



QUALITY ASSURANCE STANDARDS (QAS)

JULY 01, 2020

QUALITY ASSURANCE STANDARDS FOR BUSINESS SUPPORT MATERIALS (BSMs)

REFER SECTION 2.1.11 and SECTION 7 OF RULES OF
CONDUCT FOR AMWAY DIRECT RETAILER/SELLER.

JULY 01, 2020

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INTRODUCTION

Amway India -BSM Quality Assurance Standards.

Amway believes that the use of memorialized BSM, and the use of other BSM such as meetings and events, can be an effective tool in building an Amway Direct Seller's business. The use of tools and teachings developed and/or made available by successful Amway Direct Sellers should impact the Amway Business in a meaningful, measurable and positive way.

To further that goal, Amway has created these BSM Quality Assurance Standards (QAS) which set forth the requirements and standards that are applicable to all BSM, and to all Amway Direct Retailers / Sellers in the conduct of their Amway Business.

Definition of Business Support Materials (BSM)

Business Support Materials: - (Refer to Section 2.1.11 of the Amway Rules of Conduct)

(BSM)- means and includes all products and services(including but not limited to business aids, books, magazines, flip charts and other printed material, online literature, internet websites, audio, video or digital media, rallies, meetings and educational seminars (inclusive of tickets for the same), and other types of materials and services that:

A: Act as sales aids and

- (i) are designed to solicit and/or educate Prospects, prospective consumers or Preferred Customers of Amway products or services on the Amway Business opportunity, or to support, train, motivate and/or educate Direct Sellers; and
- (ii) incorporate or use one or more of Amway's trademarks, service marks or copyrighted works; and
- (iii) are otherwise offered with an explicit or implied sense of affiliation, connection or association with Amway.

B: Product Support Material (PSM) that act as product information sources and are designed to provide information about the products of the company, their usage, the associated claims, and other similar information

Zero Tolerance Policy: (Refer Amway Rules of Conduct)

'Zero Tolerance' means not allowing any undesirable behavior to continue and imposing definite sanctions against Amway Direct Retailers/Sellers found indulging in such adverse

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conduct. The Amway Zero Tolerance policy covers issues which can lead to potential reputational concerns for Amway thereby affecting the business at large. This policy underlines that Amway will not overlook any violation of the policy and no leniency shall be shown in dealing with any Amway Direct Retailer/Seller who is found to be in violation of this policy.

As part of our Code of Ethics, and Rules of Conduct we have enhanced the scope of this BSM Quality Assurance standards and have included Quality Assurance Standards (QAS) in it.

BSM Quality Assurance Standards (QAS).

Specific provisions within the QAS apply only to those Amway Direct Sellers who meet the qualification criteria to create, promote, sell, BSM (Amway Direct Seller Training Providers), and these provisions are marked accordingly. The BSM Quality Assurance Standards is divided into two sections:

- a) **Program Standards**, which enumerate the mandatory processes and requirements related to BSM, its adherence, and
- b) **Content Standards**, which define the standards and requirements that needs to be adhered to when messaging, presenting, creating content and in any material within the BSM pertaining Amway, its products and the Amway business opportunity.

Please note that the requirements and standards included in the QAS cannot possibly cover every aspect or situation that may be encountered regarding BSM review or other situations requiring compliance. Amway, however, believes that these standards, combined with the Amway Rules of Conduct, Amway BSM Policy, and the Digital Communication Standards (DCS) are essential to protect and enhance the reputation of Amway and Amway Direct Retailers/ Sellers.

Chapter-1

1. Amway India - Program Standards.

All promotion, and sale of BSM and PSM must comply with the Amway Rules of Conduct and the Amway BSM and Policy established for all Amway Direct Retailers/Sellers as may be amended from time to time. The Amway Rules of Conduct, Amway BSM Policy and the Digital Communication Standards (DCS) are incorporated into these Program Standards by this reference.

A Prospect, Preferred Customer and Amway Direct Retailer (ADR) cannot be charged for BSM by an ADS.

BSM can only be sold to an Amway Direct Seller (ADS), subject to Amway's BSM Policy. Product Support Material (PSM) can solely be produced by Amway. No Amway Direct Seller who meet the qualification criteria to create, promote, sell, BSM is authorized or approved to create or promote PSM produced or created by them. Example – Product Catalogue, Product Guide etc.

Any Amway Direct Retailer/ Seller who is engaged in the sale, or promotion of BSMs to Prospect, Preferred Customer and Amway Direct Retailer/Seller contrary to the requirements as mentioned in this BSM Quality Assurance Standards (QAS) may be in breach of his/her/its contract with Amway.

2. Devices/Sales Aids [Applicable to all Amway Direct Retailers/Sellers]

The use or sale of devices and other sales aids excluding Product Support Materials (PSM) that are designed to directly support the sale of Amway products and services are only allowed with advance written authorization from Amway India.

3. Events and Functions [Applicable to all Amway Direct sellers]

- 3.1.** All Amway Direct Sellers that offer, sponsor, provide access to, or are otherwise associated or involved with meetings, functions, and/or events must ensure that such meetings, functions and events comply with the relevant Standards for Events and Functions which are set forth below or communicated and amended from time to time. Upon request from Amway or otherwise, Qualified Amway Direct Sellers must provide advance information and details regarding the meetings, functions and events they intend to offer, sponsor, provide access to, or with which they are associated or involved

in by writing to Amway at plain_speak@amway.com. Amway reserves the right to approve or reject such request in its sole discretion.

- 3.2.** Amway Direct Sellers must ensure that all speakers at the meetings/ functions/events comply with the Content Standards portion of the QAS as outlined herein after .All Those Amway Direct Sellers selling BSMs must have a standard refund policy that complies with Section 7.5 of the Rules of Conduct. BSM should not be sold to an Amway Direct Retailer or Prospect by an Amway Direct Seller. In addition, they must have a dispute resolution procedure that requires the Amway Direct Seller to use its best efforts to resolve in good faith any disputes with a BSM purchaser, and to submit any unresolved disputes to the dispute resolution procedure in Section 11 of the Rules of Conduct. The refund policy, dispute resolution procedure, and the responsible person for returns, must be clearly communicated to the purchaser prior to any BSM sale. In the event such terms do not include the responsible person for returns, the seller shall be responsible for handling returns. Amway reserves the rights to take appropriate action for violation any of this e above-mentioned clause.

4. Standards for Events and Functions.

4.1 All Meetings/Events/Functions must meet the following basic standards:

- a)** The venue should be presentable with basic amenities like drinking water, enough number of lighted washrooms, proper lighting in the hall and outside, adequate ventilation, etc.
- b)** Efforts should be made to ensure the availability of proper seating for all participants/ audience. A maximum deviation of 5% from the authorized seating capacity of the hall is permitted, unless otherwise dictated by law or regulation.
- c)** The audience should have clear visibility of the proceedings on the stage either directly or through screens with live feed.
- d)** If using the seating area behind the stage, there should be a live feed on the opposite side, for the audience sitting there.
- e)** Provide good audio quality of presentations throughout the venue.
- f)** All required and applicable permissions and licenses to be obtained from the concerned Authorities prior to conducting the Meeting/Event/Function.

4.2 Disclosures and content that needs to be mandatorily included on Ticket/ Entry Pass/Digital invites/Login information.

4.2.1 All Amway Direct Retailer/Sellers that offer, sponsor, provide access to, or are otherwise associated or involved with meetings, functions, and/or events must clearly explain to the Amway Direct Retailer/Seller before purchase of Ticket/ Entry Pass/Digital invites/Login information that the purchase of the ticket for attending meetings, functions, and/or events is optional, and is not mandatory and that no audio or video recording of such meetings, functions, and/or events is allowed.

4.2.2 Content that needs to be mandatorily included on Ticket/ Entry Pass/Digital invites/Login information that includes meetings, functions, and/or events.

a) Ticket/Entry Pass.

Front portion of the Ticket/Entry Pass:

- ❖ Event
- ❖ Host name
- ❖ Date and time
- ❖ Location/ Venue
- ❖ Ticket price.....
- ❖ No profit is derived from this event and is done at cost
- ❖ Purchase of this ticket is optional, not mandatory.

Reverse portion of the Ticket/Entry Pass :

- ❖ Ticket price cannot exceed the printed price.
- ❖ Terms of refund.
- ❖ Series of the ticket comply with the respective event
- ❖ Persons under 18 years of age shall not be allowed to participate in Amway business meetings/ events.
- ❖ Purchase of this ticket is optional, not mandatory.
- ❖ Results may vary from person to person and results are not guaranteed.
- ❖ Training provider / Speaker name contact telephone number, address.
- ❖ No audio or video recording is allowed.
- ❖ While the techniques and approaches suggested have worked for others, no one can guarantee that these techniques will work for you.
- ❖ We hope, however, that the ideas presented here will assist you in developing a strong and profitable Amway business.

b) Digital invites/ Login information.

All digital invites/ Login information should include in whichever form it may be (digital/electronic/in any other form and manner) the following: -

- ❖ Event Type (Team Meeting/ Major Event)
- ❖ Meeting/Event Link
- ❖ Meeting ID and Password (where applicable)
- ❖ Meeting event capacity

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- ❖ Alternate event link
- ❖ Host name
- ❖ Date and time
- ❖ Mode of the digital event (Application used to conduct the event)
- ❖ Pricing
- ❖ Ticket price.....
- ❖ No profit is derived from this event and is done at cost
- ❖ Terms of refund.
- ❖ Series of the ticket comply with the respective event.
- ❖ Persons under 18 years of age shall not be allowed to participate in the Amway business meetings/ events.
- ❖ Purchase of this entry pass/ticket is optional, not mandatory. Results may vary from person to person and results are not guaranteed.
- ❖ Training provider / Speaker name contact telephone number, address.

5. Mandatory Meeting Content [Applicable to Qualified Amway Direct Sellers]

5.1.

- i. Qualified Amway Direct Sellers that offer, sponsor, provide access to, or are otherwise associated or involved with meetings and/or events falling within one of the categories below, must ensure that same fulfills the requirements and mentioned in the Content Standards portion of the QAS, the Mandatory BSM Content and have the components of the mandatory meeting content as set forth in this Quality Assurance Standards (QAS).
- ii. The Amway Product Display/ Approved Product Demonstration is mandatory for each of the meetings below and consists of a display including a minimum of five Amway products (with at least one from each product category), plus the live demonstration or video play back of an Amway-approved product demonstration that features in the Amway e-learning section of the Amway website: www.amway.in.

5.2. Open Plan /Plan Preview Meeting.

- i. Open Plan/Plan Preview Meetings are those meetings in any form with ten or more people in the audience that have the objective of introducing the Amway Business to Prospects. The target audience is comprised of Prospects, Customers and Amway Direct Retailer / Sellers. However, a prospect, customer or Amway Direct Retailer cannot be charged for the meeting. The meeting shall be hosted by a Current Qualified Platinum and above.
- ii. The duration of the mandatory components in an Open Plan/Plan Preview meeting is approximately 75 minutes.
- iii. The schedule and details of the meeting needs to be intimated to Amway 15 days prior to the date of the meeting.
- iv. The recording of the meeting needs to be mandatorily uploaded on www.sendbsm.com within 15 days of the date of the event.

- v. In case the meeting is hosted by a leader designated by the Platinum, it is the responsibility of the Platinum to ensure that the meeting is uploaded on www.sendbsm.com within 15 days of the date of the event through the Qualified Platinum and above.

5.3. Mandatory components of Open Plan/Plan Preview Meeting.

- 1) The Open Plan/Plan Preview Meetings must comprise the following components:
 - a) Introduction (Approximately 5 minutes).
 - b) Amway Sales and Marketing Plan Presentation (Approximately 35 minutes), as per the media / tools provided by Amway.
 - c) Amway Product Display/ Amway Approved Demonstration (15 Minutes) to be presented by Amway Direct Seller.
 - d) Recognition (10 minutes).
 - e) Sharing of Success Stories (10 minutes).
- 2) The following aspects must be covered during the meeting:
 - a) Amway Credentials
 - b) Zero cost to join the Amway business.
 - c) Money back Guarantee for 100% Satisfaction of use.
 - d) Cooling off period.
 - e) No minimum product purchase requirement.
 - f) Income is based on the sale of products.
 - g) Income is based on effort and not based on position in Line of Sponsorship.
 - h) Mandatory Disclaimers as defined in the QAS.
 - i) Refund Policy for BSMs.
 - j) Approved income claims.

5.4. Business Building Seminars.

Business Building Seminars are those meetings that focus on how to build a profitable and sustainable Amway business. The target audience is primarily Amway Direct Sellers but prospects, Amway Direct Retailers may also attend. However, a prospect or Amway Direct Retailer cannot be charged for the meeting. The keynote speaker for a Business Building Seminar must be a Current Qualified Emerald or above. Only, approved material, speaker guidelines should be followed in the event. The duration of the meeting content is 3-4 hours.

5.5. Mandatory components of Business Building Seminars.

- 1) The Business Building Seminars must comprise the following components:
 - a) Motivation, Recognition of Sales Team – (20% of Meeting time).
 - b) Business Hygiene/Providing Clarity on important aspects of business hygiene. (10% of Meeting time).
 - c) Experience Sharing and Testimonials, I Rules (10% of Meeting time).
 - d) Approved BSM promotion (5% of Meeting time).
 - e) Company Credentials (Fact Sheet Presentation to be provided by Amway) and Growth Drivers (e.g. GIP, ALS, etc.) (5% of Meeting).
 - f) Business Building techniques by the Keynote Speaker (50% of Meeting).

- g) Emphasis on reward vs effort.
- h) Amway Product Display/ Amway Approved Demonstration.
- i) Topic of the Day. E.g. relationship management, emotional intelligence, nuances of team management, product retailing etc.
- j) Truthful and accurate presentation of the Amway Sales and Marketing Plan.
- k) Sales volume generation.
- l) Skill enhancement – servicing Customers to create new customers & generate repeat volume.
- m) Knowledge Enhancement – enhancing product knowledge by using Amway Training Platforms (physical and virtual) which is available for free.

5.6. Major Functions.

Major Functions are those meetings that have the objective of recognition and motivation. The target audience is comprised of Amway Direct Sellers, Amway Direct Retailers and Prospects. However, a prospect and Amway Direct Retailers cannot be charged for the meeting. The keynote speaker(s) at the Major Functions must be a Current Qualified Diamond or above (must be at least a Current Qualified Emerald on the day of the event). The duration of the event is 5-8 hours.

5.7. Mandatory components of Major Functions.

- 1) The Major Functions must comprise the following components: -
 - a) Recognition Parade.
 - b) Reward vs Effort presentation based on success story by Amway Direct Seller speakers (Current Qualified Diamonds & above only), with a flair of personal experience.
 - c) Recognition of New Pins (if applicable) with a balance message to give a sense of reward vs effort.
 - d) Approved BSM promotion (not more than 5% of the meeting duration).
 - e) Panel discussions to address current questions in mind/clear doubts.
 - f) Amway Product Display/Demonstration.
 - g) Truthful and accurate presentation of the Amway Sales and Marketing Plan
 - h) Sales volume generation.
 - i) Skill enhancement – servicing Customers to create new customers & generate repeat volume.
- 2) The Major Functions may also have a separate meeting for Amway Direct Retailer/Sellers that have at a minimum achieved the Silver Producer level or higher. There can be no extra charge for this meeting. The Mandatory Content for the meeting is as follows:
 - a) Re-enforcement of best practices to maintain business hygiene.
 - b) Qualified Amway Direct Seller to re-enforce the idea of Reward vs. Effort.
 - c) Strategies & tools to increase productivity & profitability.
 - d) Steps and efforts to achieve the next / higher level.

- e) Question and Answer Session.

5.8. Go Diamond Function.

Go Diamond Functions are those meetings that have the objective of providing a higher level of teaching about business building and business hygiene for Amway Direct Retailer/Sellers. The target audience is comprised of Amway Direct Retailer/Sellers who have reached the Qualified Silver producer level and up. Amway Direct Retailer cannot be charged for the meeting. The duration for Go Diamond- Functions must not exceed the approved allocated duration.

5.9. Mandatory components for Go Diamond Function.

- 1) The Go Diamond Meetings must contain the following components:
 - a) Re-enforce best practices to maintain business hygiene.
 - b) Qualified Amway Direct Seller Speaks about:
 - i. Rewards V/s Efforts.
 - ii. Goal Setting & Action Planning.
 - iii. Retailing and Sales Team Building.
 - iv. Importance of Consistency.
 - v. Sneak Preview of Amway Growth Drivers.
 - vi. Introduce them to Team Initiatives / Strategy.
 - vii. Amway Product Display/Demonstration.

- 2) Go Diamond Functions may also have a separate optional meeting reserved for Amway Direct Sellers that have at a minimum achieved a certain Pin level. The target audience is Qualified Emeralds or higher. There can be no extra charge for this meeting and must be included in the time frame of the Go Diamond meeting. Mandatory Content for the Meeting for is as follows:
 - i. Re-enforcement of best practices to maintain business hygiene.
 - ii. Qualified Amway Direct Seller to teach on aspects of business which will fosters among others the following:
 - a) Team bonding.
 - b) Business sustainability.
 - c) Enhance productivity.
 - d) Pin change (personal and group).
 - e) Strategies to increase profitability.
 - f) Qualified Amway Direct Seller Leaders speak to the team in detail on the SWOT of the market.
 - iii. Question and Answer session.

6. Mandatory Core Curriculum and Contents for BSM and [Applicable to All Amway Direct Seller Training Providers]

6.1. Requirements.

Any BSM that is submitted for approval to Amway and is offered for sale , by any Amway Direct Seller Training Providers regardless of form, must contain information and/or teaching in areas that are considered to be core to the Amway business and must meet the Core Curriculum and BSM Content requirement set forth herein after. The requirements are intended to ensure that training is offered in all three areas that are considered core to the Amway business. The three core training areas mentioned above are:

1. **Business Fundamentals:** Accurately represent, teach and develop appropriate skills needed to help Amway Direct Retailers / Sellers reach their goals.
2. **Product Sales:** Provide Amway Direct Retailers / Sellers with necessary skills to effectively sell products.
3. **Sponsoring:** Provide Amway Direct Sellers with the necessary skills to effectively sponsor new Amway Direct Retailers into the Amway business.

6.2. To satisfy the Core Curriculum and BSM content requirement, Amway Direct Seller Training Providers must maintain at all times in its BSM offerings, the Core Curriculum, BSM Content , and must include teachings consistent with the Core Curriculum and BSM Content at its meetings and events.

6.3. Core Curriculum means a BSM consisting Amway approved BSM in each core training areas above. The BSM in the Core Curriculum must meet the educational objectives and essential COMPONENTS of the category it covers as set forth in the grid in Diagram A-1.

6.4. When Amway Direct Seller Training Providers offer any BSM for sale or distribution, it must also offer the Core Curriculum. This may be accomplished as mentioned hereunder:

i. **Utilize Amway Materials Exclusively: -**

Amway will make available to all Amway Direct Retailer/ Sellers, free of charge, a Core Curriculum consisting of approved BSM and PSM in the respective core training areas in digital format and these are available for free download www.amway.in.

ii. **Utilize Self-Created / Sourced Materials Exclusively, approved by Amway: -**

1. Amway Direct Seller Training Providers may create its own Core Curriculum consisting of Amway approved BSM in core training areas and make them available to other Amway Direct Sellers.

2. Amway Direct Seller Training Providers may charge Amway Direct Sellers for such BSM provided that the charges meet all applicable requirements and restrictions. The Core Curriculum BSM must be submitted for review and approval by Amway in its discretion, to ensure that the BSM complies with the QAS and meets the

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educational objectives and essential components as specified in Diagram A-1 below.

iii. **Utilize a Combination of Amway and Self-Created/Sourced Materials, approved by Amway.**

Amway Direct Seller Training Providers may elect to utilize a combination of BSM from Amway, and either self-created BSM and make them available to other Amway Direct Sellers to meet the Core Curriculum Requirement for the core training areas. For Product related curriculum content, Amway Direct Seller Training provider is required to utilize the PSM made available/published by Amway. All BSM created or sourced by Amway Direct Seller Training Providers must be submitted for review and approval by Amway to ensure that the BSM complies with the QAS and meets the educational objectives and essential components as specified in Diagram A-1 below.

DIAGRAM A1

CATEGORY	OBJECTIVE	ESSENTIAL COMPONENTS
Business Fundamentals – accurately represent, teach and develop appropriate skills needed to help Amway Direct Retailer/Sellers reach their goals	A. Promote accurate and complete understanding of the Amway Direct Retailer/Seller Compensation Plan.	<ul style="list-style-type: none"> • Teach about the Amway Direct Retailer/Seller Compensation Plan, Retail Margin, Trade Discount, Distributor Price, Points and Net Sales Volume and how Pass Up / Team points work. • Teach the components of Core Plus, Program and their benefits. • 100% money Back Guarantee
	B. Promote balanced business skills (selling and sponsoring) for new Amway Direct Retailer/ Seller.	<ul style="list-style-type: none"> • Teach all components of a balanced business
	C. Provide an ongoing education and leadership development program for Amway Direct Retailer/ Seller.	<ul style="list-style-type: none"> • Teach the history of Amway and all the credentials of the company, Founders Fundamentals, Visions and Values. • Teach how to effectively present the Amway business in accordance with Code of Ethics and Rules of Conduct.
Sponsoring – provide Amway Direct Sellers with the necessary skills to effectively sponsor new Amway Direct Retailers into the Amway business.	A. Provide the methods used to teach sponsoring skills.	<ul style="list-style-type: none"> • Demonstrate how to effectively communicate the Amway opportunity with Prospects – including what you should say and should not say. • Explain Sponsor responsibilities.

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CATEGORY	OBJECTIVE	ESSENTIAL COMPONENTS
Product Sales – provide Amway Direct Retailer/Seller with necessary skills to effectively sell products.	A. Provide the methods used to teach ongoing product sales.	<ul style="list-style-type: none"> • Teach Basic selling skills.
	B. Product Knowledge.	<ul style="list-style-type: none"> • Explain Features and benefits of Amway products and brands, including the available resources to support and increase product knowledge and sales. • Teach profitability of the different product categories and how they relate to the Amway Direct Retailer/Seller Compensation Plan. • Explain the Amway Satisfaction Guarantee. • Teach about making accurate product claims.

7. Submission and Review of BSM [Applicable to all Qualified Amway Direct Sellers]

7.1 Except as otherwise provided in the Amway Rules of Conduct, written policies, or other policies which Amway may communicate from time to time, it is the responsibility of all qualified Amway Direct Sellers that, have access to, or create BSM, to ensure that such BSM comply with the Content Standards portion of the QAS, and be submitted to Amway for review and obtain authorization according to the process stated below. All such materials submitted by the qualified Amway Direct Sellers shall deliver a professional, pleasant visual, tactile and or audio/video experience for the user. The review and authorization of BSM by Amway does not relieve the qualified Amway Direct Seller of any liability related to compliance with applicable laws and guidelines including without limitation, use of intellectual property of third parties pertaining to the BSM submitted to Amway for review. The review of Amway is for solely for the determination of compliance with its internal Rules of Conduct, Quality Assurance Standards, Business Practices and Policies. All BSM must meet the requirements as applicable to the quality of production and reproducing of similar materials produced by Amway itself.

7.2 Checks to be done preceding submission of BSM.

- I. Qualified Amway Direct Seller Training Providers submitting BSM for review to Amway, will make efforts to ensure that all BSM submitted for review to Amway comply with the Content Standards portion of the QAS, and contain all aspects as covered under Section 6 of this standards. If BSM is submitted in a language other than English, the Amway Direct Seller Training Provider, if required by Amway, shall submit an accurate English translation of the BSM within 10 days of receipt of such request and shall provide a declaration stating that to the best of his/her knowledge, the English translation is accurate to the original BSM submitted for review and authorization. Failure to comply with the above requirement will lead to Amway outrightly rejecting such BSM.
- II. In respect of meetings and events BSM, the Qualified Amway Direct Seller Training Provider and/or anyone involved in organizing the meeting or event, will ensure that

the content of the meeting or event will comply with the Content Standards portion of the QAS, and all aspects covered under section 6 of this of this standards .It is the responsibility of the Amway Direct Seller Training Provider involved in organizing the meeting or event, to record and create an audio or video of such meeting or event .There is no pre-approval or pre-authorization process for content of meetings or events. The video recording must be submitted to Amway within 15 days after the completion of the event. The recording must capture the entire content of the meeting or event and must be of sufficient quality to enable Amway to conduct a review of the event or meeting. The upload, for the meeting, must be as per the detailed process shared by Amway India.

- III. Audio and video-recordings of meetings that is submitted for approval by Amway as a BSM should pertain to the meeting duly approved by Amway in writing.

7.3 BSM submission process for review and authorization.

Amway Direct Seller Training Provider will submit only the digital copy of the BSM for which authorization is requested by uploading the same on www.sendbsm.com.

7.4 BSM review and authorization by Amway.

- i. Amway will, at its election, review the submitted BSM for compliance, and authorize the BSM or reject the submitted material if it is not a BSM or is not in compliance of the requirements as mentioned in the Amway Rules of Conduct and the Amway BSM Policy.
- ii. Once the BSM is authorized, Amway will assign a Content Review Number (CRN) to the BSM and notify the submitter Amway Direct Seller of such authorization.
- iii. In case there is a violation of the QAS, Amway Rules of Conduct and the Amway BSM Policy found by Amway during the review process, the BSM will be rejected. However, the BSM submitter may edit the BSM accordingly and resubmit it for review and approval.
- iv. The BSM is formally authorized by Amway for promotion, sale and distribution to Amway Direct Sellers, only with the CRN placed on the BSM. However any BSM whether authorized or not cannot be sold to prospects, preferred customers and Amway Direct Retailers as the case may be. The BSM may not be promoted, sold, or distributed to Amway Direct Sellers until the BSM is formally authorized by Amway and contains a CRN.

7.5 Requirements for BSM packaging and use of BSM Content review number (CRN).

- i. All approved BSM must meet the requirements existing for the quality of production and reproducing of similar materials produced by Amway itself.
- ii. Each authorized BSM must contain the following information:
 - a) Information about Amway Direct Seller producing the BSM, and edition including the dates, pertaining to published or recorded.
 - b) BSM title
 - c) BSM author's name
 - d) BSM price

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- e) Content Review Number and year authorized by Amway
 - f) Mandatory BSM Disclosures (See Obligatory Disclosures Section)
 - g) This BSM is made available at cost and no profit is derived out of the sale of this BSM.
- iii. The information specified above must be clear and intelligible; however, the position on the BSM may vary depending on the media type as below:
- a) CDs and DVDs-To be printed on the CD / DVD itself and on the cover.
 - b) Printed Materials- To be printed preferably on the (back) cover.
 - c) Audio recordings- To be spoken clearly at the beginning or the end of the recording.
 - d) Video recordings/ Digital formats- To be spoken clearly / visibly and is played at the beginning or the end of the video.
 - e) A sticker with full legend might be used as well on CDs, DVDs and Printed Materials.

Chapter-2

8. Amway India Content Standards

BSM content cannot be false, misleading, inaccurate, or deceptive. BSM content must be consistent with the Amway Rules of Conduct, Amway BSM Policy Quality Assurance Standards (QAS) and the digital Communications Standards (DCS) as may be amended from time to time. The Amway Rules of Conduct, Amway BSM Policy and the Digital Communications Standards (DCS) are incorporated into the Content Standards by this reference.

Chapter-3

9. Positioning the Amway Business Opportunity [Applicable to all Amway Direct Sellers and to Amway Direct Seller Training Providers].

9.1 For Contacting and Inviting -Determining Interest.

Materials in this category are designed to determine the level of interest in the Amway Business Opportunity and not used to show or explain the Amway Sales and Marketing Plan. These Materials should not suggest this is anything other than the Amway Business Opportunity.

9.2 Describing the Amway Business Opportunity.

9.2.1 The Amway Business must be presented as an opportunity to earn income through the Amway Sales and Marketing Plan by retailing of products and mentoring of others to do the same. It is a business including products and product education, distribution, sales, customer service, building Sales Team. and the Amway Sales and Marketing Plan.

9.2.2 The Amway Business should not be referred to as anything other than the Amway Business Opportunity. It must be clear that the Amway Direct Seller Training Providers and any third parties that supply BSM do not supply the business opportunity but only supply optional Business Support Materials, support and community. Using a deceptive synonym for Amway is not allowed (see examples in Speaker Rules (Section 2 (1) "Amway's Role").

9.2.3 Any representations of Amway earnings and/or bonuses from the Amway Sales and Marketing Plan must be consistent with, and no greater than, the appropriate earnings

figures as published by Amway from time to time. Earnings and Amway Sales and Marketing Plan materials must have the appropriate, required disclosures.

9.2.4 It must be made clear to the Prospect that Amway provides the following:

- a) Amway business is free to join.
- b) Amway provides cooling off period of 90 days for new joinees
- c) The Amway Direct Retailer/Seller contract (rights and responsibilities).
- d) Amway Sales and Marketing Plan which includes: Sales and marketing (and their administration)
- e) Amway Direct Retailer /Seller Rewards (and their administration).
- f) Amway Direct Retailer/Seller Recognition (and its administration);
- g) The products, product education, product support and product support material (PSM).
- h) Distribution (products and services).
- i) Free trainings (Instructor-led and Web-based).
- j) Amway Products come with Money back Guarantee for 100% Satisfaction of use.
- k) Digital Support: Download the Amway India app on mobile to shop or support your business.
- l) Can place order at the website www.amway.in.

9.2.5 In any communication made by an Amway Direct Seller to a prospect, language that states or indicates that success or income is guaranteed is not allowed.

9.2.6 A person joining Amway needs to successfully demonstrate the capability and intent to retail Amway products to consumers by achieving the defined sales criteria and continue to demonstrate the same

10 Showing the Amway Sales and Marketing Plan/Business Building. [Applicable to all Amway Direct Sellers and to BSM]

- i. All income representations must be limited to income earned from the Amway Sales and Marketing Plan, and not from any other source. The income representations must provide realistic, not exaggerated, income potentials. Income representations at various levels of achievement must be consistent with, and no greater than, the appropriate corresponding income figures published by Amway from time to time for various levels of achievement. When describing the Amway Sales and Marketing Plan, need to have the importance of Amway Product retail sales and requirement to have preferred customers must be accurately explained.
 - a) Retail Sales by Amway Direct Retailer/Seller Retail Sales – Selling to customers is the only way to earn income from Amway Business. You can earn money in Amway business through retail margin, trade discount, Amway Direct Seller /retailer Compensation Plan and Core Plus discretionary Incentive program under the Amway Sales and Marketing Plan.
 - b) Amway preferred Customer Program
 - c) Personal Use – When showing the Amway Sales and Marketing Plan and in discussing it with anyone, personal use of products must be characterized as a way to learn about the products and develop personal experience that may

be useful in the marketing of the products. money saved through personal use is not an income and must not be represented as such. Implying that the business is a wholesale buying club is not allowed.

- d) Sponsoring –Income is not earned from the act of sponsoring. Stating or implying that an Amway Direct Seller can be successful or earn bonuses solely from the act of sponsoring others is not allowed. Only when a person qualifies as an Amway Direct Seller, he/she will be eligible to sponsor others to join the Amway business and be a part of a sales team subject to applicable conditions. When describing sponsoring, proper emphasis must be placed on the importance of a prior or existing personal contact. The Amway Sales and Marketing Plan does not compensate Amway Direct Sellers for the act of sponsoring. Compensation is earned when products are sold to customers. To imply that an Amway Direct Seller can be successful by merely sponsoring others is an inaccurate representation of the business opportunity.
- ii. Implying that a successful Amway Business can be built solely on personal consumption is contrary to the Rules of Conduct as having customers is an essential component of the Amway Sales and Marketing Plan.

11 Guidelines to be Adhered to while describing the Amway business opportunity or About Amway. [As Applicable to all Amway Direct Retailers/Sellers]

- i. **Self-Improvement Program**
Retailing of products and mentoring others to do the same is fundamental to the Amway business. Implying that a successful business can be built solely on personal consumption is prohibited by the Rules of Conduct. Having customers is the primary component of the Sales and Marketing Plan. Prospects and Amway Direct Retailers/Sellers should understand how having a customer base contributes to a profitable business. The self-improvement aspects of the business are intangible and should be presented in that context.
- ii. **Equal Opportunity Business**
The Amway Business must be presented as an equal opportunity business and does not exclude people due to personal beliefs, political affiliations, ethnic background or racial origins.
- iii. **Time and Effort.**
A guarantee of success is not allowed. Each Amway Direct Retailer/Seller has complete freedom in determining the number of hours worked and in scheduling those hours. Mandatory quotas of appointments, calls, etc. are not allowed. While the techniques and approaches suggested have worked for others, no one can guarantee that these techniques will work for each individual and varies from person to person.
- iv. **Facts and Figures.**
Anything, including statements, statistics, direct quotations, and other information, used to promote the business or the Amway products must always be truthful, accurate and not misleading. In addition, with the exception of speeches and audio recordings, all BSM must have statistics substantiated within the BSM at the point of

use, citing both the source and date of the statistic. Make any factual representation to anyone that cannot be verified or make any promise that cannot be fulfilled.

v. Corporate Information.

Using proprietary and/or confidential Amway or Alticor Inc. information in any form or medium is not allowed. Corporate statistics, rankings, and historical information should be consistent and not vary from what is currently made available by Amway through its website www.amway.in or through other official mode of communication.

vi. Founding Families.

References to the DeVos and Van Andel families should be made only in conjunction with the ownership of Amway Corporation and the Alticor family of companies, including Amway.

References to any of the private projects, businesses, and philanthropy of the Van Andel and DeVos families must always be accurate and with a clear distinction between those and Amway and the Alticor family of companies.

vii. Statistical Information.

Graphs, visuals, quotes, and references to statistical data must be substantiated from an identified, credible source and dated currently (no more than three years). Facts must be applicable to the intended market.

viii. Product Comparison.

Price or product comparisons have a potential to become delicate and sensitive issues. Therefore, price or product comparisons are prohibited because of the risk level and need for substantiation.

ix. Quotes.

Quotes from the speeches of other Qualified Amway Direct Sellers and/or specifying their names as well as the facts from success stories of well-known Amway Direct Sellers can be used only after prior authorization from them in writing. Test results performed by respective publications in mass media may be quoted, but results cannot be characterized as an endorsement. Health or medical associations or similar bodies cannot be cited as a source in connection with NUTRILITE™ products.

x. Permitted content and non-permitted content describing the Amway business opportunity or About Amway.

It must be clear that what is being described or offered to prospects is the Amway Business Opportunity. Refer Amway Mandatory Orientation Schedule available at www.amway.in

a) Content options permitted (some examples):

- The Amway Business Opportunity.
- The Amway Business.
- The Amway Sales Plan.
- The Amway Sales and Marketing Plan.

b) Additional content permitted with appropriate context or description. To be used only in conjunction with Amway Business Opportunity (some examples):

- Independent commerce.
- Personal commerce.
- Amway Direct Seller business model / opportunity.
- Business Opportunity.
- Free enterprise opportunity.
- Independent business.
- Direct Selling opportunity
- Distributor opportunity with immense potential
- Choosing to create a sales team who do the same activities
- Expand your business by supporting key people.

c) Content which are not permitted (some examples)

- Internship program.
- Savings plan.
- Tax shelter.
- Wholesale buying club.
- Franchise.
- Virtual mall / Internet Store.
- Sponsoring company.
- Use of terms like 'Financial / trading project' or 'project', 'program', 'concept', 'Business idea' or 'idea' while referring to the Amway Business opportunity.
- Financial or investment seminar.
- Class / Workshop seminar or e-seminar.
- Ground floor opportunity.
- If you don't like selling, this business is for you.
- All you have to do to go Diamond is to find six people and sponsor them.
- Employee, agent, e-commerce Amway Direct Seller, or legal representative (as a synonym for Amway Direct Seller).
- Amway is just a supplier.
- Amway Direct Seller "outsources" administrative support.
- "Get rich quick" scheme.
- Guarantee of success.
- Diminish time and effort.
- "Risk-free", "investment-free" opportunity / business.
- Employment opportunity.
- Retirement program.
- Mentorship program.
- Consumer Network / Organization.

- Prosumer / Consumer / Customer (as a synonym for Amway Direct Seller).
- Pipeline.
- No (product) sale required.
- To describe Amway as the (support) system.
- Market research.
- Job interview or set up an interview.
- Job application documents.
- Cheaper shopping.
- Vendor (as a synonym for Amway).
- One of many partners (when used to describe the Amway Business).
- Web Portal Provider.
- Customer Registration except as it may relate to registration of Preferred Customers with Amway.

12 Discussing Earnings [As Applicable to all Amway Direct Sellers]

All income representations must provide realistic, not exaggerated, income potentials and lifestyle expectations. Refer www.amway.in to understand the different level of income opportunities.

i. Income.

- a) Direct or indirect earning representations must be truthful, accurate, and not misleading and must only reflect the income available or earned through the Amway Sales and Marketing Plan. All other sources of income are to be excluded.
- b) Describing income as continuing (or any synonym of it) without including the requirement for continued effort and/or meeting qualifications is not permitted.
- c) All income representations must provide realistic, not exaggerated, income potentials. Income representations at various levels of achievement must be consistent with, and not greater than, the appropriate corresponding income figures published by Amway from time to time for various levels of achievement.
- d) Amway Direct Sellers may make income representations of their own personal Amway income provided that they are truthful, accurate, and not misleading, only reflect income earned through the Amway Sales and Marketing Plan, and include the proper disclosure from the Obligatory Disclosures section of the QAS.
- e) No representation that income is guaranteed or assured is allowed.

ii. Full time business.

It must be clear that generating income through the Amway Sales and Marketing Plan requires time and effort. Amway Direct Retailer/ Sellers should not be encouraged to leave their traditional occupation to operate their Amway business full time.

iii. Retirement.

The Amway Business does not offer “retirement” in the traditional sense, because it requires ongoing sales effort. It can only produce income as long as it is actively operated and fulfills the defined sales criteria.

iv. Inheritance.

- a) Income from the Plan is not “willable” or “inheritable”. The Amway business must continue to be actively operated while fulfilling the defined sales criteria and other conditions as prescribed under the Amway Sales and Marketing plan.
- b) An Amway Business may be inherited. As long as the person(s) taking over the business continues to fulfill the defined sales criteria and other conditions as prescribed under the Amway Sales and Marketing plan, they can also continue to achieve income, and other benefits as applicable.
- c) One of the attributes of the Amway Sales and Marketing Plan is the ability of an Amway Direct Retailer/Seller to build and establish a substantial business and then pass it on to his/her/its heirs or beneficiaries if so decided.

v. Tax Benefits.

Stating or implying that the Amway Sales and Marketing Plan and/or business is a method of tax reduction or tax relief is not allowed

vi. Permitted content and non-permitted content while describing the Amway Sales and Marketing Plan.

It must be clear that what is being described is income generated from the Amway Sales and Marketing Plan. Amway offers an opportunity, not a guarantee. There are no guarantees that one will achieve a particular level in any particular time frame, as results are individual and vary widely.

a) Permitted content suggestion (Some examples)

- Amway Sales and Marketing Plan income.
- Sales and Marketing Plan offered by Amway.

b) Additional content permitted with appropriate context or description. To be used only in conjunction with Amway Sales and Marketing Plan (Some examples)

- Retail Profit.
- Sales incentives.
- Customizable income potential.
- Financial flexibility Earnings and/or bonus representations exclusively based on your own personal experiences.

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- Ongoing income is acceptable with saying or implying ongoing effort.
- Inheritable business (Term can be used as long as it is clear the Amway Business, not the income, can be inherited. (“Your independent business is an asset you can pass on to your heirs’.
- Maintainable income/bonuses (Term can be used as long as it is clear that income is based on product sales and not guaranteed. “If you build and maintain a strong Amway Direct Retailer/Seller sales team meeting the Amway Sales criteria, you can receive maintainable income based on sales of that whole group.
- Ongoing income / bonuses (Term can be used as long as it is clearly stated that income is based on product sales and not guaranteed. “If you build and maintain a strong Amway Direct Retailer/Seller sales team that meets the Amway Sales criteria, you can receive ongoing income based on sales of that whole group.
- Sustainable income/bonuses (Term can be used as long as it is clearly stated that income is based on product sales and not guaranteed. “If you build and maintain a strong Amway Direct Retailer/Seller sales team meeting the Amway Sales criteria, you can receive sustainable income based on sales of that whole group.”)
- Low risk (free to join and freedom to exit).

c) Content which is not permitted (some examples)

- Risk free, no investment, no risk, secure / safe.
- Success or profit guaranteed or assured.
- Setting time frames on income.
- Tax shelter.
- Residual, passive, or recurring income.
- Royalties or endorsements.
- Never work again, always on vacation or always travelling. Freedom from work, statements like - we are “free” or have “freedom”.
- The money saved in personal use represented as income.
- Permanent income.
- Retirement money, retirement.
- Guaranteed income.
- “Get Rich quick” opportunity.
- Easy income.
- Use of the terms “financial freedom”, “economic freedom”, “financial security”, and “financial independence”, “rich”, “wealthy”, or “millionaire” with prospects are indirect income representations and cannot be used. Some alternative phrases that would be appropriate are: “achieving your financial goals”, “financial flexibility”, or “financial growth”.

- Describing income or the business opportunity as leading to “security” or being “secure” is a misrepresentation of the Sales Plan.

13 Describing Products.

Claim for Amway products must be used verbatim from official Amway India sources and cannot be altered / modified in any way. Statements on Amway products may only be taken verbatim from official Amway literature and official Amway Websites intended and approved for use in the respective market. Refer www.amway.in for product information and approved product content. Some examples of content which is not permitted to be used while describing the products is mentioned hereunder: -

- Statements on illness / disease.
- Medical claims.
- Analysis, diagnosis.
- Erase signs of aging.
- Direct or implied statements regarding Cure / treatment / relieving symptoms.
- Prevention (in conjunction with illness / disease).
- Prescribing.
- Bio-products.
- Ecological products.

14 Presenting the Amway Business Environment.

- i. The Amway Business must be presented as an equal opportunity business. Promoting religious, political causes or other issues of a personal nature in the Amway Business environment is not permitted.
- ii. **Spiritual/Religious Communications.**
Spiritual references are not allowed. Prayer/Worship services can neither be offered, presented nor promoted as part of the Amway Business. Demeaning, disparaging, or sarcastic remarks about any religion or system of belief are not allowed.
- iii. **Moral/Social Communications**
Disparaging statements regarding Amway, Alticor Inc., any of their affiliates, employees, Amway Direct Retailers/Sellers, or other Amway Direct Seller Training Providers and / or third-party vendors are not permitted. Using the business platform to express personal beliefs that are derogatory (i.e., against education or traditional employment) is not allowed. Encouraging an Amway Direct Retailers/Sellers to limit contact or cut ties to family and friends is not allowed. It is always appropriate to encourage Amway Direct Retailers/Sellers to maintain a professional appearance and demeanor while attending to Amway trainings/events in any manner whatsoever.
- iv. **Political Communications.**
Endorsement or denouncement of specific candidates, political parties, and/or issues is not allowed. Inflammatory labels or personal attacks on the character or integrity of government officials or candidates are not allowed.

v. Permitted content and non-permitted content while presenting the Amway business environment.

It must be clear that the Amway Business is an equal opportunity business open to all people from all walks of life – people with varying religious beliefs, political affiliations, ethnic backgrounds, and racial origins and gender.

a) Permitted content suggestion (Some examples)

- Equal opportunity business.
- A business opportunity for everyone.
- Respect for individuals, their individuality, and their individual beliefs.
- Additional content permitted with appropriate context or description. To be used only with a clear explanation that the Amway Business Opportunity accepts all people regardless of their personal beliefs (some examples):
 - Preserving free economy and free enterprise.
 - Values like accountability, commitment, integrity, honesty, trustworthiness, family, individual initiative.

b) Content which is not permitted (Some examples)

- Spiritual or religious beliefs are critical to business success.
- Recommendation of spiritual writings or practices that imply success.
- Disparaging remarks about any religious beliefs.
- Inflammatory labels or personal attacks on government officials.
- Demeaning statements regarding personal lifestyle, ethnicity, and gender roles.

Chapter-4

15 Participation with the Amway Direct Seller Training provider and purchase of BSM.

- i. The primary business relationship of an Amway Direct Retailer/Seller in the Amway business is with Amway. To imply otherwise is inaccurate and misleading. BSM cannot be used to promote any other business opportunity other than the Amway Business.
- ii. **Participation and Purchase are optional.**

Association with any third-party vendors is voluntary and participating in a BSM event by any Amway Direct Seller Training Provider may assist an Amway Direct Seller to build a successful business, however it is not a guarantee to success. Amway Direct Seller and Training Provider shall not require the prospect or existing direct retailer/seller to purchase any literature or training material or sales demonstration equipment. Participating in a BSM event by any Amway Direct Seller Training Provider may assist an Amway Direct Retailer/Seller to build a successful business, however it is not a guarantee to success.
- iii. **Financial responsibility.**

Encouraging financially irresponsible activities as a means to purchase BSM or attend events is not allowed. Financially irresponsible activities include (but is not limited to) stating or implying:

- Necessary to “invest” money to purchase BSMs or attend events.
- BSMs/Tools are required to “build” an Amway Business.
- Money spent on BSM as an investment opportunity.

Chapter-5

16 Intellectual Property.

i. Using copyrighted material.

- a) Amway Direct Retailers/Sellers shall not copy, distribute or in any other manner use copyrighted materials from a third party or produced by Amway or Alticor Inc. without proper written assignment, license or other permission by the owner or through applicable laws that permit the use. Any written permission obtained shall be retained by the Amway Direct Retailers/Sellers in part without prior written authorization of Amway.
- b) A Special Note About Music: Music reproduced, altered, played, performed, recorded, broadcast or streamed via the Internet cannot be used in connection with BSM with- out a proper written assignment, license, or other permission of the owner or through applicable laws that permit the use. MORE THAN ONE LICENSE IS OFTEN REQUIRED WHEN USING RECORDED MUSIC. Any written permission obtained shall be retained by the Amway Direct Retailer/Seller and produced to Amway upon request.
- c) A copyright owner may grant only limited rights. Those rights may be limited in several ways, including in time, use, territory or media. Therefore, a license to use copy- righted material in one situation may not include the right to use the same material in another situation. You are responsible for confirming that your use is covered by the permission granted.

ii. Tips for Avoiding Mistakes:

- a) Do not assume materials on the Internet are available for copying without permission. Internet postings may be subject to copyright. This would include re-use of materials submitted by visitors to an Amway Direct Seller site.
- b) If you want to republish or re-use material posted on your site, such as republishing a customer quote in promotional materials, you should seek permission.
- c) If you permit content to be posted on your website, the conditions for posting of materials by others should comply with these restrictions on BSM, including prohibition of posting BSM without approval of Amway
- d) Purchasing music online does not mean the purchaser can use the purchased music for any purpose. For example, you may need to obtain additional licenses to use the music in connection with BSMs, such as in videos, or for use on the Internet.
- e) Quoting even a small portion of a copyrighted work may violate the author’s copyright. Obtain written permission before using the writings or speeches of other people.

- f) Even if Amway has obtained a license to use a copyrighted material, it does not necessarily mean that the license extends to an Amway Direct Retailer's/Seller's use of the material.

iii. Amway Produced Materials

All Amway-produced materials are copyrighted and may not be used or reproduced in whole or in part without the authorization of Amway. To the extent that BSM incorporate Amway-produced materials, the notice "(insert year of creation) Amway India Enterprises Pvt. Ltd." should be maintained or added to that section of the BSM.

iv. Amway Employees.

Presentations by employees or representatives of Amway or Alticor Inc. should not be recorded, distributed, or sold in whole or in part without prior written authorization of Amway.

v. Rights of Publicity.

Amway Direct Retailers/Sellers shall refrain from using an individual's likeness, including his or her name, photograph, image or voice, without written permission of the individual. The Amway Retailer/Direct Seller shall maintain the written permission and produce it to Amway upon request. Like copyright permissions, publicity permissions may be limited in several ways, including time, use, territory or media. Therefore, permission to use a person's image in one situation may not include the right to use the same image in another situation. You must confirm that your use is covered by the permission granted. The following are common situations where publicity rights may arise:

- A photograph contains the images of a number of individuals. The photographer provides written permission to the Amway Direct Retailer/Seller to use the photograph. You also should obtain the written permission of the individuals in the photograph to use their image (e.g. a model release).
- A celebrity appears at an Amway Direct Retailer/Seller event to provide a motivational speech and provides permission for the Amway Direct Retailer/Seller to record the speech. That permission would not automatically include the right to use the celebrity's name in promoting the business or for other purposes.

vi. Proper Trademark Use.

- a) Amway Direct Retailers/Sellers shall not copy, distribute or in any other manner use trademarks of a third party or Amway or Alticor Inc. without proper written assignment, license, or other permission by the trademark owner. The written permission shall be retained by the Amway Direct Retailer/Seller and produced to Amway upon request.
- b) Amway or Alticor corporate-owned trademark and logo artwork, product photos, and corporate-related images shall be obtained only from approved corporate sources as specified by Amway and must be used only in accordance with Section 9 of the Amway Rules of Conduct.

- c) Trademarks Are Proper Adjectives – A trademark is a proper adjective (never a noun), and it should be followed by the generic (or common descriptive) name of the product. Amway and Alticor’s standard corporate style is to display trademarks in all capital letters in text, or in stylized, bold or distinctive type.
- d) Trademarks should not be Pluralized – Since trademarks cannot be nouns, do not use them in the plural form. Instead, pluralize the common nouns they describe. Examples: AMAGRAM™ Magazines and PERSONA™ Soaps.
- e) The generic name should be set forth with initial capital letters. Examples: NUTRILITE™ Supplements and ARTISTRY™ Polishing Scrub.
- f) Trademarks should not be used in the Possessive Form –Trademarks should never be used in the possessive form, unless the trademark itself is possessive. Examples:
 Correct: We enjoy using AMWAY™ Products.
 Incorrect: We enjoy using AMWAY’s Products

Chapter-6

17 Website Disclosures.

Please refer to the current Website Rules and Guidelines as contained in the Amway Rules of Conduct.

i. Obligatory Disclosures.

To be compliant with the QAS, all BSM must contain obligatory disclosures, as described in this section, depending on context and media type. The triggers for insertion of the obligatory disclosures, and the requirements for appearance of the obligatory disclosures, are set forth below. In addition, Amway may provide additional obligatory disclosures to the person that submitted the BSM for review together with the BSM review. BSM will not be authorized by Amway without the proper obligatory disclosures.

WHEN TO USE DISCLOSURE		
TOPIC	WHEN TO USE	DISCLOSURE
Income Disclosure	When any specific representations are made about income that an Amway Direct Retailer/Seller has personally made from the Amway Sales and Marketing Plan.	Print/Video/Slide Presentation/Audio Presentation: Income at the same qualification levels may vary based on personal sales volume, group sales volume, and organization size and structure, Placement: Print/Video/Slide Presentation/Audio presentation: Disclosure must be clearly and conspicuously displayed or read immediately after the triggering income representation. If not possible or practical, the disclosure may appear at the beginning or at the end of the BSM, whichever is closer to the first triggering income representation. The purchase and use of this BSM is optional. The same is made available at cost and no profit is derived out from the sale of this BSM It is for use in India only.

QUALITY ASSURANCE STANDARDS (QAS)

WHEN TO USE DISCLOSURE		
TOPIC	WHEN TO USE	DISCLOSURE
Amway Direct Seller Only BSM	Always for BSM Intended for Amway Direct Sellers Only	<p>“For existing Amway Direct Sellers ONLY. Not for use with prospects and Amway Direct Retailers.” The purchase and use of this BSM is optional. The same is made available at cost and no profit is derived out from the sale of this BSM It is for use in India only. While the techniques and approaches suggested have worked for others, no one can guarantee that these techniques will work for you</p> <p>Notes for disclosure: the disclosure must be clear, conspicuous, and contiguous. The disclosure must appear in a font size as large as that of other text on the same page. If no text appears on the page, then the disclosure should be the same size as any other required disclosures appearing in the same piece. The text of the disclosure must stand alone, and no other text may appear immediately preceding or following the disclosure. There must be at least one blank space of the same font size as the disclosure between the disclosure and any surrounding text.</p> <p>Placement: Print/Video/Slide presentation: The disclosure is to be displayed at either the beginning or the end of BSM, on each slide of a slide presentation, or on the cover and face of the BSM.</p> <p>Audio: The disclosure is to be recorded at either the beginning or the end of the audio, or on the packaging or cover.</p>
Required Disclosure for Tickets to Meetings and/or Events.	On all Tickets to Meetings, Events, Conventions, Gatherings, etc.	<p>“Purchase of this ticket is optional. The same is made available at cost and no profit is derived out from the sale of this BSM. No audio or video recording is allowed. While the techniques and approaches suggested have worked for others, no one can guarantee that these techniques will work for you. We hope, however, that the ideas presented here will assist you in developing a strong and profitable Amway business.”</p> <p>Placement: Disclosure must be clearly and conspicuously displayed on the front or back of the ticket.</p> <p>Please note that this disclosure is in addition to the other labelling requirements for tickets specified in the Program Standards portion of the QAS.</p>

QUALITY ASSURANCE STANDARDS (QAS)

WHEN TO USE DISCLOSURE		
TOPIC	WHEN TO USE	DISCLOSURE
Required disclosure for all BSM submitted for approval to Amway	Mandatory on all BSM submitted for approval to Amway	<p>BSM: "The purchase and use of this BSM is optional. The same is made available at cost and no profit is derived out from the sale of this BSM It is for use in India only. While the techniques and approaches suggested have worked for others, no one can guarantee that these techniques will work for you."</p> <p>Placement: Print/Video/ Presentation Slide /Web/Digital Content: Disclosure must be clearly and conspicuously displayed. For CDs and DVDs, the disclosure must be printed on the CD/DVD itself and on the cover. For other BSM, the disclosure must appear on the front (or the beginning of the BSM), or on the back cover (or the end of the BSM)</p> <p>Audio Presentation: Disclosure must be spoken clearly at the beginning or end of the recording. Video recording: Disclosure must be and conspicuously displayed at the beginning or end of the recording</p> <p>The disclosure must be printed on the cover/packaging. Please note that this disclosure is in addition to the other labelling requirements for BSM specified in the Program Standards portion of the QAS.</p>
Building the Business	Building the Business	<p>"While the techniques and approaches suggested here have worked for other Amway Direct Sellers no one can guarantee these techniques and approaches will work for you. We believe the ideas presented here combined with hard work can assist you in developing a strong and profitable Amway business. The success of an Amway business does not come merely by the act of registering Direct Retailers; no Amway Direct Sellers earn income by simply registering others. The sale of products by Amway Direct Retailers/ Sellers to customers is essential for earning income from the Amway business. When the speaker mentions the "business", "the plan", or "the opportunity", they refer to the Amway Sales and Marketing Plan."</p> <p>The purchase and use of this BSM is optional. The same is made available at cost and no profit is derived out from the sale of this BSM It is for use in India only Notes for disclosure: the disclosure must be clear, conspicuous, and contiguous with the triggering discussion.</p> <p>Placement: Print/Video/Slide presentation/Audio presentation: Disclosure must be displayed or read, as the case may be, immediately after the triggering discussion or, if not possible or practical, then either at the beginning or at the end of the BSM, whichever is closer to the first triggering discussion.</p>

Chapter-7

18 Speaker Rules. [Applicable to all Qualified Amway Direct Sellers]

- i. The content of all meetings and events must comply with the Content Standards as mentioned in this Standards. It means that those who are hosting/conducting meetings/events must ensure that all Qualified Amway Direct Sellers speaking at such meetings/events comply with the Content Standards. In addition, what appears below are rules applicable to speakers at meetings and events (the “Speaker Rules”). All Qualified Amway Direct Sellers speaking at such meetings or events are required at all times to comply with the Speaker Rules. Those Qualified Amway Direct Sellers who are hosting/conducting meetings/events must ensure that all Qualified Amway Direct Sellers speaking at their meetings/events are aware of the Speaker Rules and the Content Standards.
- ii. **Acceptance.**
 - a) **Spiritual /Religious Communications.**

Presenters may not:

 - Use the stage as a platform to promote religious and/or personal social beliefs.
 - Advocate that success is dependent on holding certain beliefs.
 - Recommend certain religious or spiritual writings and practices.
 - Conduct religious/worship services.
 - b) **Political Communications.**

Presenters may not:

 - Use the stage as a platform to promote their political beliefs and affiliation.
 - Make references to preferences regarding specific political views, parties, candidates or elected officials.
 - c) **Moral/Social Communications.**

Positive statements related to values such as trustworthiness, honesty, integrity, responsibility, commitment, family, individual initiative, etc. are permitted. Demeaning statements regarding personal lifestyle, ethnicity, or the roles of males and/or females are not permitted. Using the stage as a platform to promote personal social beliefs or social and cultural issues are not permitted.
- iii. **Accuracy.**
 - a) The presentation of the Amway business has a critical impact on the reputation and credibility of the presenting Amway Direct Seller, the Sales Team (LOS), Amway, and the overall business.
 - b) A general rule is to “under-promise” so the business can “over-deliver”. The goal is to ensure that Prospects and Amway Direct Retailers/Sellers

have realistic expectations about the business, understand how income is earned, and are clear about the time and effort required to earn income as an Amway Direct Retailer/Seller.

iv. Points for a Speaker.

1. Amway's Role.

The Amway Business must be presented as an opportunity to gain income through the retailing of products and the mentoring others to do the same. It's a business including products and product education, distribution, compensation, customer service, and the Sales and Marketing Plan. The Presenter must not misrepresent the relationship of the Amway Direct Seller to Amway by, for example, suggesting or implying that Amway is "just a supplier", or that the Amway Direct Retailer/Seller represents a business opportunity of which "Amway is a part", or that the Amway Direct Retailer/Seller is an Amway e-commerce distributor, or that the Amway Direct Retailer/Seller "outsources" administrative support to Amway, etc.

2. Amway Direct Retailer/Seller Role.

Presenters must not promote the use of false, misleading, inaccurate, or deceptive statements with Prospects, Customers/Preferred Customers or other Amway Direct Retailers/Sellers. Presenters must promote behavior that results in an Amway Direct Seller making themselves known as an Amway Direct Retailer/ Seller, as soon as possible. It's necessary to identify the purpose of the contact – namely the sale of Amway products and/or to introduce the Prospect to the business. The invitation to see the Plan may not be disguised.

3. Role of the Amway Direct Seller Training Provider.

The primary business relationship of an Amway Direct Seller is with Amway and not a support system or organization. To imply otherwise is inaccurate and misleading. Amway Direct Sellers must understand that the participation with the Amway Direct Seller Training Provider is voluntary and participation does not guarantee success. Providing examples of how participation with the Amway Direct Seller Training Provider contributed to the growth of a profitable business is acceptable. The primary business relationship of an Amway Direct Seller is with Amway and not a support system or organization. To imply otherwise is inaccurate and misleading.

4. Business Support Material Role.

Sellers may impact the Amway business in a meaningful and measurable way. Ultimately, the decision to purchase BSM and/or attend events is strictly voluntary. It is entirely optional and should be presented as such. The entitlement for an Amway Direct Retailer/ Seller to receive support from their sponsor or upline cannot be conditioned upon whether or not BSM are purchased. Amway Direct Seller Training providers must promote only those

BSM which are officially authorized by Amway India for use in the market as per the applicable terms.

5. Open and Accurate Representation of the Sales and Marketing Plan.

The Sales and Marketing Plan should not be represented as anything other than what it is.. Prospects must understand this as well as the fact they are entering into a contract with Amway, which includes the rights and responsibilities that come with being an Amway Direct Retailer/Seller. The Plan should not be positioned as a “get rich quick” scheme. Amway Direct Sellers must not guarantee any level of success and diminish the time and effort necessary to build an independent Amway business.

6. Personal Consumption.

Retailing of products and mentoring others to do the same is fundamental to the Amway business. Implying that a successful business can be built solely on personal consumption is prohibited by the Rules of Conduct. Having customers is the primary component of the Sales and Marketing Plan. Prospects and Amway Direct Retailers/Sellers should understand how having a customer base contributes to a profitable business.

7. Self-improvement Program.

Presenting the business primarily as a self-improvement program rather than a ‘for-profit business’ is a misrepresentation. For example, presenting the business as a way to improve yourself, save your marriage, or improve relationships with your family or others implies that the primary activity in the business is something other than generating profit. The self-improvement aspects of the business are intangible benefits and should be presented in that context.

8. Not merely sponsoring/recruiting.

An Amway business is built on the balance of retailing products and sponsoring and mentoring others who do the same. The Amway Sales and Marketing Plan does not compensate Amway Direct Sellers for the act of sponsoring. Compensation is earned when products are sold to customers. To imply that an Amway Direct Retailer/Seller can be successful or earn from merely recruiting and sponsoring others is an inaccurate representation of the business opportunity.

9. Earning Representations.

- a) Direct or indirect earnings representations must be truthful, clear, accurate, and not misleading. Representations to Prospects and Amway Direct Retailers can only reflect the income available or earned through the Amway Sales and Marketing Plan and must exclude all other sources of income. Amway Direct Sellers may use only those earnings and/or bonus representations based on their own personal

experiences, provided that they at the same time disclose the average income, earnings, and sales figures and percentages as published by Amway. They may disclose only other current financial figures about Amway as published by Amway.

- b) Use of the terms “financial security,” “rich,” “wealthy,” and “millionaire” could exaggerate and suggest a level of earnings that are not typical and may be unacceptable, depending on context. Acceptable terms are: “achieving your financial goals,” “financial flexibility,” or “financial growth.” Use of the terms “residual income,” “residuals”, “passive income”, “royalty income” or “royalties” misrepresents the nature of earnings from the Sales and Marketing Plan. These terms imply that earnings can continue endlessly without further effort. The Rules of Conduct require fulfilment of certain responsibilities. Acceptable terms are “leadership bonus”, “maintainable”, “sustainable” income.

10. Guarantee of Results.

Amway offers an opportunity, not a guarantee. Language that implies a guarantee of success misrepresents the business being offered. Use of “risk free” or other terms that imply a guarantee of results must be avoided. Each Amway Direct Retailer/Seller determines the amount of time and effort he will devote to building an independent Amway business. There are no guarantees that one will achieve a particular level in any particular time frame, as results are individual and vary widely.

11. Responsibilities of a Sponsor.

Each Amway Direct Seller must in addition to the requirements as mentioned in Section 5 of the Amway Rules of Conduct personally provide training and motivation to other Amway Direct Retailers/Sellers they have sponsored.

12. Retirement, Inheritance and Amway Business.

The Amway Business does not offer “retirement” in the traditional sense, because it requires ongoing sales effort. It can only produce income as long as it is actively operated and fulfills the defined sales criteria. One of the attributes of the Amway Sales and Marketing Plan is the ability of an Amway Direct Seller to build and establish a substantial business and then pass it on to his/her/its heirs or beneficiaries if so decided. Certain frequently used “retirement” phrases – including “never work again”, “always on vacation”, “always travelling,” or that Amway Direct Sellers have “freedom from work” or are “free” – imply that no work is required after one builds an Amway business to a certain level, and so must not be used. Use of the terms “residual income”, “residuals”, “passive income”, “royalty income”, or “royalties” is also unacceptable, as they misrepresent the nature of earnings from the Sales and Marketing Plan.

13. Independent Contractor Relationship.

Amway Direct Retailers/Sellers own their businesses and operate as independent contractors. Every Amway Direct Retailer/Seller has a contractual relationship with Amway, own their Amway business and are personally responsible for managing their Amway business. An Amway Direct Retailer/Seller is not an employee, agent, or legal representative of Amway or any other Amway Direct Retailer/Seller.

14. Facts and Figures.

- a) Anything, including statements, statistics, direct quotations, and other information, used to promote the business or Amway's products must always be correct and substantiated. Sharing unsubstantiated information could be misleading and damage the credibility of Amway, the presenting Amway Direct Seller and the business of Direct Retailer/Seller. Statements that cannot be substantiated must never be used in any support materials. References to the DeVos and Van Andel families should be made only in conjunction with ownership of Alticor and the Alticor family of companies, including Amway. References to any of the private projects, businesses, and philanthropy of the Van Andel's and DeVos's must always be accurate and with a clear distinction between those and Amway and the Alticor family of companies.
- b) Graphs, visuals, quotes, and references to statistical data must be substantiated with an information source and date. They must also be current (no more than 3 years old). Additionally, if you refer material from a copyright-protected work and are using either a substantial portion of the work or such portion that represents the essence of the work, then written permission or authorization for use from the source must be provided prior to authorization by Amway's BSM review team.

15. Other Business Opportunities.

Presenters may not promote any other business opportunity other than the Amway Business, nor may participants be solicited from stage to attend meetings for the purpose of presenting another business opportunity at any future date.

16. Average Annual Income.

Speakers must use the average incomes published by Amway while describing the income from the business at different Pin level.

17. Product Claims

Claims related to Amway products must be used verbatim from official Amway India sources and cannot be altered/modified in any manner whatsoever.
