

# QUALITY ASSURANCE STANDARDS-PROGRAM STANDARDS

**Amway Hong Kong** 



# BSM QUALITY ASSURANCE STANDARDS

**Business Support Materials** ("**BSM**"): All products and services (including but not limited to books, magazines, flip charts, and other printed material; online literature; Internet websites; audio, video, or digital media; rallies, meetings, and educational seminars), which are:

- designed to solicit and/or educate Prospects, customers, or prospective customers about AMWAY 
   <sup>®</sup> products and services, or to support, train, motivate, and/or educate ABOs, or
- (ii) incorporate or use one or more of Amway's name, or trademarks, service marks, copyrighted works, or other intellectual property belonging or licensed to Amway, or
- (iii) are otherwise offered with an explicit or implied sense of affiliation, connection, or association with Amway. When the term BSM is used without the preface "Amway Produced", it refers to non-Amway produced BSM only.

Amway believes that the use of Business Support Materials (BSM) can be an effective tool in helping build an Amway business. The use of tools and teachings developed and/or made available by successful ABO Leaders and Network organizations should impact the Amway Business in a meaningful 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 ABOs in the conduct of their Amway Business. The QAS is divided into two sections:

- (1) **Program Standards**, which contain the mandatory processes and requirements related to BSM, and
- (2) **Content Standards**, which detail the standards and requirements relating to the subject matter, messaging, content and material within the BSM.

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 and other Amway Policies, are essential to protect and enhance the reputation of Amway and Amway Business Owners.

# **AMWAY - PROGRAM STANDARDS**

All promotion, sales and distribution of BSM must comply with the Amway Rules of Conduct and any applicable BSM Policy established for all ABOs as those documents may be amended from time to time. The Amway Rules of Conduct and applicable BSM Policies are incorporated into these Program Standards by this reference.

## **DEVICES / SALES AIDS**

The use or sale of devices and other sales aids that are designed to directly support the sale of Amway products and services are only allowed with advance written authorization by Amway.

### **EVENTS AND FUNCTIONS**

All meetings, functions and events related directly or indirectly to the Amway business must comply with the requirements and restrictions in this section.

Upon request from Amway, ABOs and Networks must provide information and details in advance regarding the meetings, functions and events they intend to offer, sponsor, provide access to, or with which they are associated or involved.

For seminars, conventions, and major events (which include meetings with an expected attendance of 300 or more people), ABOs and Networks must submit for review and approval to Amway on or before the first day of every calendar quarter, a schedule for those meetings including date, time and location.

An ABO or Network is responsible for providing the schedule if it directly or indirectly conducts, hosts, sponsors, organizes, issues tickets for, or charges an admission fee for such meetings. The schedule must include the name and contact information for the Network staff member or ABO who is responsible for each event. If any changes are made to the schedule, the responsible ABO or Network staff member as the case may be, shall notify Amway as soon as possible.

ABOs and Network must ensure that all speakers at the meetings/functions/events comply with the Content Standards portion of the QAS. If the speaker is not an ABO, the ABO or Network must provide the speaker a copy of the Content Standards and have the speaker sign a written agreement stating that the speech and/or performance of the speaker will comply with the Content Standards. The ABO or Network responsible for the meeting/ function/event will be responsible for any violation committed by the speaker.

#### Standards for Events and Functions

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

- The venue should be clean, business appropriate, well-maintained and compliant with applicable laws, rules, and regulations.
- All content must comply with the Content Standards and Program Standards.
- Efforts should be made to ensure the availability of proper seating for all participants/audience provided that such seating and the resulting room capacity complies with applicable law, rule, or regulation.
- The audience should have clear visibility of the proceedings on the stage either directly or through screens with live feed.
- Provide good audio quality of presentations throughout the venue.
- All required permits, permissions, and licenses must be obtained by the meeting organizer prior to conducting the Meeting/Event/Function.

#### Meeting/Event/Function Tickets (physical or electronic) must include.

- Event name
- Host name and contact information
- Date and time
- Location
- Ticket price
- · Terms of refund
- "Purchase of this ticket is optional. 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".

# **BSM REFUND POLICY**

Those ABOs and Networks selling BSM must have a standard refund policy that complies with Section 7.2 of the Rules of Conduct. In addition, they must have a dispute resolution procedure that requires the ABO and Network to use its best efforts to resolve in good faith any disputes with a BSM purchaser, and to submit any unresolved disputes to Amway Business Conduct & Rules. The refund policy, dispute resolution procedure, and the person responsible 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.

# REQUIREMENTS FOR BSM PACKAGING AND USE OF BSM CONTENT REVIEW NUMBER

Each authorized BSM must contain the following information:

- Name of the ABO or Network producing the BSM
- BSM title
- Mandatory BSM Disclosures (if any)

This information specified above must be clear, intelligible, and in the national language of the market in which the BSM is being sold or distributed, however the position on the BSM may vary.

# MANDATORY MEETING CONTENT

ABOs and Network 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 such meeting and/or event complies with the Content Standards portion of the QAS, and provides the mandatory meeting content below.

<ul> <li>Open Meetings –</li> <li>Meeting consisting of 10 or more Prospects or 30 or more people. Prospects may not be charged to attend.</li> <li>Objective is to introduce the Amway Business to Prospects</li> </ul>	<ul> <li>Host</li> <li>Must be hosted by an ABO who is or was qualified at the Platinum level or above within the last year, or an Approved Provider in collaboration with an ABO who is or was qualified at the Platinum level or above within the last year</li> <li>Making Money – Amway Sales and Marketing Plan – (A minimum of 1/3 of the time must be spent on this topic and the immediate below)</li> </ul>
	the items below) Amway Products – (A minimum of 1/3 of the time must be spent on this topic and the items below)
<ul> <li>Seminars -</li> <li>Gathering primarily of ABOs, but Prospects may also attend provided that they may not pay to attend</li> <li>The objective is to provide training and education on: <ul> <li>Building a profitable and sustainable Amway business, or</li> <li>Amway products, or</li> <li>Both topics mentioned above</li> </ul> </li> </ul>	<ul> <li>Host <ul> <li>Must be hosted by an ABO who is or was qualified at the Platinum level or above within the last year, or an Approved Provider in collaboration with an ABO who is or was qualified at the Platinum level or above within the last year.</li> </ul> </li> <li>Business Building <ul> <li>If the Seminar provides training and education on business building, then it must at a minimum include:</li> <li>Motivation or Recognition or Experience Sharing</li> </ul> </li> <li>Business Building Techniques by Speaker <ul> <li>Amway Products</li> <li>If the Seminar provides training and education on Amway products, then it must at a minimum include discussion about or demonstration of Amway products and a discussion about the Satisfaction Guarantee</li> </ul></li></ul>

<ul> <li>Leadership Meetings –</li> <li>Gathering of ABO leaders qualified at the Silver Producer level or higher</li> <li>The objective is business training and business strategy</li> </ul>	Senior ABO leader to re-enforce the idea of effort vs. reward
	Annual Best Practices Training and Speaker Training as required Strategies and tools to increase productivity and profitability – goal setting/action planning

## **REQUIRED USE OF AMWAY BRANDING**

These Amway branding standards help ensure that Amway is presented as the primary brand in certain items, locations, or circumstances related to the Amway business. The standards for required use of the Amway name is set forth below.

Open Meetings (Gatherings with an audience of 10 or more Prospects or 30 or more people. The objective is to introduce the Amway business to Prospects):

- In an Open Meeting, whenever
  - The Amway Sales and Marketing Plan is mentioned, or
  - Any element of the Amway Sales and Marketing Plan is described or discussed, or
  - If income from the Amway opportunity is mentioned:

the Amway name must also be mentioned, and whenever possible the Amway name must be displayed clearly and conspicuously (e.g., on signage, video screens, presentation slides, etc.).

In the alternative, the Amway-produced "Open Meeting Video" may be shown prior to dismissal of the audience at the end of the meeting in a manner such that all attendees will have the opportunity to view the video in its entirety.

• Whenever the name, logo or trademark of a Network or an ABO brand or group is used, the Amway name must appear at the same time and must be of equal prominence.

Meetings other than Open Meetings:

- The Amway name must be prominently displayed such that all attendees will be reasonably expected to see the Amway name multiple times during the meeting. Signs at the venue entrances and exits, and/ or signs on stage or at the speaker podium are examples of what would be acceptable.
- In addition, whenever the name, logo or trademark of a Network or an ABO brand or group is used, the Amway name must appear at the same time and must be of equal prominence.

BSM (Audio/Video/Print/Slide Presentations):

- For Prospecting BSM, if the name, logo or trademark of a Network or an IBO brand or group is used, the Amway name must also be used at every instance that the name, logo or trademark of the Network or ABO brand or group is used, and use of the Amway name must be of equal prominence.
- For Prospecting BSM, the Amway name must be mentioned or displayed clearly and conspicuously whenever
  - The Amway Sales and Marketing Plan is mentioned, or
  - Any element of the Amway Sales and Marketing Plan is described or discussed, or
  - Income from the Amway opportunity is mentioned.
- For BSM intended for ABOs only, the Amway name must be clearly and conspicuously used or displayed at some point within the BSM such that an ABO, upon casual inspection of the BSM, would be reasonably expected to see the name at least once.

#### Digital BSM such as websites, and applications:

- If the name, logo or trademark of an Network or an ABO brand or group is used, the Amway name must also be used at every instance that the name, logo or trademark of the Network or ABO brand or group is used, and such use of the Amway name must be of equal prominence.
- The Amway name must be mentioned or displayed clearly and conspicuously whenever
  - The Amway Sales and Marketing Plan is mentioned, or
  - Any element of the Amway Sales and Marketing Plan is described or discussed, or
  - Income from the Amway opportunity is mentioned.
- The Amway name must be used at some point in the digital BSM such that an average person casually reviewing the BSM would see the name.

## SUBMISSION AND REVIEW OF BSM

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 ABOs that sell, offer for sale, distribute, provide access to, or create BSM, to ensure that such BSM comply with the Content Standards portion of the QAS, and be submitted to Amway immediately upon request. The submission of BSM to Amway does not relieve the ABO of any liability related to compliance with the Rules of Conduct, the QAS, Amway policies, applicable laws including without limitation, laws relating to the use of intellectual property of third parties.

Amway may conduct reviews of BSM to ensure compliance with the Rules of Conduct, QAS, Digital Communications Standards, and the use and treatment of the Amway name, trademarks, service marks, copyrighted works, or other intellectual property belonging or licensed to Amway. Reviews may include but are not limited to attending (in person or electronically) ABO and Network training and education meetings and conducting interviews and surveys of ABOs. For the purpose of conducting these reviews, ABOs must keep a copy of each BSM it sells, uses or distributes for two calendar years from the last date of sale, use or distribution. This includes audio or video recordings of any live or online meetings or events.

ABOs shall provide Amway with full access to BSM, including, without limitation, access to ABO and Network meetings and seminars, all password-protected areas of ABO web site(s) for prospects and ABOs, and reasonable access to such other materials, information and locations deemed necessary or helpful for the purpose of conducting any of the aforementioned reviews.

ABOs shall respond to inquiries and otherwise cooperate in a timely fashion with any BSM reviews conducted by Amway. ABOs shall act in good faith and shall not unreasonably withhold access to any materials or information requested by Amway in good faith, which may be necessary for Amway to review BSM.

# **REQUIRED TRAINING**

Every ABO that creates BSM or holds meetings or events must receive required training sessions on:

- a. QAS Program Standards processes and requirements; and
- b. QAS Content Standards and speaker training.

The training sessions will be provided to ABO free of charge by Amway.

In addition, ABOs that hold meetings or events will be responsible for ensuring that those ABOs that speak at meetings and events receive the QAS Content Standards and speaker training on an annual basis. Upon request by Amway, ABO must provide details on how, when, and where the training was given, and must also provide a list of attendees.