of Amway XS products at retail service establishments which have the primary purpose of rendering services ("Retail Service Establishments"), under the following conditions;

- 4.3.1.1 The main activities of these retail service establishments shall be to provide services, with the retail sale of Amway XS products being incidental to the services rendered. Eligible Retail Service Establishments may, but will not necessarily, include restaurants, gyms, coffeshops and cafés.
- 4.3.1.2 The ABO shall own or control/manage the Retail Service Establishment and be in Good Standing with Amway.

- 4.3.1.3 Request for authorization must be submitted to Amway(Business Conduct and Rules Department) and approval by Amway must be received before selling or displaying Amway XS products at the Retail Service Establishment. A request for authorization form may be obtained through Amway. The request for authorization must include the following:

- 4.3.1.3.1 Name, address, phone number of the Retail Service Establishment;

- 4.3.1.3.2 Attestation that the ABO owns or controls/manages the Retail Service Establishment. If the ABO is not the majority owner of the Retail Service Establishment, the ABO must further submit to Amway the written consent of the majority owner(s) to the ABO's sale of Amway XS products at the Retail Service Establishment;

- 4.3.1.3.3 Description of services provided by the Retail Service Establishment;

- 4.3.1.3.4 Description of Amway XS products to be displayed and sold; and

- 4.3.1.3.5 Desired start date for when Amway XS products will be sold and displayed

- 4.3.1.4 Amway may accept or reject the request for authorization in its sole discretion, revoke authorization at any time, or vary the terms and conditions of its authorization without prior notice. Any change to an ABO's Good Standing status, or any change in ownership, management responsibility, or any other change which affects the ABO's control of the Retail Service Establishment such that the ABO no longer has sufficient control to ensure compliance with Amway's Rules and Policies related to the sale and display of Amway XS products in Retail Service Establishments shall result in automatic revocation of the authorization to sell and display Amway XS products at the Retail Service Establishment.

- 4.3.1.5 An ABO who has been granted authorization by Amway under this exception to Rule 4.3 to sell and/or display Amway XS products in the Retail Service Establishment may, at the ABO's own discretion, designate a person or persons to sell Amway XS products in the Retail Service Establishment. The ABO shall be responsible and accountable under Amway Rules and Policies for the acts and/or omissions of these designated people, or any other person selling the Amway XS products in the Retail Service Establishment, whether or not harm is caused by the ABO's own negligence.

SECTION 4 - RESPONSIBILITIES AND OBLIGATIONS OF ALL ABOS

4.1 Abide by the Amway Business Policies/Amendments/Duty of Good Faith: At all times, ABOs must adhere strictly to the guidelines, procedures and policies stated in the Amway Business Policies of which these Rules of Conduct are a part, in addition to the Amway Sales & Marketing Plan, and, in each case, any amendments made to such from time to time. All ABOs are

- 4.3.2 **Selling and Displaying Amway XS Products at Temporary Events:** An ABO at the Platinum or above level may apply to receive Amway's authorization to display and sell Amway XS products at temporary events lasting no more than 10 days ("Temporary Events"). The eligible ABO shall send Amway the following detailed information with regard to the event at least 30 days prior to the event being held for Amway's review and authorization:
- 4.3.2.1 A written description of the type of Temporary Event, including the date and a list of the names of all those ABOs who will participate.
- 4.3.2.1.1 A diagram/outline with the proposal and a map of the stand/booth location within the Temporary Event, as well as the proposal for any related signage.
- 4.3.2.1.2 Specific name of the Amway XS product or products that will be displayed and sold.
- 4.3.2.1.3 Proposed advertising to be utilized at, or in advance, of the Temporary Event, as well as a list of specific Amway literature that will be used and handed out at the location.
- 4.3.2.2 Amway may accept or reject the request for authorization of the Temporary Event in its sole discretion, revoke authorization at any time, or vary the terms and conditions of its authorization.
- 4.3.2.3 After authorization from Amway, the ABO may participate in the Temporary Event as specifically authorized. The ABO shall be responsible and accountable for compliance with Amway's Rules and Policies, and will further be responsible for the acts and/or omissions of ABOs participating in the Temporary Event, whether or not harm is caused by the ABO's own negligence.
- 4.3.2.4 After the event, the ABO shall inform Amway of the total sales volume generated as a result of the event in order to determine if this sales volume contributes to a qualification month of a Silver Producer or above, and to verify compliance with 4.17 Retail Effort Rule.
- 4.3.3 ABOs are not allowed, on their own or utilising non-ABO third parties, to sell or promote Amway products or services in any digital retail property which has the primary purpose of selling products or services to the public.

No Amway products or services are allowed to appear in these properties even if the products or services are not for sale.

- 4.3.4 An ABO who works in or owns a retail store must operate his or her ABOship separately and apart from the retail store. Such ABOs must secure customers for his/her Amway business in the same manner as ABOs who have no connection with a retail store and otherwise abide by Rule 4.3. Other types of retail establishments, which are not technically stores, such as barber shops, beauty shops, or professional offices, etc., likewise may not be used to display Amway products, information about Amway services, or promotional material related to Amway products or services or Amway literature.
- 4.3.5 In the online environment, ABOs are allowed to blend and leverage their non-Amway communities and businesses, promote and sell Amway products, and prospect contacts made through that business or community, only in accordance with the Digital Communications Standards.
- 4.4 **Truthful and Accurate:** No ABO shall make any offer to sell any Amway products or services which are not accurate and truthful as to the price, grade, quality, performance and availability. ABOs shall not:
- 4.4.1 Make exaggerated product claims not authorised by Amway with regards to Amway's products or products distributed by Amway;
- 4.4.2 In any way whatsoever, represent Amway incorrectly with regard to prices, quality, standards, grades, contents, style or model, place of origin or availability of Amway's products or products distributed by Amway;
- 4.4.3 State that Amway's products or products distributed by Amway are backed, approved, or present any features as regards to yield, accessories, uses or benefits that they do not have; or
- 4.4.4 Act or present in any way whatsoever Amway, its products or the products Amway distributes, in a fraudulent manner or promote products that do not belong to Amway as if they did.

4.5 **Repackaging:** ABOs may not repackage products, change the content of products or otherwise change or alter any of the packaging labels of Amway products or services.

4.6 **Written Sales Receipt:** An ABO who takes and/or delivers an order in person shall deliver to the customer at the time of sale, a written and dated order or receipt which shall: (a) describe the product(s) sold, (b) state the price charged, and (c) give the name, address, and telephone number of the selling ABO.

4.7 **Satisfaction Guarantee:** Whenever a customer requests the Satisfaction Guarantee service within the stated guarantee period, an ABO shall immediately offer the individual his/her choice of a: (a) full refund; (b) exchange for a like product; or (c) full credit towards the purchase of another product.

- 4.7.1 ABOs shall advise Amway of any complaint regarding the Satisfaction Guarantee from a customer and provide copies of all correspondence and details of all conversations regarding the complaint as requested.
- 4.7.2 ABOs are not authorised to make any type of offer or compromise or render Amway liable for any complaint or product return.
- 4.7.3 ABOs will be held strictly liable for claims they make which exceed the terms of the Satisfaction Guarantee and shall indemnify and hold Amway harmless for claims made to that effect.

4.8 **Compliance with Applicable Laws, Regulations and Codes:** ABOs shall comply with all laws, regulations and codes that apply to the operation of their ABOship wherever their business may be conducted. ABOs must not conduct any activity that could jeopardize the reputation of the ABO and/or Amway. Upon request, ABOs shall forthrightly provide any information requested about an ABO's activities or any other activities known by the ABO (even with respect to other ABOs). In all such communications with Amway, the ABO shall act with absolute candour and good faith.

4.9 **Deceptive or Unlawful Trade Practices:** No ABO shall engage in any deceptive or unlawful trade practice.

- 4.9.1 No ABO shall engage in and/or promote any program that requires a group of participants to subscribe and/or contribute monies at regular intervals to a common fund for the primary purpose of purchasing Amway products.

4.10 **Unlawful Business Enterprises or Activities:** An ABO shall not operate any illegal or unlawful business enterprise, engage or participate in any illegal or unlawful business activity.

4.11 **Professionalism:** An ABO shall at all times conduct himself/herself in a courteous and considerate manner and shall not engage in any high-pressure tactics, but shall make a fair presentation of Amway products or services, or the Amway Sales & Marketing Plan, when and where appropriate.

4.12 **ABO Relationship:** No ABO shall represent that he/she has any employment relationship with Amway or any of its affiliated companies and/or other ABO.

- 4.12.1 ABOs shall not give a false representation as to the nature of the relationship between Amway and its ABOs, or make any representation, except in accordance with the explanation given in the Amway Business Manual and Amway Business Policies or other official literature of Amway. An ABO is required to indemnify Amway for the costs, damages or prejudice stemming from such false representation, including any legal fees Amway may have incurred.

- 4.12.2 ABOs shall not imply that they are employees of Amway, nor shall they refer to themselves as "agents," "managers," or "company representatives", nor shall they use such terminology or descriptive phrases on their stationery or other printed materials.

- 4.12.3 ABOs may not use their business cards to create the impression that they are in an employment relationship with Amway.

4.13 **Franchises and Territories:** No ABO shall represent to anyone that there are exclusive franchises or territories available under the Amway Sales & Marketing Plan.

4.14 **Other Selling Activities:** Except as provided in the Digital Communications Standards, ABOs may not take advantage of their knowledge of or association with other ABOs, including their knowledge resulting from or relating to the Line of Sponsorship, in order to promote and expand other business ventures. Such conduct constitutes an unwarranted and unreasonable interference with the business contracts of other ABOs and Amway.

- 4.14.1 ABOs shall not solicit, directly or indirectly, other ABOs in order to sell, offer to sell, or promote other products, services, or business opportunities not offered or marketed by Amway. This Rule also applies to investments, securities and loans, regardless of their source.

- 4.14.2 ABOs shall not sell, offer to sell, or promote any other business opportunities, products, or services in connection with the Amway Sales & Marketing Plan.

4.15 **Interference in another ABO's ABOship; Inducement:** It is a breach of the Rules of Conduct or the Amway Business Policies for an ABO to:

- 4.15.1 Interfere or attempt to interfere with another ABO's ABOship; or
- 4.15.2 Induce or attempt to induce another ABO to change his/her Line of Sponsorship, to transfer or abandon his/her ABOship, or to sponsor or not sponsor a particular Prospect; or
- 4.15.3 Induce or attempt to induce another ABO to deny training, education, motivation or other support to a downline ABO; or
- 4.15.4 Induce or attempt to induce another ABO to breach any Rules of Conduct or the Amway Business Policies.

- 4.15.5 Promote events outside of his or her own group or organisation without the written consent of his or her immediate upline Platinum and Diamond, and the Platinums and Diamonds of the other group or organisation to which the event is promoted. Leaders should ensure event promotions, if any, are strictly within their own organisation unless the required consents are obtained.

4.16 **Exporting Amway's Products:** No ABO may export or import, or sell to others who import or export, Amway's products from any other country in which Amway has established operations, into any country regardless of whether or not Amway is doing business in that country.

ABOs may, however, take Amway products across borders for personal use, with the following limitations:

- 4.16.1 The ABO is visiting another country and personally places the product order in that country.
- 4.16.2 The ABO physically picks up/receives the products in one country and personally carries the products to another country. There may be no couriers, shipping companies, or freight forwarders involved.

- 4.16.3 If the ABO has a Multiple Business in the country visited, the order cannot be placed as a customer order for an overseas customer.
- 4.16.4 The products are for the ABO's personal use only.
- 4.16.5 The products may not be resold, distributed, or given away under any circumstances.
- 4.16.6 The products ordered must not be available in the ABO's home market.
- 4.16.7 Durables (e.g. water treatment systems, air treatment systems) may not be carried from one market to another under any circumstances.
- 4.16.8 The ABO order must not be for more than a reasonable amount of product; under US\$1,000.00 annually, not including any products that may be purchased and carried personally while attending a Leadership Seminar in another market. This personal use exclusion is limited to a reasonable amount of product: under US\$1,000 annually, not including any products that may be purchased and carried personally while on an incentive trip in another market, whether or not there the products have PV/BV.
- 4.16.9 The personal use exclusion may not be used as a business-building strategy.

4.17 Retail Effort Rule: Amway pays bonuses under the Amway Sales & Marketing Plan based on sales to end consumers. For an ABO to be entitled to bonuses and/or qualifications under the Amway Sales & Marketing Plan, that ABO's purchases must be consumed or sold to end consumers within a reasonable period as determined by Amway. Amway reserves the right to deny all qualifications, awards and rewards if in Amway's sole judgment, the ABO's purchases are not in compliance with this rule.

- 4.17.1 Amway does not require stock keeping or purchase of inventory. ABOs may not purchase or counsel other ABOs to purchase products for any purpose other than the provision of such products to end consumers.

4.18 Digital Communications: Digital Communications as used in these Rules means electronic transmissions (generally by computer or mobile device) of text, data, images, video, voice and other information including, without limitation, any posts or publications made available within the digital space, including emails, videos, live streaming, podcasts, blog posts, mobile applications (apps), advertising, forums, webpages, and through any social media or messaging platform, e.g. Facebook®, Instagram®, Line®, Snapchat®, Telegram®, Twitter®, WeChat®, WhatsApp® or YouTube®.

The Rules apply to ABO Digital Communications regarding Amway, the Amway Business Opportunity, Amway products and services (directly or indirectly), or when the digital communications constitute as BSM as defined under the Rules and BSM Policy. Since the digital space is unique, Amway has established the Digital Communications Standards (DCS) to ensure that ABO Digital Communications are in compliance with the Rules. The DCS are incorporated into and made a part of these Rules, and ABOs must comply with the DCS. A copy of the currently applicable DCS is available upon request from Amway.

4.19 Fundraising: No ABO shall use Amway products in conjunction with any type of fundraising activity. Fundraising includes but is not limited to the solicitation for the purchase of Amway products or services based on the representation that all, or some, of the gains, proceeds, bonuses, or profits generated by such sale will benefit a particular group, organisation or cause.

4.20 Amway Sales & Marketing Plan Manipulation:

No ABO shall manipulate the Amway Sales & Marketing Plan or award volume in any way which results in the payment of Bonuses or other awards and recognition that have not been earned in accordance with the terms of the Amway Sales & Marketing Plan and/or the Amway Business Manual. In this regard, the strategic and artificial structuring of an Amway Line of Sponsorship for the purpose of depth building, whether or not there are relationships between those who are sponsored and those who sponsor, is considered to be manipulation and an unacceptable business practice. Amway at its sole discretion will determine what constitutes manipulation of the Amway Sales & Marketing Plan.

4.21 Personal/Business Information Update: All ABOs are responsible for communicating any updates or changes to their personal information (e.g. name, address, telephone numbers, email address, marital status, etc.) or business information (e.g. change of business status, etc.) to Amway.

4.22 Proprietary Information: In addition to the provisions contained in Section 9 of the Rules of Conduct, pertaining to the use of the Amway trade name, trademarks and copyrighted materials, Amway's confidential and proprietary business information including, by way of example and without limitation, Line of Sponsorship information (i.e. information compiled by Amway that discloses or relates to all or part of the specific arrangement of sponsorship within the Amway business, including, without limitation, ABO lists, sponsorship trees, and all ABOs or Amway business information generated there from, in its present and future forms), business information, manufacturing and product development plans, business plans, and ABO sales, earnings and other financial information, etc., constitute commercially advantageous, unique, and proprietary trade secrets and business secrets of Amway which it keeps proprietary and confidential and treats as trade secrets and business secrets and constitute "Proprietary Information" subject to the ABO Contract.

- 4.22.1 Amway is the exclusive owner of all Proprietary Information, which is derived, compiled, configured, and maintained by Amway. The ABO acknowledges all Proprietary Information is owned by Amway through the considerable expenditure of time effort and resources.

- 4.22.2 ABOs are granted a personal, non-exclusive, non-transferable and revocable right by Amway to use Proprietary Information only as necessary to facilitate their Amway Business as contemplated under the Rules of Conduct, the Confidentiality Policy and other terms and conditions of the ABO Contract. Amway reserves the right to deny or revoke this right, upon reasonable notice to the ABO stating the reason(s) for such denial

or revocation, whenever, in the reasonable opinion of Amway, such is necessary to protect the confidentiality or value of Proprietary Information.

- 4.22.3 All ABOs shall maintain Proprietary Information in strictest confidence, and shall take all reasonable steps and appropriate measures to safeguard Proprietary Information and maintain its confidentiality.
- 4.22.4 An ABO shall not compile, organise, access, create lists of, or otherwise use or disclose Proprietary Information except as authorised by Amway. An ABO shall not disclose Proprietary Information to any third party, or use Proprietary Information in connection with any other businesses.
- 4.22.5 Use or disclosure of Proprietary Information, other than as authorised by Amway, shall cause significant and irreparable harm to Amway, and Amway may claim appropriate compensation for damages as well as demand an ABO refrain from the harmful conduct as well as seek any other remedies under applicable laws.
- 4.22.6 In case of disclosure of Proprietary Information, voluntary or not, by an ABO to any third person, the ABO should immediately notify Amway about that fact and take necessary measures in order to (a) prevent further disclosure by such third party and (b) oblige such third party to sign a confidentiality and nondisclosure agreement for the benefit of Amway and under no less stringent terms that those provided within Section 4.22.
- 4.22.7 An ABO shall promptly return any and all Proprietary Information or any copy to Amway upon resignation, expiration, failure to renew, denial of extension or termination of his/her ABOship and shall refrain from any further use.
- 4.22.8 The confidentiality obligations set out in Section 4.22 shall survive during the term of the ABO Contract as well as after the date of its expiration or termination by any cause.

4.23 Presentation Rules: The content of the presentations which include or support the promotion of the retailing of Amway products and services, or the Amway Sales & Marketing Plan, must otherwise be in accordance with the following:

- 4.23.1 ABOs shall not:

- a) exaggerate income representations by relating it to or incorporating it with other income and suggesting that it is the result of building the Amway business;
- b) substitute group or non-Amway organisational identity for the Amway business. The Amway business must always be clearly identified without any ambiguity to the participants during the course of the presentation;

- c) advocate, imply or give the impression that success can be achieved through promoting personal consumption with no requirement to sell or promote inappropriate product usage and/or claims;
- d) promote one's Line of Sponsorship, affiliation or group in any manner that will give rise to or likely to give rise to resentment by or cause any detriment to others;
- e) misrepresent whether directly or indirectly and by whatever means the relationship of the ABO to Amway, for example, suggesting or implying that Amway is "just a supplier", or that the ABO represents a business opportunity of which "Amway is a part", or that the ABO "outsources" administrative support to Amway, etc.;
- f) promote any other business opportunity other than the Amway Business or solicit any participants to attend meetings for the purpose of presenting another business opportunity at any time; or,
- g) use the meeting as a platform to promote or advocate religious, political and/or personal social beliefs.

4.23.2 Personal reflections on the following are not appropriate:

- a) social and cultural issues;
- b) preferences regarding specific political views, parties, candidates or elected officials.

4.23.3 Discussions must only relate to ethics and positive attitudes that will assist and encourage the ABO and Amway's products, services and business.

4.23.4 Income representations, whether direct or implied, must reflect a realistic income potential from participation in the Amway Sales & Marketing Plan.

4.23.5 ABO statements about the Amway Business Opportunity and Amway Sales & Marketing Plan must be truthful, accurate, and not misleading, and shall be made in accordance with the QAS and these Rules of Conduct.

4.24 Activity Outside Singapore or Activity Outside The Market Where The ABO Is Registered:

ABOs who engage, directly or indirectly, in any activity related to the Amway business in a jurisdiction outside of Singapore must do so in a manner that complies with the letter and spirit of the applicable laws, regulations, and rules, policies and procedures of the Amway affiliate in that jurisdiction, regardless of whether they are registered ABOs in that jurisdiction. Failure to do so shall be a breach of the ABO Contract.

4.25 Advertising: An ABO may not present the Amway Business Plan or solicit participation in the Amway Business Plan through any broadcast communication methods including mass mailings, telemarketing, national or international advertising, radio, television, facsimile services, or any other means by which personal contact with a Prospect is not present. Advertising is allowed in a limited context as described in the Digital Communication Standards.

SECTION 5 - RESPONSIBILITIES AND OBLIGATION OF ALL SPONSORS/PLATINUMS

Each Amway Business Owner (ABO) is responsible for building his/her own Amway business. Amway recognises that proper support, training and motivation from the Sponsor/Platinum are also important to the continued growth of Amway businesses downline. However, Sponsor and other upline activities must never undermine the independence and personal effort of each Amway business or improperly interfere with the relationship between Amway and each ABO. ABOs who qualify at the Emerald or Diamond level should only support and communicate with ABOs within their downline qualified Emerald and/or Platinum Business Groups as set forth in Rule 5.2.5 below.

Furthermore, Section 5 prohibits excessive or improper upline involvement which may also constitute the manipulation of the Amway Sales and Marketing Plan (Section 4.20).

Amway reserves the right to evaluate the type and frequency of upline involvement to determine whether it constitutes interference in violation of the Rules of Conduct.

- 5.1 Duties and Responsibilities of Sponsors: An ABO who engages in sponsoring activity or who sponsors an ABO shall:
- 5.1.1 Sell to the sponsored ABO an unaltered Amway Business Kit, and inform him/her of the applicable time period in which the Kit can be returned for a refund.

5.1.2 Be in compliance with the ABO Contract and meet all requirements as set forth in the ABO Contract including the Amway Business Policies.

5.1.3 Train and motivate the sponsored ABO in accordance with the Amway Business Policies, or cooperate with the upline Platinum to ensure that this training and motivation occurs.

5.1.4 Ensure that the ABO whom they have personally sponsored fully complies with the Amway Rules of Conduct and the terms of the ABO Contract including the Amway Business Policies, and all applicable laws and regulations.

5.1.5 Encourage ABOs whom they have personally sponsored to attend official Amway meetings and functions.

5.1.6 Explain the responsibilities and obligations of an ABO under the ABO Contract, including the Amway Business Policies and instruct the sponsored ABO on how to operate an ABOship in accordance with the Amway Business Policies, in addition to the Amway Business Manual and other official Amway literature.

5.1.7 Support and comply with the Rules of Conduct and educate and assure that other ABOs whom they have personally sponsored do the same.

- 5.1.8 Protect the sponsorship rights of each ABO whom they have personally sponsored.
- 5.2 Duties and Responsibilities of ABOs at Platinum Level and Above: The following are some of the responsibilities and functions of an ABO at Platinum level and Above:
- 5.2.1 Ensure that the ABO whom they have personally sponsored and downline of those sponsored, to the next Platinum, fully comply with the Amway Rules of Conduct and the terms of the ABO Contract including the Amway Business Policies, and all applicable laws and regulations.

5.2.2 Encourage ABOs whom they have personally sponsored and downline of those sponsored, to the next Platinum, attend official Amway meetings and functions.

5.2.3 Support and comply with the Rules of Conduct and educate and assure that other ABOs whom they have personally sponsored and downline of those sponsored, to the next Platinum do the same.

5.2.4 Protect the sponsorship rights of each ABO whom they have personally sponsored and downline of those sponsored, to the next Platinum.

5.2.5 ABOs who qualify at the Emerald or Diamond level have the following additional responsibilities related to the ABOs in their downline qualified Emerald and/or Platinum Business Group:

5.2.5.1 Offer to consult and support them in coordination with the downline qualified Emerald and/or Platinum of the group to strengthen the success of their business.

5.2.5.2 Promote compliance with the Rules of Conduct.

5.3 Training and Motivation: Conduct, or provide access to, training and motivation that complies with the Rules, including the incorporated QAS.

5.3.1 In order to meet this obligation, the Sponsor may personally train the ABOs whom he or she sponsors, or arrange for support from others, including his or her upline Platinum where applicable, ABOs eligible and approved to create and use BSMs in training, educating, and motivating other ABOs, or third-party vendors (“Training Providers”).

5.3.2 If the Sponsor directly provides the training and motivation, the Sponsor remains responsible and accountable under the ABO Contract for ensuring that training and motivation that are compliant with the Rules and the QAS are made available to his or her sponsored ABOs.

- 5.3.3 If arrangements are made with the upline Platinum, or other authorised ABOs, to provide the training and motivation, then the ABO providing the training and motivation shall be responsible and accountable under the ABO Contract for the training and motivation to be compliant with the Rules and QAS.

- 5.3.4 If arrangements are made with the Training Providers, then the Sponsor or any other ABO who made the arrangement shall be responsible and accountable under the ABO Contract for the training and motivation to be in compliant with the Rules and QAS.

SECTION 6 - PRESERVATION OF THE LINE OF SPONSORSHIP

- 6.1 Protection of the Line of Sponsorship: The sale of an ownership interest in an ABOship, or transferring an ABOship, requires prior approval by Amway. This approval shall be at Amway’s sole discretion.
- 6.1.1 The transfer of an ABO, with or without his/her personally sponsored downlines and the downlines of those personally sponsored downlines, moves the sponsorship of that ABOship from one ABO to another.

6.1.2 When an ABOship is sold, such ABOship shall remain in the same position in the Line of Sponsorship.

6.1.3 Transfers may not be used to strategically or artificially restructure any part of the Line of Sponsorship.
- 6.2 Individual Transfers: An individual transfer involves the transfer of an ABO without any of his/her sponsored ABOs. Without limiting or restricting in anyway Amway’s powers and discretion under Section 6.1:
- 6.2.1 Any ABO who wants to change Sponsors must submit a written request to Amway accompanied by (1) a written release signed by all ABOs upline up to and including the first qualified Platinum or above, and (2) a written acceptance from the new Sponsor and new Platinum or above. The written acceptance from the new Sponsor and Platinum or above confirms that they will incur all responsibilities of the transferring ABO.

6.2.2 Amway will also contact any International Sponsor and International Leadership Bonus recipients and will allow 30 days for comment.
- 6.3 Group Transfers: A group transfer involves the transfer of an ABO with all or some of his/her personally sponsored and downline of those sponsored. Without limiting or restricting in any way Amway’s powers and discretion under Section 6.1:
- 6.3.1 An ABO who wishes to transfer to a different Sponsor with all or part of his/her personally sponsored downlines and the downline of those personally sponsored downlines, must submit a written request to Amway accompanied by the written consent from all downline ABOs, who wish to transfer, down

- to the first ABO who is qualified at the Platinum or Above level and all upline ABOs who are qualified at the Platinum or Above level up to and including the first ABO who is qualified at the Emerald or above level.
- 6.3.1.1 If the first upline ABO who is qualified at a formal award level is a qualified Emerald or above, written consent must be received from the next ABO who is qualified at the Platinum or Above level who is upline from that Emerald.

6.3.1.2 Amway will then notify the first qualified upline Diamond and allow 14 days for comment.
- 6.3.2 The transfer request must be accompanied by the written consent of all those ABOs, including those internationally sponsored, who the transferring ABO wishes to take with him/her and the written acceptance of the ABO in the Line of Sponsorship to which the requester wants to be transferred.
- 6.3.2.1 Amway will also contact any International Sponsor and International Leadership Bonus recipient and will allow 30 days for comment.
- 6.3.3 No ABO currently recognised by the company as a Group Leader (e.g. Silver Sponsor, Gold Producer, Platinum, or Ruby, etc.) can be transferred with his/her personally sponsored and downline of those sponsored under this Section.
- 6.3.3.1 A former Group Leader ABO may be transferred with his/her personally sponsored and downline of those sponsored only if more than two full years have elapsed since the last month in which the ABO was recognised as such, provided there has been compliance with the procedures outlined above.

6.4 Six Months Inactivity: An ABO who wishes to terminate (by resignation or failure to extend) his or her ABOship under his or her present Sponsor and who thereafter becomes inactive for a period of six or more consecutive months shall cease to be an authorised ABO and may, following the lapse of said inactive period, apply as a new ABO under a new Sponsor. The date on which Amway receives the letter of resignation begins the inactivity period. A person who has not renewed his/her ABOship will be considered expired and must remain inactive for six months from the beginning of the following month.

6.4.1 To sponsor an ABO under this Rule, the applicant must complete a new ABO Contract which may be obtained from Amway. If evidence of activity during the six-month period is substantiated, Amway will refuse to honour the sponsorship under the new Sponsor. The right of an ABO to contest the sponsorship of a former ABO who is now sponsored under a different Sponsor ceases when two years have elapsed since the date Amway accepted the application under the new Sponsor.

6.4.2 **Definition of Inactivity:** Inactivity for purposes of this rule shall mean that during the period of inactivity, the ABO shall be completely inactive, which means such ABO:

6.4.2.1 Shall not have purchased products or services of Amway as an ABO for personal use (although he or she may do so as a customer);

6.4.2.2 Shall not have sold or supply any products or services of Amway except pursuant to the “buy-back” policy, shall not have engaged in any phase of a product sale/purchase (e.g. taking an order, making a delivery, or accepting payment);

6.4.2.3 Shall not have presented the Amway Sales & Marketing Plan to any Prospect;

6.4.2.4 Shall not have filed an Intent to Continue for the extension of his/her ABOship; and

6.4.2.5 Shall not have attended any recruiting, training, or motivational meeting conducted by any ABO or any Amway-sponsored meetings.

6.4.2.6 For purposes of this Rule, the following shall NOT constitute as an activity and do not, therefore, interrupt the running of the six-month inactivity period so long as the former ABO is otherwise inactive:

6.4.2.6.1 Procuring and/or submitting a written request for transfer;

6.4.2.6.2 Filing a request for the review of an Amway decision by an International Review Panel; or

6.4.2.6.3 Directing an inquiry to Amway as to the status of his/her ABOship.

6.4.2.7 During the inactive period, the former ABO must not participate in any activity under another ABOship in the name of his/her parents, siblings, or others or he/she shall be determined as “active” for the purposes of this Section.

6.4.2.8 When either a husband or wife is an ABO, both must fulfil the six-month inactivity requirements before one can be sponsored again as an ABO.

6.4.2.9 If the ABO who is changing Sponsors under this rule also has any internationally sponsored ABOs, the ABO’s internationally sponsored ABOs are forfeited once the six-month inactivity period has begun.

6.4.2.10 If the ABO who is changing Sponsors under this rule also owns Amway businesses in other markets, he/she must elect one of them to be the International Sponsor of his/her new ABOship when completing the new ABO Contract.

6.4.3 **Two Years Inactivity:** An ABO who transfers to or who following six or more months of inactivity applies for sponsorship under a Sponsor in a different Line of Sponsorship pursuant to the provisions of this rule, may not be sponsored by any ABO who was previously above him/her in the original Line of Sponsorship up to and including the first ABO qualified at the Platinum or above level, or below him/her in his/her former personally sponsored and downline of those sponsored, down to and including the first ABO qualified at the Platinum or above level, unless at least two years have elapsed since the termination of his/her ABOship.

6.4.4 An ABO who transfers to, or who, following six or more months of inactivity, is sponsored under a Sponsor in a different Line of Sponsorship pursuant to the provisions of this rule, shall have no right to sponsor in the new Line of Sponsorship any ABOs who were previously above him/her in the original Line of Sponsorship up to and including the first ABO qualified at the Platinum or above level, or below him/her in his/her former personally sponsored and downline of those sponsored, down to and including the first ABO qualified at the Platinum or above level. However, an ABO who has been inactive for a period of two years following his/her resignation may be sponsored by any sponsor, including his/her former Sponsor who may have since been transferred to or sponsored by a different Sponsor.

6.4.5 An ABO who has declared inactivity in one market may continue to operate as an ABO in any other market in which he/she has an ABOship, during the terms of his/her inactivity in the other markets.

6.4.6 A formerly fostered sponsored ABO may sponsor again subject to paragraphs 6.4.1, 6.4.2, 6.4.3, and 6.4.4 and the following conditions:

6.4.6.1 At the time of application, the former ABO must specify whether or not he/she wishes to be internationally and foster sponsored again, and

6.4.6.2 A former ABO may not be personally sponsored by a Sponsor who was previously above him/her in the original line of foster sponsorship up to and including the first ABO qualified at the Platinum or above level, or below him/her in his/her original Line of Sponsorship down to and including the first ABO qualified at the Platinum or above level unless two or more years have elapsed since the termination of his/her ABOship.

6.4.7 **Corrective Action:** If any provisions to this rule are violated, Amway may take corrective action, which may include, but is not limited to, the termination of the violating ABO’s ABOship, and transfer of his/her former personally sponsored and downline of those sponsored and/or the Business Volume generated during the period of violation to the appropriate Line of Sponsorship.

6.5 Sale of an ABOship: An ABO who owns an ABOship, whether or not qualified as Platinum or above may sell his/her ABOship only to another authorised ABO as prescribed by this rule. Amway requires that specific terms of sale be included in any sales agreement. In order to preserve the Line of Sponsorship, the selling ABO must offer his/her ABOship in the order of priority stated below and the ABO interested in purchasing the ABOship must meet all of the terms and conditions as set forth in these rules. The purchased business shall remain separate from the buyer’s other Amway business and the Line of Sponsorship shall not be altered in any way as a result of the sale.

6.5.1 The first option to purchase belongs to his/her International Sponsor, who retains throughout the sales negotiations to sell the ABOship the right to acquire the same by meeting the price and conditions of any bona fide offer received by and deemed acceptable to the Seller;

6.5.2 The second option to purchase belongs to his/her local Foster Sponsor so long as the first option has not been exercised. In the event the selling ABO has no International Sponsor, the local Sponsor

retains throughout the sale negotiations to sell the ABOship the right to acquire same by meeting the price and conditions of any bona fide offer received by and deemed acceptable by the Seller;

6.5.3 The third option, exercisable so long as the first or second options above have not been exercised, belongs to any one of the Seller’s personally sponsored ABOs;

6.5.4 The fourth option, exercisable so long as the first, second, or third options have not been exercised, belongs to any qualified Platinum or above either up or down the Line of Sponsorship to the next qualified Diamond;

6.5.5 The final option, exercisable so long as the first, second, third, or fourth options have not been exercised, belongs to any qualified Emerald at that time.

6.5.6 All purchasing ABOs must be in good standing as determined by Amway. All sales (except the price) must be reviewed and approved by Amway before they become final. Amway reserves the right to approve all sales at its own discretion. No changes in ownership will be implemented and no change of title of the business shall be made final until the sales agreement has been received and approved by Amway and a final executed copy of the sales agreement is provided to Amway for its records.

6.5.7 If the ABO wishes to sell his/her ABOship under terms and conditions different from those of his/her first offer, the ABOship must once again be offered for sale under the revised terms and conditions in accordance with the order of priority indicated above.

6.5.8 All purchasing ABOs must meet the following criteria as reasonably determined by Amway. Failure to meet the following criteria will act as if the offer to purchase was revoked or the option to purchase was never exercised:

6.5.8.1 Possesses sufficient expertise in the business so as to demonstrate a complete and accurate understanding of the Amway Sales & Marketing Plan and the Amway Business Opportunity;

6.5.8.2 Possesses a complete and accurate understanding of the Rules of Conduct and demonstrate a willingness to abide by them;

6.5.8.3 Possesses adequate resources to operate the seller’s ABOship and to provide necessary training and support;

6.5.8.4 Possesses an understanding of any relevant market factors that may impact the operation of the seller’s ABOship; and,

- 6.5.8.5 Is not currently engaged in any dispute or possess any conflict which may impact their ability to operate the seller's ABOship.
- 6.5.9 Monthly Performance Bonuses accruing to the business after the date of sale will be paid to the new owners. Annual Bonuses (such as Emerald and Diamond Bonuses) shall be paid as specified in the Sales Agreement as authorised by Amway. All awards previously awarded to the business will not be transferred to the new owners. Qualification for awards for the business will be determined only by activities occurring after the date of sale.
- 6.6 One Amway Business Rule:** An ABO may own, have an interest in, be a signatory on or be listed as a designee on only one ABOship, except as provided in Section 6.6.1 – 6.6.5. Only under the following circumstances may an ABO have ownership interest in more than one ABOship:
- 6.6.1 Where two ABOs marry and one or both have attained the Platinum or above level prior to marriage pursuant to Section 3.2.2;
- 6.6.2 Where an existing ABOship purchases another ABOship pursuant to Section 6.5;
- 6.6.3 Where an ABO (transferor), in order to facilitate the transfer of his/her ABOship in the event of his/her death, requests to assign the ABOship to another existing ABO pursuant to Section 10; or,
- 6.6.4 Where an existing ABO inherits an ABOship pursuant to Section 10;
- 6.6.5 In the event an ABO owns or has an ownership interest in two or more ABOships pursuant to this rule, Amway shall continue to recognise such ABOships as separate ABOships and will only recognise them as separate, individual ABOships for all purposes including, for award and Bonus purposes.
- 6.7 Mergers and Combinations of ABOships:** No merger or combination of two or more existing ABOships by reason of intentional affirmative act on the part of the owners shall be permitted which results in the merging ABOships obtaining any level of achievement.
- 6.7.1 Only those mergers or combinations resulting from failure to file a Notice of Intent to Renew form, termination, resignation, death (with no designation of succession by heirs), or some involuntary event or cause beyond the control of any of the owners, shall be permitted, provided, however, that the merging business has fewer than two (2) qualified legs. A permissible merger and combination must not be implemented until same has been reviewed and approved by Amway.
- 6.7.2 Under no circumstances will Amway approve a merger which results in an ABO attaining a higher award level.
- 6.8 Divorce, Separation, or Other Dissolution:** Whenever a business is ordered to be separated or divided as the result of a divorce, dissolution of a corporation or partnership (where applicable), the separation or division must be accomplished in such a way as to not adversely affect the interests and/or income of the ABO in the Line of Sponsorship. During the division

- or separation process, neither party shall administer or operate, together or separately, any other ABOship without Amway's express written consent.
- 6.8.1 **Divorce:** Upon divorce of a married couple one of whom is a signatory to an ABO Contract, Amway shall continue to recognise the signatory to the ABO Contract as the ABO and shall pay Bonuses and grant awards and rewards to such ABO only. Amway will continue to treat the ABOship as a single entity and for the purposes of this contract the individuals formerly married are still bound by Section 3.2, 3.11, and 4.14 as they deal with spousal issues. Any arrangements between divorced spouses with respect to proceeds from an Amway Business of one of the spouses must be handled by the divorcing spouses. Absent the express written consent of Amway, no arrangements shall be made to divide proceeds or to share awards or rewards between divorced spouses.
- 6.8.2 **Dissolution of a Legal Entity Operating an ABOship:** Absent the express written agreement of Amway to the contrary, prior to dissolution of a legal entity that is a signatory to an ABO Contract, the ABO Contract may be assigned to the authorised representative of the legal entity who signed the ABO Contract originally on behalf of the company, or the ABOship may be sold in accordance with Section 6.5 of the Rules of Conduct. The failure to either assign the ABO Contract to the authorised representative or to sell the ABOship in accordance with Section 6.5 of the Rules of Conduct shall result in abandonment of the ABOship in accordance with Section 14 of the Rules of Conduct.
- 6.9 Disposition of an ABOship:** If an ABO terminates his/her ABOship with Amway, or fails to apply for extension of the ABOship within the required time period, or dies without leaving heirs who are willing and able to assume responsibility for the ABOship, Amway, at its sole discretion, shall decide the future of the ABOship in accordance with Section 14.
- 6.10 Non-Compete/Non-Solicitation:**
- a) **Non-Compete:** An ABO, who is or has qualified at the level of Platinum or above, shall not, during the existence of his/her contract of ABOship with Amway, and for a period of 6 months after the termination of his/her contract of ABOship with Amway, engage in or carry on any business or service, either directly or indirectly, which may be considered to be in competition with or similar to the businesses of Amway, whether for his/her own account, or for the account of any other person in Singapore.
- b) **Non-Solicitation:** An ABO shall not, during the existence of his/her contract of ABOship with Amway, and for a period of 24 months after the termination of his/her contract of ABOship with Amway, whether for his/her own account, or for the account of any other person in Singapore, solicit, induce, attempt to solicit, attempt to induce, or otherwise entice away from Amway, any of its ABO in Singapore.

SECTION 7 - BUSINESS SUPPORT MATERIALS (BSM)

While Amway does not require anybody to purchase BSM, ABOs may decide that they can play a useful role in building a profitable business or achieving goals. BSM are entirely optional and any ABO who chooses to promote, use, sell or distributes BSM must emphasise in writing that the purchase is strictly voluntary and that any ABO who purchases BSM shall be able to return the BSM for a full refund in accordance with the BSM Refund Policy stated in the QAS. An ABO cannot be burdened or obligated to purchase BSM or placed at any disadvantage by an upline or downline as a result of choosing not to purchase or sell BSM. ABOs shall not receive any compensation, incentives, or benefits from the sale of BSM, whether the BSM is ABO- or third party-produced. Rather, ABOs may sell BSM only at cost, and in no event at a price above the approved published price. ABOs may refer to the QAS for more specific direction regarding pricing for materials and events.

All BSM must comply with the Rules of Conduct and QAS, regardless of the purpose or source of the BSM. BSM may not be sold to non-ABOs nor can the purchase of any BSM be framed as a requirement for becoming an ABO. Amway does not endorse any BSM.

At its sole discretion, Amway may review any BSM and determine whether or not it is suitable for use in the market. ABOs are responsible for compliance with all laws regarding the content, production, distribution, and sale or use of BSM.

- 7.1 ABOs Only:** ABOs may produce BSM dealing with general subjects of a “how-to” nature; however, they must bear the legend “For Existing ABO Only – Not for use with Prospects.”
- 7.1.1 An ABO who chooses to use, sell or distribute BSM, including tickets to seminars and events, may not suggest, or imply that the use of any such materials will guarantee success. All BSM shall contain the following or substantially equivalent language in a format and placement indicated by Amway: “No one can guarantee that these techniques and approaches will work for you. We hope, however, that the ideas presented here will assist you in developing a strong and profitable business. These materials have been published independently of Amway.” The above language or its equivalent must appear on all seminar and event tickets.
- 7.2 Review:** Prior to distribution and use, all BSM must be submitted to Amway for review and authorisation as stated in the QAS. As a result of such review, Amway may deny authorisation or require at its sole discretion that such BSM be modified and/or

take other appropriate action(s) before such BSM is used. In addition to its right to approve all BSM, Amway may also conduct reviews of the use and treatment of Amway's name, or trademarks, service marks, copyrighted works, or other intellectual property belonging or licensed to Amway to ensure compliance with all Rules and the QAS. Reviews may include, but are not limited to, attending (in person or electronically) training and education meetings, as well as conducting interviews and surveys of ABOs. ABOs shall provide Amway with full access to BSM, including, without limitation, access to meetings and events, all password-protected areas of websites, and reasonable access to such other materials, information, and locations necessary or helpful for the purpose of conducting any of the aforementioned reviews including, without limitation, those reviews conducted to verify ABOs' compliance with the Rules of Conduct and the QAS. ABOs shall respond to inquiries and otherwise cooperate in a timely fashion with any reviews conducted by Amway in connection with their obligations under the ABO Contract, Rules, and QAS. ABOs shall act in good faith and shall not unreasonably withhold access to any materials or information requested by Amway.

SECTION 8 - PRESENTATION OF THE AMWAY SALES & MARKETING PLAN

- 8.1 Must Not Give False Impression:** When inviting a Prospect to hear a presentation of the Amway Sales & Marketing Plan, an ABO shall neither directly or indirectly:
- 8.1.1 Give the impression that the Amway Sales & Marketing Plan relates to an employment opportunity (in accordance with Section 4.11);
- 8.1.2 Imply that the invitation is to a social event;
- 8.1.3 Disguise the invitation as a “market survey”;
- 8.1.4 Promote the event as a “tax seminar” as stated in Section 8.3.3;
- 8.1.5 Promote the Amway Business Opportunity as a business relationship with a person, company, or organisation other than Amway as stated in Section 4.23.1 sub point (e) above;
- 8.1.6 Directly or indirectly indicate that such products are merely one line of products distributed through or as part of a brokerage, consignment, or intermediary business operated by a person, company or organisation other than Amway;
- 8.1.7 Directly or indirectly indicate that the Amway Business Opportunity, ABO or products and services merchandised through Amway are part of any business other than the Amway Business Opportunity as defined in the Rules of Conduct and other official Amway literature;
- 8.1.8 Fail to affirmatively indicate in connection with such invitation the true nature of such presentation and that the presentation is about the Amway Sales & Marketing Plan and the Amway Business Opportunity; or
- 8.1.9 Engage in any other direct or indirect misrepresentation of the Amway Business Opportunity and the ABO's relationship to Amway and the nature of the Amway Business, or omit any information that a person receiving such an invitation or attending or otherwise participating in such a presentation or event could reasonably be expected to need in order to properly evaluate the Amway Business Opportunity, Amway products and services;
- 8.1.10 Or in any other way violate Section 4.23 above.

- 8.2

First Contact With Prospects: It is a breach of the Rules of Conduct or the Amway Business Policies for an ABO to mislead or fail to inform a Prospect the nature of the ABO's activities and and, therefore, at the first contact with Prospects, an ABO must:
- 8.2.1

Introduce himself/herself by name;
- 8.2.2

Make himself/herself known as an ABO;
- 8.2.3

Appropriately identify Amway and the ABO's relationship to Amway;
- 8.2.4

Indicate the purpose of contact, namely the sale of Amway Products and/or the introduction of the Prospect to the Amway Business Opportunity;
- 8.2.5

Truthfully and honestly represent the Amway Sales & Marketing Plan, its products and/or services; and
- 8.2.6

Truthfully and honestly respond with full transparency and candour to any questions that the Prospect has concerning the Amway Business Opportunity, Amway products and services, the ABO or Amway.
- 8.3

Sponsorship Ethics: In seeking participation of a Prospect in the Amway Sales & Marketing Plan, the sponsoring ABO must comply with Section 4.23 as well as the following:
- 8.3.1

Must not say that a successful ABOship can be built in the form of a “wholesale buying club”, where the only products bought and sold are those transferred to other ABOs for their personal use;
- 8.3.2

Must not say that there is no requirement for the retail sale or marketing of products by ABOs;

- 8.3.3

Must not promote the enjoyment of tax benefits as the best or principal reason for becoming an ABO;
- 8.3.4

Must not say that the business is a “get rich quick” opportunity in which it is easy to achieve success with little or no expenditure of effort or time. In the event that another ABO is used as an example for success, that ABO success must be verifiable and substantiated;
- 8.3.5

Must not use any broadcast communication methods including mass mailings, telemarketing, national or international advertising, radio, television, facsimile services, computer communication networks including the Internet, or any other means by which personal contact with a Prospect is not present. Advertising is allowed in a limited context as described in the Digital Communications Standards;
- 8.3.6

An ABO must not misrepresent the relationship between Amway and any other company affiliated with Amway.

- 8.4

No Exclusive Territories: No ABO shall represent that there are exclusive territories available. It is a breach of the terms of ABOship to make such a representation.
- 8.5

No Obligation to Purchase: An ABO shall not require a Prospect to purchase products and/or services and/or that a deposit is required in order to participate, nor that there is a fee under the form of a training course, seminar, social event or similar activity in order to have the right to participate, except for the Amway Business Kit. It is a breach of the terms of the ABO contract and the ABOship to make such a representation.

SECTION 9 - USE OF THE AMWAY TRADE NAME, TRADEMARKS AND COPYRIGHTED MATERIALS

This rule has been developed to maintain the integrity of Amway's intellectual property and to ensure that the Amway brand will be available exclusively for the Amway Business. In addition, Amway has implemented a corporate identity program that requires the correct and consistent use of the Amway corporate logo, no matter where it appears. Therefore, no alterations to the approved logotype are allowed. Upon request, Amway will provide an example of the approved logotype and colour specifications.

- 9.1

Misuse and Misappropriation: ABOs shall not misuse or misappropriate Amway's trademarks or other intellectual property or proprietary information. It is a breach of the ABO Contract for an ABO to use any trademarks or other intellectual property or proprietary information belonging to or licensed to Amway except in accordance with the applicable terms, conditions and procedures set forth in the ABO Contract, including the Amway Rules and Policies.
- 9.1.1

Each ABO acknowledges and agrees that Amway is the licensee of certain trademarks including, e.g., logos, service marks and other intellectual property and industrial property, including the Amway name, and various trademarks, trade names and service marks used in connection with Amway products and services, and the various designs or labels.

- 9.1.2

ABO shall not use, in connection with his/her Amway Business or any other business (including but not limited to, any business vehicle, office, phone listings, premises, or stationery) and/or on or in connection with any products, the Amway name, or trademarks, service marks or other intellectual property belonging or licensed to Amway without the prior written consent of Amway and subject always to any conditions attached to such use except as otherwise provided herein. Amway reserves the right to withdraw its consent at its absolute discretion.
- 9.1.3

No Amway name, or trademarks, service marks or other intellectual property belonging or licensed to Amway may be used on any BSM, including third-party BSM, without the prior written permission of Amway.

- 9.2

Imprinted Banners/Signs for Meetings/Events: If an ABO is at the Platinum level or above, and desires to conduct a meeting or event in which the Amway name will be displayed in public, the ABO must first obtain prior written approval from Amway for such use of the Amway name (a public meeting is one where prospects may attend). The ABO shall provide a written request to Amway for each meeting; such a request shall include a description of the proposed banners/signs, their size, materials to be used for banner/signs and location.
- 9.2.1

ABOs must not produce or obtain any printed products from any source other than Amway which bears the Amway name, trademark, logo or trade name without written permission. Such permissions must be renewed for each Event/Meeting.
- 9.2.2

Amway reserves the right at all times to withdraw permission to display the Amway name if the standards stated are not met, of which Amway shall be the sole judge.

- 9.3

Imprinted Checks and Business Cards: Provided that an ABO is otherwise in full compliance with the Rules of Conduct and all other provisions of the ABO Contract, an ABO may use the Amway name (but not the Amway trademark, logo or any other trademarks, trade names, or service marks belonging to or licensed to Amway), on his/her imprinted checks and business cards provided that name is used in one of the following ways with no deviation:

(common name)	(common name)
<i>Amway Business Owner (ABO)</i>	OR <i>Amway Business Owner (ABO) of Amway products/ services</i>

- 9.3.1

Authorisation for use of the Amway name on ABO business cards/checks must be requested in writing to Amway's Sales departments. This request will be reviewed by Amway prior to approval.
- 9.3.2

Any written approval for the use of the Amway name on checks and/or business cards must be renewed annually. No ABO may refer to himself/herself other than as an ABO on the checks/ business cards.
- 9.3.3

An ABO may not promote any other activities unrelated to the Amway business on their imprinted checks and business cards, including but not limited to, the placement of information, trademarks, trade names, logos or service marks relative to any training or education company, system or program the ABO owns, controls or participates in.

- 9.4

Promotional Literature, Stationery, Premiums, etc.: ABOs shall not produce or procure from a source other than Amway any item bearing the Amway name or logo or any trademarks, trade names or service marks belonging to or licensed to Amway.

motivation. In the event that the heirs do not take steps to take over the ABOship, the ABOship may be deemed abandoned in accordance with Section 14.1. When an ABOship is deemed abandoned, the heirs shall have no further rights in the ABOship. Amway may then move up the Line of Sponsorship to the next qualified sponsor unless such a movement increases the number of 21% legs of the upline sponsor in which case the ABOship shall be designated as a placeholder.

SECTION 10 - DEATH AND INHERITANCE

- 10.1

Upon the death of an ABO, the ABO's interest in the ABOship may be passed on to a relative or other designated person, subject to the laws on succession and Amway's acceptance of the assignment of the ABOship pursuant to Section 3. Therefore, the original ABO must make proper arrangements during their lifetime for the orderly and legal transfers of ownership of their ABOship to their heirs. This is to ensure that downline ABOs will continue to receive proper service, training and

SECTION 11 - BREACH OF CONTRACT; PROCEDURES

- 11.1

Procedures
- 11.1.1

Investigation: When Amway believes that a breach of the Rules of Conduct or the Amway Business Policies has occurred, will occur, or is threatened to occur, Amway may investigate the activity of the ABO at issue. Amway may undertake this investigation on its own initiative or when requested by another ABO who has submitted a written complaint to Amway as provided in Section 11.1.2.
- 11.1.2

Complaints by ABO: An ABO who believes that another ABO has breached the Amway Business Policies and/or the Rules of Conduct, or who has personal knowledge of the activities leading to such alleged breach, shall notify Amway in writing of the alleged breach and all facts connected with it. A copy of this notification shall be provided either by the ABO or Amway to the ABO's Upline Platinum.

- 11.1.2.1

On receiving this notice Amway will notify the appropriate ABO of the complaint and request an immediate response.
- 11.1.2.2

If the complaint and response do not contain sufficient facts upon which to make a decision, additional information may be requested from any party by Amway.
- 11.1.2.3

When Amway believes that it has sufficient information regarding the facts and circumstances relevant to the complaint, Amway will decide whether there has been a violation of the Amway Business Policies or other breach of the Rules of Conduct and will take appropriate action in accordance with Section 12.

11.1.3 Notification of Action

11.1.3.1 Amway will forward a decision letter to the violating ABO, as well as the Sponsor and the first upline Platinum ABO of the sanctioned ABO. The decision letter will list the specific complaint(s), outline the corrective action to be taken and, if appropriate, set a time limit for the ABO to comply.

11.1.3.2 Any notice shall:

11.1.3.2.1 Be mailed, e-mailed or faxed or sent by registered mail or other confirmable method allowable by law to the address or fax that Amway has on record for the ABO. Claim of failure of an ABO to receive a notice shall not delay the action by Amway; and

11.1.3.2.2 If applicable, state the Section(s) of the Rules of Conduct or other provisions of the ABO Contract violated or breached by the ABO; and

11.1.3.2.3 State the date of which any such action shall become effective; and

11.1.3.2.4 If applicable, advise the ABO of his/her opportunity to seek Review of Amway's decision by the Review Panel.

Waiver of Claims: An ABO waives any and all claims against Amway arising out of or in respect to any action that Amway takes under the ABOship and/or this rule. An ABO who is terminated or has other action taken as a result of a violation of the Rules of Conduct or the Amway Business Policies shall have no claim against Amway arising out of or with respect to the termination or other action taken.

SECTION 12 - BREACH OF CONTRACT; SANCTIONS

12.1 Sanctions: In the event Amway at its sole discretion determines that there has been a breach of the Rules of Conduct or the Amway Business Policies by an ABO, Amway may take one or more of the following actions:

12.1.1 Terminate the ABOship by providing the ABO with a written notice of termination at his/her specified address or by some other suitable or electronic means or as allowed by law; or

12.1.2 Require the ABO to attend training; or

12.1.3 Suspend specific authorisations under the ABOship, such as by way of example and without limitation, the ABO opportunity to Sponsor, to purchase or sell Amway products and services, or to conduct similar activities associated with the Amway Business;

12.1.4 Remove the ABO as a Sponsor of any downline ABO and/or restrict the ABO's authority to Sponsor others;

12.1.5 Require refund of Amway Bonus;

12.1.6 Remove any qualification and require return of any objects evidencing such qualification (by way of example and not limited to, such as pins, certificates, etc.);

12.1.7 Require written acknowledgement of the breach(es) and an undertaking not to breach the ABO Contract in the future; or

12.1.8 Take any action short of termination of the ABOship as may be permissible under applicable law and appropriate in Amway's sole discretion to address the specific breach(es);

12.2 No Waiver: The failure of Amway to take any action upon learning of a breach or potential breach shall not constitute a waiver of Amway's rights to assert such a breach in the future. The failure of an ABO to take any action upon learning of a breach shall not constitute a waiver of any other rights or remedies that may be available under applicable law.

12.3 Suspension: Amway reserves the right to determine the specific terms of each Suspension on a case by case basis. In the event of any breach of contract by an ABO, Amway may take action to suspend some or all of the ABO's privileges under the ABOship, including but not limited to:

12.3.1 Withholding Bonus for payment of higher award monies pending final resolution of the matter; and/or

12.3.2 Suspending authorisation to conduct sponsoring activity (sponsoring, recruiting meetings, training sessions, home presentations, etc.); and/or

12.3.3 Suspending invitations to company-sponsored seminars, trips and events; and/or

12.3.4 Conducting reorientation and retraining meetings; and/or

12.3.5 Requiring that ABOs provide Amway with recordings of their Amway Sales & Marketing Plan presentations.

12.4 Actions Upon Termination: Upon termination for any cause whatsoever, the ABO shall:

12.4.1 Cease to identify himself/herself as an ABO.

SECTION 13 - INTERNATIONAL REVIEW PANEL

The International Review Panel provides an internal procedure for the review of decisions as to an ABO's termination, suspension, and/or non-renewal. Any other decision may be reviewed by the International Review Panel at Amway's discretion.

13.1 Procedure for Filing an Appeal Request to the International Review Panel: In the event an Amway Business Owner (ABO) disagrees with an affiliate's decision regarding a sanction/decision (as noted above), the ABO has the right to request an appeal of their case for review by the International Review Panel. The appeal request must be submitted in writing (in your local language or English) and may be accompanied by any documents supporting this request (all supporting documents must be provided in English). Only the ABO whose Amway business was sanctioned can appeal and must do so within 30 days of the date of the affiliate's decision letter. The appeal request must be submitted to the Appeal Administrator either via email at appeal.administrator@amway.com or via postal service to:

Amway Corporation,
Attn: Appeal Administrator,
Center Rules/IRP, Mail Code: 78-2R,
7575 Fulton Street East,
Ada Michigan 49355 USA.

13.2 Membership of the International Review Panel: The International Review Panel consists of corporate staff from Center Rules/IRP, Ada-based Regional Rules, Global Sales and Legal.

13.2.1 Members of the International Review Panel do not act as arbitrators.

13.3 Market Decision Remains in Force Pending Decision by the International Review Panel: In the event Amway grants an ABO the opportunity to have an affiliate's decision reviewed by the International Review Panel, the decision taken by Amway will remain in force until the review has taken place and a final determination has been made by the International Review Panel.

13.4 Procedures for Review by the International Review Panel:

13.4.1 The Appeal Administrator will provide notification to all parties (affiliate and appellant) concerning the scheduled appeal hearing date.

13.4.2 The parties may offer evidence and produce additional evidence independently or as requested by the International Review Panel. The International Review Panel will determine the relevancy and materiality of the evidence offered.

13.4.3 Either party may attend the International Review Panel hearing (held at Amway's World Headquarters in Ada - USA), either via phone conference or in person at their own expense. If a translator is required, the appellant must provide their own translator at their expense.

13.5 Final Determination by the International Review Panel:

13.5.1 The International Review Panel may affirm, reverse and/or modify the decision of Amway.

13.5.2 The determination of the International Review Panel will be communicated to all parties.

13.5.3 Amway will take such steps as may be necessary to implement the International Review Panel's determination.

13.5.4 In the event the determination of the International Review Panel is rendered in favour of the ABO, Amway shall restore full rights and privileges, and where appropriate, pay the balance of monies previously held in escrow.

13.5.4.1 In the event of any other decision taken by the International Review Panel, Amway shall determine the disposition of the monies held in escrow.

13.5.5 The decision of the International Review Panel is final and shall not give rise to any legal or financial liability, claim for damages or other recourse, including but not limited to loss of profits or goodwill, on the part of Amway or any other Amway affiliate to the ABO or any other person.

SECTION 14 - DISPOSITION OF TERMINATED OR NON-RENEWED ABOSHIP

14.1 Abandonment: When an ABOship is terminated or not renewed, the ABOship is considered abandoned, and the signatory to the ABO Contract shall have no further rights in the ABOship. Amway may Assign or Dissolve the ABOship, pursuant to Section 14.1.1 and Section 14.1.2, the right to operate an Amway business in the former ABO's position in the Line of Sponsorship to another ABO, or may remove such position in the Line of Sponsorship, in its sole discretion. In exercising its prerogative hereunder, Amway may elect to employ one of the following methods or any other method permissible by law, and may unilaterally modify and amend the ABOship of any affected ABO to change their Sponsor and the Line of Sponsorship as may be necessary to implement such decision:

14.1.1 **Sale of ABOship:** If Amway elects to sell the right to operate an Amway business in the former ABO's position in the Line of Sponsorship, the following will be observed:

14.1.1.1 The sale shall be offered in the order of priority imposed by Section 6.5.

14.1.1.2 The terms of the sale will be set forth in a written contract executed between Amway and the purchaser.

14.1.1.3 The purchasing party shall operate the Amway business in the position in the Line of Sponsorship held by the previous ABO.

- 14.1.2

Dissolution of ABOship: If Amway so elects, the Sponsor of the former ABO in the Line of Sponsorship may undertake the obligations of the former ABO and assume the role of Sponsor for all ABOs who had been personally or Internationally Sponsored by the former ABO.
- 14.2

No Limitation on Amway: Amway, however, is in no way limited to any of the above methods of disposition of an Amway business and may exercise complete discretion as to methods and/or timing of disposition.

Multi-level Marketing and Pyramid Selling (Prohibition) Act

Singapore offers great opportunities for us to grow the Amway Business. However, it is imperative that we make all efforts to guard our reputation well and to ensure the highest regard for the law of the country. Hence, Distributors are to observe the following Act:

Singapore has a Multi-Level Marketing and Pyramid Selling (Prohibition) Act. In May 2000, an Exclusion Schemes & Arrangements Order was introduced which allowed legitimate direct selling companies to operate in the country. In the Act, any person found guilty of violating the Multi-Level Marketing and Pyramid Selling (Prohibition) Act, faces a maximum fine of S\$200,000.00 or jail up to five years, or both.

In the latest revision of the Excluded Schemes & Arrangements Order to the Multi-Level Marketing and Pyramid Selling (Prohibition) Act effective 1 January 2002, it clearly prohibits participants from misrepresenting any schemes as ‘get-rich-quick’ opportunities. Participants should not use fraud, misrepresentation, coercion, harassment, or unconscionable means to force people to join the scheme. Instead, they should focus their effort on promoting the quality and features of the products.

