

## Terms & Conditions of the Amway Business Owner ABO Contract For Retail Consultants

1. **Acceptance:** By submitting this form completed and signed to Amway (UK) Limited, of St. Anne's House, Caldecotte Lake Drive, Caldecotte Business Park, Caldecotte, Milton Keynes, MK7 8JU ('Amway'), the undersigned offers to enter into a contract with Amway to operate as an Amway Business Owner ('ABO') subject to the terms and conditions set forth herein and in any incorporated documents, together which, upon the acceptance of Amway, comprise the entire agreement between Amway and the ABO (the 'ABO Contract'). **AMWAY MAY ACCEPT, REJECT, OR ATTACH CONDITIONS TO ITS ACCEPTANCE OF THE ABO CONTRACT OR ANY RENEWAL APPLICATION IN ITS SOLE DISCRETION.** Amway will ordinarily notify the undersigned by email of its acceptance or rejection of this ABO Contract within 15 working days from receipt of the completed and signed ABO Contract to the email address provided by the undersigned.

2. **Authorization: Scope of ABO Contract:** Upon acceptance of this ABO Contract by Amway, the undersigned will be appointed as an ABO and authorised, on a non-exclusive basis, within the United Kingdom and the Republic of Ireland territory ('UK/Rol'), and in accordance with the terms and conditions of this ABO Contract to operate as an ABO in the Retail Consultant category ('RC Category') and to: (a) purchase Amway products and/or services directly from Amway at a fixed retail price as set forth by Amway from time to time ('Retail Price'); (b) procure orders for Amway products and/or services from customers as agent on behalf of Amway at Retail Price; (c) register customers for verification of purchases and sales promotion purposes (as discussed in Paragraph 4, below); (d) retain and maintain personal customers; (e) receive selected Amway business literature with an option to purchase additional literature and products; (f) earn Customer Volume Rebates (as defined in Paragraph 3, below); and (g) participate in discretionary Sales Incentive Programs ('SIP') and receive Non-Cash Awards ('NCA') based on achieving such requirements as may be established and communicated by Amway from time to time in its sole discretion. The ABO's activities shall be only those outlined herein. Amway reserves the right to take corrective action in the event that an ABO exceeds the scope of this authorisation or breaches the terms of the ABO Contract. In the event that an ABO operating in the RC Category ceases to maintain the minimum requirements to continue to operate in the RC Category, the ABO Contract will not be renewed and will expire in accordance with Paragraph 8, below.

3. **Customer Volume Rebates:** For every month in which the aggregate orders under Paragraph 2(a) and (b) for qualifying Amway products (inclusive of Value Added Tax or 'VAT') equals or exceeds a threshold order volume (as set out in the Amway Sales and Marketing Plan which is part of this ABO Contract, from time to time), Amway agrees to remit a Customer Volume Rebate ('CVR') in an amount or amounts also specified in the Amway Sales and Marketing Plan from time to time of the total sum due to Amway from the ABO in respect of those orders for that month, exclusive of VAT and less any deductions for amounts owed by the ABO to Amway (as discussed in Paragraph 10, below), including amounts for returned Amway products, handling/transportation costs, and any amount not received by Amway for Amway products and services ordered.

4. **Customer Registration:** Subject to customer authorisation, the ABO may in its sole discretion register customers with Amway ('Registered Customers'). Amway will own and maintain a list of Registered Customers (the 'Registered Customers List') in accordance with Paragraph 12, below, and Amway may in its sole discretion directly market products and/or services, such as customer loyalty programmes, product promotions, and standing order programmes, to Registered Customers on the Amway Registered Customer List. A Registered Customer may order Amway products and/or services directly from Amway through the Amway official web site and the ABO will be credited for orders placed by his Registered Customers.

5. **Invoicing / Payment / Delivery:** Unless otherwise agreed, the ABO shall be responsible for collecting customer orders and payments on those orders on Amway's behalf, provided that the ABO shall not collect any monies from a customer in respect of an order prior to delivery of that order by Amway. All orders by an ABO must carry his identification number (ABO No.). Amway shall provide an invoice to the ABO for all orders submitted to Amway with payment. The ABO must make payment on all orders at the time orders are placed using an authorised method of payment. Amway reserves the right to require reimbursement of any charges incurred in processing such payments from the ABO. Amway shall use the method of delivery notified by the ordering ABO at the time of the order. Personal data (including payment information) shall be used and maintained by Amway and the ordering ABO in accordance with Paragraph 12, below.

6. **Claims / Amway Customer Satisfaction Guarantee:** The ABO shall not make claims or representations in respect of products or services other than those in current official Amway literature ('OAL') or in the current official literature of the manufacturer of the products and services that the ABO may offer for sale pursuant to this ABO Contract. The ABO shall not offer to or settle or otherwise bind Amway in connection with claims arising from the use of Amway products or services other than in accordance with such terms ('Amway Customer Satisfaction Guarantee' or 'ACSG') notified by Amway from time to time. The ABO agrees to dutifully assist Amway in the administration of the ACSG by (i) promptly notifying Amway of any customer returns; and/or (ii) subject to undertaking by Amway to do the same, offering a replacement for products and/or services without charge or promptly refunding the purchase price and applicable tax in accordance with the ACSG. Return, refund and replacement claims under the ACSG must be made by an ordering ABO and they must be received and processed by Amway by the 25th day of the month for inclusion in that month's business calculation, and within 12 months from the date of product purchase (except as otherwise stated in the product guarantee) for products distributed by Amway but not Amway-branded. Returns must be sent to Amway via Amway's regular carrier. Upon receiving an order, the ABO shall deliver to the customer a written sales receipt in form provided by Amway to the ABO, containing: (i) Amway's details; (ii) description of product(s) or services ordered; (iii) price to be charged; (iv) selling ABO's contact information; and (v) the terms of the ACSG, including a right of cancellation.

7. **Obligations of ABOs:** The ABO owes Amway a duty of candour and good faith to provide truthful and timely information to Amway. The ABO must provide customers and other ABOs with truthful and accurate information as to price, grade, quality, performance, content, origin, model, effectiveness, advantages, use possibilities and directions, cautions, availability, or guarantees of Amway products and/or services and not make any claims or representations about the Amway business opportunity or income prospects

unless authorised by Amway in accordance with official product descriptions on product labels or in OAL. The ABO agrees to comply with all legal and/or tax requirements applying to his activities as an ABO, including compliance with the Code of Business Conduct and the Consumer Code of Practice of the Direct Selling Association (the 'DSA Guidelines') and must not conduct any activity that could jeopardize the reputation of the ABO or Amway, engage in deceptive or unlawful practices or business enterprises. The ABO shall abide by the Privacy Policy (as defined in Paragraph 12, below) of Amway, which is an integral part of this ABO Contract and incorporated herein by reference, with regard to the Amway Business, other ABOs and/or customer information. The ABO agrees not to sell, distribute, or promote competing products, services, or otherwise compete or interfere with, directly or indirectly, the Amway Business or other ABOs. The ABO shall not represent that he has any employment relationship with Amway or any of its affiliated companies or other ABOs. Except with Amway's prior written consent, the ABO shall not assign, transfer, merge, combine, sell, separate or divide his Amway Business or any obligations arising hereunder as a result of death, a divorce or separation, or dissolution of a partnership. The ABO further agrees to abide by the Amway UK Rules of Conduct ('ROC') which are an integral part of this ABO Contract and incorporated herein by reference. In all cases where Amway's approval or written consent is required under the ABO Contract in order to undertake a specific activity, it is the ABO's responsibility to secure such approval or consent prior to undertaking the activity. Amway may (but is not required to) express its consent to various activities, with respect to all ABOs or to ABOs who meet specific requirements, through bulletins and other policies or procedures that are maintained by Amway and available for review by ABOs upon request. Amway may modify such bulletins, policies and procedures and withdraw or condition its consent in its sole discretion, without notice to ABOs.

8. **Term / Expiration / Renewal / Maintenance of Status:** Unless earlier terminated by the ABO or Amway in accordance with Paragraph 9 below, or is renewed automatically as provided herein, the ABO Contract remains in effect through 31st of December of the year in which it was accepted by Amway, if it is signed by the ABO prior to 31st of August. If signed after 31st of August, the ABO Contract shall remain in effect until 31st of December of the following year. At the end of such term, the ABO Contract shall expire unless it is renewed. The ABO Contract will automatically renew for further 12 month periods from the 31st of December each year, subject to requirements as may be deemed appropriate in Amway's sole discretion and as published on Amway's official websites ([www.amway.co.uk](http://www.amway.co.uk) and <http://www.amway.ie>) by the 1st August each year. The terms of renewal shall be the terms of the ABO Contract from time to time in force in accordance with Paragraph 11, below. **Order Limit in the First Seven Days:** Amway will not accept payment by way of security for products, or the payment of the price of products, supplied or to be supplied, or an undertaking to make such payment, of any sum exceeding £200/€300 in total within seven (7) days of an individual's appointment as an ABO.

9. **Termination by Notice or Upon Breach:** As set out in Part IV of the ABO Contract, the ABO has 14 days from acceptance by Amway to cancel this ABO Contract without penalty. In addition, the ABO or Amway may terminate this ABO Contract at any time and for any reason by giving 14 days written notice to the other party, or without prior notice and with immediate effect as a result of breach of any of the provisions herein. Amway, in its sole discretion, may also take actions short of termination of the ABO Contract, if the ABO breaches any of its provisions. In determining what actions to take in the event of breach of the ABO Contract, Amway may consider without limitation the nature and severity of the breach, whether the breach can be or has been cured following notification by Amway of the existence of the same, and whether there are multiple simultaneous, serial or repeating breaches.

10. **Rights on Resignation or Termination:** Upon termination of the ABO Contract in accordance with Paragraph 9 above more than fourteen (14) days after acceptance of the ABO Contract by Amway, the ABO has the right to return goods ordered by the ABO within a period of 90 days prior to such written notice of termination and recover the net amount paid for goods supplied to him (inclusive of VAT), less (a) CVR already paid on them (which, regardless of the value of products returned, the ABO is obligated to refund to Amway) if the CVR is claimed within 120 days of the date of having been made, (b) any Bonuses and the value of SIP and/or other cash or non-cash incentives on the returned goods, (c) any amounts due and owing to Amway, (d) any non-recoverable taxes; and, in addition, only where termination of the ABO Contract is by the ABO, (e) an amount equal to the diminution in value of the goods which have deteriorated due to an act or default of the ABO, and (f) a 7.5% administrative handling and restocking charge. Further, after termination the ABO will have the right (in accordance with, and subject to, the DSA Guidelines) to return and claim a partial refund for products which the ABO ordered more than 90 days and up to 1 year prior to termination and which have not been sold to customers. On termination by either party, the ABO shall be released of all future contractual obligations, except that the ABO's obligation not to compete with the Amway Business, outlined in Paragraph 7, shall survive termination of this ABO Contract in UK/Rol territory for a period of 6 months. If by virtue of termination the ABO has a right to a statutory sum, that sum shall be calculated on the basis of indemnity.

11. **Modification of Terms:** Amway in its sole discretion may modify this ABO Contract, in whole or in part, by providing at least 60 days' advance notice to the ABO of such changes by publication in OAL or Amway official web sites, or, on shorter notice, by any other mechanism permitted under applicable law. Modifications shall be effective from the date expressed in the notification, unless otherwise provided by law. An ABO who objects to any such modifications may terminate the ABO Contract immediately by written notice. The ABO is deemed to have consented to the modifications in the absence of termination prior to the end of such 60 days' or other applicable notice period.

12. **Jurisdiction and Entire Agreement:** This ABO Contract shall be governed by and construed under the laws of England. Any provision held to be invalid shall be null and void without affecting the remainder of the ABO Contract and shall be replaced by a valid and enforceable provision having an economic effect that approximates as closely as possible the original intentions of the parties. This ABO Contract (including any incorporated documents) and any addendum(s) thereto, constitutes the entire agreement between the parties and supersedes all earlier agreements and understandings, oral and written, between the parties related to the subject matter hereof.