

QUALITY ASSURANCE STANDARDS CONTENT STANDARDS AMWAY PHILIPPINES



QUALITY ASSURANCE STANDARDS - Content Standards

Positioning The Amway Opportunity

How the Amway opportunity is presented to Prospects has a critical impact on the reputation and credibility of the presenting ABO and the Amway business. It is important that Prospects and ABOs have a clear and accurate understanding about the roles of Amway, the ABO, and third-party training providers ("Training Providers").

Statements to Prospects must be truthful, accurate, and not misleading.

FOR CONTACTING AND INVITING - DETERMINING INTEREST

Materials in this category are designed to determine the level of interest in the Amway opportunity and not used to show or explain the Amway Sales and Marketing Plan.

DESCRIBING THE AMWAY OPPORTUNITY

The Amway business must be presented as an opportunity to earn income through the selling of products and helping others they sponsor to do the same. It is a business that provides ABOs products, product education, distribution, sales, customer service, and the Amway Sales and Marketing Plan.

The Amway business should not be referred to as anything other than the Amway business or the Amway opportunity. It must be clear that the Training Provider does not supply the opportunity but supplies optional training and education materials, as well as community support.

Presenting the business primarily as a self-improvement program, e.g. to improve yourself, save your marriage, or improve relationships with your family or others, rather than a for-profit business is a misrepresentation of the business which would imply the primary activity in the business is something other than generating profit.

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.

Using a deceptive synonym for Amway is **not** allowed.

Some examples of how not to position the Amway business:

- Employment opportunity (e.g. Amway ABOs are not employees or agents of Amway but are independent contractors)
- Social event
- Market survey
- Tax seminar
- Financial seminar
- Investment seminar (e.g. Amway does not offer investments or investment contracts to ABOs)

It must be clear to the prospect that Amway is the principal contracting entity which provides the following:

- Amway ABO Compensation Plan which includes:
 - Compensation (and its administration)
 - Rewards (and its administration)
 - Recognition (and its administration)
- The products
- Product education and product support
- Distribution

Language that states or indicates that success or income is guaranteed is not allowed.

RECOMMENDED LANGUAGE

- Amway manufactures high quality products for 3 key product areas: Health, Home and Beauty – all backed by a satisfaction guarantee.
- Amway can provide the opportunity to achieve: Extra Income, Business Skills, Flexibility and Freedom.
- You decide what you want your average day to be like but, every Amway Business
 involves three activities: First, presenting products to new customers, second, servicing
 existing customers and third, if you choose, mentoring and helping others you sponsor
 to build their own Amway Businesses.
- When it comes to scheduling your day, you decide how it should be. You can spend as much or as little time on this as you want.

Show the Plan/Business Building

Direct or indirect earnings representations must be truthful, accurate, and not misleading and must only reflect the income available or earned through the Amway Sales and Marketing Plan and other incentive programs. All other sources of income are to be excluded.

When describing the Amway Sales and Marketing Plan, the roles of a balanced business (ABO product sales, personal use, and sponsoring) must be explained accurately and in accordance with all Amway guidelines, directions, procedures and policies.

- ABO Product Sales Selling to customers must be stated as being a way to earn immediate income through retail margin and a requirement to earn additional bonuses.
- Personal Use Personal use must be characterized as a way to learn about the products and develop personal experience that may be useful in the selling of the products. Money saved through personal use is not income and should not be represented as such. Implying that the business is a wholesale buying club is not allowed. 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.
- Sponsoring It must be emphasized that sponsoring allows ABOs to maximize the
 opportunities of the Amway Sales and Marketing Plan but that income is not earned from
 the act of sponsoring. Stating or implying that an ABO can be successful or earn bonuses
 solely from the act of sponsoring others is incorrect and is not allowed. When describing
 sponsoring, the importance of a prior or existing personal contact between the sponsor and
 the new ABO must be emphasized.

RECOMMENDED LANGUAGE

Once I started switching products I was using to Amway products, it gave me personal stories and experiences to talk about.

POSITIONING THE AMWAY OPPORTUNITY This list is not all inclusive	
 Direct selling opportunity 	 Private franchising/Franchise
The AMWAY business	 Internship program
 The AMWAY Sales and Marketing Plan 	 Wholesale buying club
	Membership Club
The AMWAY Opportunity	Financial or investment seminar
	Partnering Company
	Mentorship program
	 All you have to do to go Diamond is to find six people and sponsor them
	 Supplier

WHY CONTENT IS NOT PERMITTED

Wholesale buying clubs and franchises may be subject to different regulatory guidelines than a direct selling company.

Representing that the Amway Sales and Marketing Plan presentation is anything other than an explanation of a business is misleading.

Representing success and achievement as quick and easy is misleading regarding the time and effort required to build a successful business.

Time and Effort

Representations that success is guaranteed are not allowed.

Each ABO has complete freedom in determining the number of hours worked and in scheduling those hours. Mandatory quotas of appointments, calls, etc., are not allowed.

Facts and Figures

CORPORATE INFORMATION

Corporate statistics, rankings, and historical information should be consistent with, and not vary from, what is currently presented by Amway or Alticor Inc. Using proprietary and/or confidential Amway or Alticor Inc. information in any form or medium is not allowed.

OTHER INFORMATION

Anything, including statements, statistics, direct quotations, and other information, used to promote the business or Amway products must always be relevant, truthful, accurate and not misleading. In addition, with the exception of speeches and audio recordings, all BSM with statistics must, within the BSM at point of use, cite both the source and the date of the statistic. This includes BSM such as slides that accompany a speech.

FOUNDING FAMILIES

References to the DeVos and Van Andel families must be truthful and accurate. References to any of the private projects, businesses, roles, and/or philanthropy of either of these families or family members should not be confused with or attributed to Amway or the Alticor family of companies.

STATISTICAL INFORMATION

Graphs, visuals, quotes, and references to statistical data must be substantiated from an identified, credible, and current source (no more than 3 years old) unless historical in nature. Facts must be applicable to the intended market.

RECOMMENDED LANGUAGE

Since 1959, Amway has paid out more bonuses and cash incentives to its Distributors worldwide than any other direct sales company in history.*

*Source: Euromonitor International Limited: www.euromonitor.com/amway-claims

Intellectual Property

USING COPYRIGHTED MATERIAL

ABOs and Training Providers shall not copy, distribute or in any other manner use copyrighted materials from a third party or produced by Amway or Alticor Inc. without first obtaining a proper **written** assignment, license, or other permission from the copyright owner or through applicable laws that permit the intended use of the materials.

ABOs and Training Providers should retain any written permission they obtain for the use of copyrighted materials and produce them to Amway upon request.

Copyrighted materials include, but are not limited to: music; books; magazines; articles and other writings, including excerpts and translations; speeches; photographs, artwork, including clip art on the Internet; websites, blogs, and other social media posts; videos; movies; plays; sculptures; buildings, and 3D forms; and computer software.

A Special Note About Music: Music reproduced, altered, played, performed, recorded, broadcast or streamed via the Internet cannot be used in connection with BSM without 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 ABO/Training Provider and produced to Amway upon request.

A copyright owner may grant only limited rights to use copyrighted materials. Those rights may be limited in several ways, including by time, manner of use, territory or media. Therefore, a license to use copyrighted material in one situation may not permit the use of the same material in another situation. The ABO/Training Provider is responsible for confirming that its use of copyrighted materials is covered by the permission granted by the copyright owner.

Tips for Avoiding Mistakes

- 1. Do not assume materials available 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 ABO/Training Provider site. If you want to republish or reuse material posted on your site, such as republishing a customer quote in promotional materials, you should seek permission.
- 2. If you permit content to be posted on your website, the conditions for posting of materials by others should comply with the restrictions on BSM, including prohibition of posting BSM without approval of Amway.
- 3. Purchasing music from the iTunes® store or another music supplier 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.
- 4. 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. You may also need to seek written permission to mention the name of author.
- 5. Even if Amway has obtained a license to use a copyrighted material, it does not necessarily mean that the license extends to an ABO/Training Providers use of the

Rights of Publicity

ABOs and Training Providers shall refrain from using an individual's likeness, including his or her name, photograph, image or voice in BSM without first obtaining written permission from that individual. This applies to celebrities, Amway employees and other ABOs/Training Providers.

ABO and Training Provider shall maintain the written permission from the individual, and produce it to Amway upon request.

Permission to use an individual's image may be limited in several ways, including by time, manner of use, territory or media. Therefore, permission to use a person's likeness in one situation may not permit the right to use the same image in another situation. You should 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 an ABO/Training Provider to use the photograph. However, you
 should obtain the written permission of the individuals who appear in the photograph
 prior to using their image in any way (e.g. a model release).
- 2. A celebrity appears at an ABO/Training Provider meeting to provide a motivational speech and provides permission for the ABO/Training Provider 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

Proper Trademark Use

ABOs and Training Providers 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 ABO or Training Provider and produced to Amway upon request.

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.

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's revised standard corporate style is to display trademarks in initial capital letters in text, or in stylized, bold or distinctive type. The generic name should be set forth in lowercase letters.

Examples:

Nutrilite™ Supplements and Artistry™ powder foundation

Amway's revised standard corporate style applies to the replication of previously authorized BSM and new BSM created and authorized as of the date of the publication of these content standards. For all BSM previously authorized and existing as of the date of the publication of these Quality Assurance Standards, the previous Amway standard corporate style (all capital letters or in stylized, bold or distinctive type) is acceptable.

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.

Correct: Amagram[™] magazines and Scrub Buds® stainless steel sponges

Incorrect: Kleenexes

Trademarks Should Not Be Used in The Possessive Form – Trademarks should never be used in the possessive form, unless the trademark itself is possessive.

Correct: We enjoy using Nutrilite™ products **Incorrect:** We enjoy using Nutrilite's products

Trademarks Are Never Verbs – You can 'make six copies on the Xerox[™] copier" or "make a photocopy" but you can't say "Xerox the report." To determine if you have used the trademark correctly, if you can insert the word "brand" after the trademark and the sentence still makes sense, the trademark usage is correct.

Correct: Use the Express Mail™ service

Incorrect: Express Mail that letter

Trademark Notice – Use the TM notice symbol with no footnoted ownership statement unless otherwise directed during Amway's review process. The standard corporate style is to display trademarks with initial capital letters in text, or in stylized, bold or distinctive type. (Example: Nutrilite™ Supplements) It is acceptable to use lower case lettering when a mark appears in a stylized logo format. Generic product descriptors should have lowercase letters only. (Example: Artistry™ waterproof mascara.) The TM symbol should appear after each use of the trademark.

Trade Names and Trademarks Are Not The Same – Trademarks should not be confused with trade names, which are corporate or business names. Trade names are proper nouns. Trade names can be used in the possessive form and do not require a generic term. It is not appropriate to use a trademark notice symbol (TM or *) after a trade name, nor is it necessary to put trade names in all capital letters.

Examples:

These products are made by Access Business Group LLC. Amway Corp. has affiliates in many countries.

QUALITY OF MATERIALS

All BSM shall produce a professional and pleasant visual, tactile and/or audio experience for the user.

AMWAY-PRODUCED MATERIALS

All Amway-produced materials are copyrighted, and may not be used or reproduced in whole or in part without Amway's authorization. If an ABO or Training Provider incorporates Amway-produced materials into BSM, the ABO or Training Provider must include the following notice in the BSM after the Amway-produced materials: © (insert year of creation) (insert name of Amway entity (i.e. Alticor Inc. or Amway Corp.) (insert market).

AMWAY EMPLOYEES

Presentations by employees or representatives of Amway may not be recorded, duplicated, used, distributed, or sold in whole or in part without Amway's prior written authorization.

OTHER SOURCES

Test results performed by respected publications in mass media may be quoted if written permission is obtained, but results cannot be characterized as an endorsement of Amway or Amway products. Health or medical associations or similar bodies should not be cited in BSM as a source in connection with Amway products.

Describing Products

Descriptions of Amway products, their respective characteristics, materials used, ingredients, value, price, added or accompanying services, guarantees and warranties, shall be truthful, accurate, and not misleading.

CLAIMS

Claims for Amway[™] products must be verbatim from official Amway[™] sources and cannot be altered in any way. Statements on Amway[™] products may be only taken verbatim from official Amway[™] literature and official Amway[™] websites intended and approved for use in the respective market.

Content NOT permitted (some examples)

- Statements on illness/disease
- Medical claims
- Analysis, diagnosis
- Direct or implied statements regarding cure, treatment or prevention
- Use of terms herbal, organic, or natural if the use suggests the product is 100% herbal, organic, or natural.

RECOMMENDED LANGUAGE

We sell products people use every day. One of the things that sets Amway apart is the quality of the entire product line. Unlike a lot of other Direct Sellers, we do not offer 1 or 2 product types that MAY meet a need of yours. We have many products - which are backed with a satisfaction guarantee!

ENDORSEMENTS AND TESTIMONIALS

- Endorsements and testimonials must be honest and not misleading and must reflect typical experiences.
- An endorsement or testimonial must reflect the honest opinion of the person providing it. A person cannot talk about an experience with a product if they haven't tried it.
- An endorsement or testimonial can't be used to make a claim that Amway couldn't legally make. Claims require adequate substantiation, including reliable scientific evidence.
 This is why claims about Amway products must be used verbatim from official Amway sources.
- The connection between Amway and the ABO must be clear.

Discussing Earnings

INCOME

Direct or indirect earnings representations must be truthful, accurate, and not misleading and must only reflect the income available or earned through the Amway Sales and Marketing Plan and other incentive programs.

Describing income as continuing (or any synonym of it) without the requirement for continued effort and/or meeting qualifications is not permitted.

Any representation that income is guaranteed or assured is not allowed.

RETIREMENT

ABOs can build their business to a level that may allow them to leave their traditional occupation in order to operate their Amway™ business full time. It must be clear that generating income through the Amway Sales and Marketing Plan requires time and effort. The Amway business does not guarantee income for life.

Amway does not offer "retirement" in the traditional sense, because it requires qualification to maintain earnings. It can produce income as long as it produces sales volume.

INHERITANCE

Stating or implying income or earnings from the Amway business may be inheritable without stating the heirs must qualify and/or have continued effort in the business is not permitted.

RECOMMENDED LANGUAGE

How much you are actually able to earn really depends on you and how much effort you put into the Amway business. Amway rewards people based on results, and the only way to make money through Amway is through product sales.

DISCUSSING EARNINGS

This list is not all inclusive

Content Permitted	Content NOT Permitted
 It must be clear that what is being described is income generated from the Amway Sales and Marketing Plan Performance Bonus income Ongoing income is acceptable with saying or implying ongoing effort Maintainable income/bonuses based on product sales and not guaranteed Performance-based income 	 Residual, passive, royalties Risk free Never work again Setting timeframes on achieving income and achievement levels Money saved in personal use is not to be represented as income

WHY CONTENT IS NOT PERMITTED

Terms such as "residual, passive..." imply there is no continuing effort required to earn income in the Amway business.

Use of time frames as a normal expectation for achieving a specific Pin Level or income implies a guarantee.

Depictions of savings as income or profit based on buying at ABO cost is misleading.

Participation with an ABO/Training Provider/System and Purchase of BSM

PARTICIPATION AND PURCHASE ARE OPTIONAL

Participation in an ABO or Training Provider/System's BSM program and the purchase of BSM must be presented as optional. They are not a required component of building an Amway business.

Participation in an ABO or Training Provider/System's BSM program may assist an ABO to build a successful business, however it is not a guarantee of any specific result.

Suggesting that any materials other than the literature portion of the Amway Registration Pack must be purchased to register as an ABO is not allowed.

NEW ABO BSM POLICY

Prospects and ABOs in their first 30 days in the Amway business cannot be sold any BSM or signed up for any Standing Order BSM Program. However, during this time period, a new ABO or prospect may be loaned BSM at no charge, or may be offered to participate without charge in Amway-sponsored meetings or training (including corporate or product training) that may occur during this time period. ABOs are not permitted to participate in any BSM subscription program (for example, Continuing Education Programs) during the first 3 months in the Amway business.

ABOs may not sell to or promote to new ABOs the purchase of BSM in unreasonable amounts. A maximum total expenditure of P1,000.00 during the first 3 months (excluding the first month whereby no BSM may be sold) is considered reasonable.

REFUND POLICY

If for any reason the ABO is not satisfied with the BSM purchased, he or she can receive a full refund of the purchase price within 100 days from the date of purchase.

FINANCIAL RESPONSIBILITY

Sharing stories of purchases of Amway products or BSM, or other conduct or actions, which by the standards of society in general, would be considered financially irresponsible or reckless, is not allowed.

Stating or implying that money spent on BSM is an investment opportunity is not allowed.

OTHER BUSINESS OPPORTUNITIES

BSM cannot be used to promote any other business opportunity other than the Amway Business.

PARTICIPATION WITH THE ABO/TRAINING PROVIDER/SYSTEM	
Content Permitted	Content NOT Permitted (some examples)
 It must be clear that purchase of materials or participation with an ABO or Training Provider/System BSM/training program is optional 	 Stating or implying a guarantee of success from participation with an ABO or Training Provider/System BSM/training program
 Professional Development Program/Materials Support System Entrepreneurial Development Program ABOs/Training Providers/Systems provide training, education, motivation, development support and 	 Stating or implying that participation with an ABO or a Training Provider/System BSM/training program is a required component of operating an Amway business Marriage, spiritual or financial counseling Equating the training system to higher education

WHY CONTENT IS NOT PERMITTED

Success is not guaranteed based on participation in a BSM purchase program or a training program.

The role of an upline ABO and the Training Provider/System is to assist an ABO in building their Amway business, not to provide counseling on personal matters.

Participation in an ABO or Training Provider/System BSM program or training program does not result in a degree or certification associated with traditional education.

Amway Business Environment

The Amway business must be presented as an equal opportunity business.

SPIRITUAL/RELIGIOUS/POLITICAL COMMUNICATIONS

ABOs may not use BSMs as a platform to discuss, promote, or advocate religious, political and/or personal social beliefs.

MORAL/SOCIAL COMMUNICATIONS

Disparaging statements regarding Amway, Alticor Inc., any of their affiliates, employees, ABOs, or other Training Providers are not permitted.

Using the business platform to express personal beliefs that are derogatory to the beliefs of others is not allowed.

Encouraging an ABO to limit contact with, or cut ties to, family and/or friends is not allowed.

It is appropriate to encourage ABOs to maintain a professional appearance.

Specific uniforms cannot be mandated.

Third-Party Materials

Even though BSM is most often created by ABOs and Training Providers, they can also be created by third parties, other than ABOs and Training Providers. This section applies to BSM created by these third parties only. The third party materials are treated differently depending upon the category in which they fall. There are three categories of third party materials: (1) Third Party General Business Materials; (2) Other Third Party Business Materials; and (3) Third Party Non-Business Materials. If you have any questions about categorizing Third Party Materials, please contact your BSM Advisor for assistance.

THIRD PARTY GENERAL BUSINESS MATERIALS

Materials that fall into this category do not need to be submitted to Amway for review and approval before being sold or distributed to ABOs.

"Third Party General Business Materials" are materials that:

- Address general business topics that would be useful to ABOs in the operation of an Amway independent business;
- Do not reference or discuss Amway or a competitor company, Multi-Level Marketing, or Direct Selling;
- Are not produced or authored by any current or former ABO, or any ABO Training Provider:
- Do not contain any information about Amway™ products, the Amway Sales and Marketing Plan, or any other information designed or intended to solicit prospective ABOs;
- Do not deal primarily with spiritual, religious, political, moral or social issues (see the section called "Third Party Non-Business Materials" for treatment of these types of materials);
- Do not contain any statements which, when understood in context, would violate the Content Standards portion of the Quality Assurance Standards;
- Are published through recognized commercial publishing houses and are available through ordinary retail distribution outlets; and
- Do not undermine or negatively affect the positioning or reputation of Amway, its brands or products & ABOs.

OTHER THIRD PARTY BUSINESS MATERIALS

Materials that fall into this category must be submitted to Amway for review and approval before being sold or distributed to ABOs.

"Other Third Party Business Materials" are third party materials that deal with:

 Business topics, trends, techniques or issues related to the Amway business or direct selling industry;

- The Amway Sales and Marketing Plan, or any other information designed or intended to solicit prospective ABOs; or
- Any other business-related materials that are not Third Party General Business Materials.

THIRD PARTY NON-BUSINESS MATERIALS

Materials that fall into this category do not need to be submitted for review and approval before being sold or distributed to ABOs.

"Third Party Non-Business Materials" are materials that deal primarily with non-business related topics including, without limitation, relationships, team building, motivation, and do not fall within the categories of Third Party General Business Materials or Other Third Party Business Materials. Third Party Non-Business Materials may be offered for sale if they do not undermine or negatively affect the positioning or reputation of Amway, its brands or products, & ABOs.

Websites and Mobile Applications

Although websites and mobile applications exist online, they are BSMs as defined in the Amway Rules of Conduct. Therefore, they must be submitted to Amway for review and approval in accordance with the process set forth in the Program Standards.

Disclosures

GENERAL BSM DISCLOSURES

ABOs may produce BSM dealing with general subjects of a "how-to" nature; however, they must clearly and conspicuously contain the following disclaimer at the beginning and at the end of each BSM:

"For Existing ABOs Only - Not for use with Prospects."

All BSM (including tickets to events and meetings) must 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."

NUTRILITE DISCLOSURES

For all non-verbal promotion or advertising of Nutrilite vitamins or dietary supplements, the following standard message or phrase should be included in clear and legible type:

"MAHALAGANG PAALALA: ANG (NAME OF PRODUCT) AY HINDI GAMOT AT HINDI DAPAT GAMITING PANGGAMOT SA ANUMANG URI NG SAKIT."

For audio promotions or advertisements, the following message/phrase shall be clearly and audibly voiced over, without being cut-off, in the last line of the advertisement or promotions regardless of its duration:

"MAHALAGANG PAALALA: ANG (NAME OF PRODUCT) AY HINDI GAMOT AT HINDI DAPAT GAMITING PANGGAMOT SA ANUMANG URI NG SAKIT."