

# DIGITAL COMMUNICATIONS STANDARDS SOUTH AFRICA

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

### **COMPLIANCE OBLIGATIONS**

ABOs must comply with the Amway Rules of Conduct, Standards and Policies, including the South African Business Support Material Quality Assurance Framework Policy and these Digital Communications Standards ("DCS"), with respect to all Digital Communications regarding the Amway business opportunity, Amway products, or Amway services (directly or indirectly), or when the Digital Communications constitute Business Support Materials (BSM) as defined in the Rules. ABOs must always follow all applicable laws as well as the terms and conditions of use of the digital platform they are using.

ABOs must be truthful, accurate and not misleading. Amway may require an ABO to remove, recall, retract, delete, amend, or otherwise take action as requested by Amway in relation to his/her Digital Communications.

Please note, the examples provided in this document are examples only and do not cover all the situations that are allowed or not allowed.

### **PROHIBITED COMMUNICATIONS - SPAM**

ABOs must never engage in Spam communications. Spam is defined as Digital Communications sent to individuals with whom the ABO does not have a personal, pre-existing Amway business relationship (i.e. mutual and direct business interactions between the ABO and individual that occur before introducing the Amway business opportunity or Amway products). Spam also includes communications sent to those who have not opted in to receive the communication or sent to individuals who have opted out, i.e., specifically asked to be removed from future communication.

"Opt in" is when individuals search to find and willingly choose to follow, like, engage, subscribe, or otherwise demonstrate a desire to receive Digital Communications.

### **BUILDING ONLINE COMMUNITIES**

Online communities are groups of individuals who use Digital Communications to discuss interests or topics. ABOs can build online communities to discuss the Amway business opportunity by using Push or Pull communication. Using the Push and Pull communication approaches described below can help ABOs avoid Spam. Under no circumstances shall an ABO, directly or indirectly, solicit, assist, attempt to induce, or encourage, another ABO within or outside his/her community to request a change in position in the Line of Sponsorship (LOS).

# **Building Your Online Community Using Pull Communication**

ABOs are allowed to post content in a public or private environment creating the opportunity for individuals to find the content and opt in. This is known as pull communication.

A pull communication approach is when an ABO creates or uses content on digital properties they solely own or control so that individuals must search to find and willingly choose to follow, like, engage, or subscribe, or otherwise explicitly show a desire to receive Digital Communications and, therefore, opt in. When building a community, this ensures individuals who are viewing the content are



not receiving Spam and have made a choice to connect with an ABO.

### Pull Examples:

- (a) An individual finds an ABO's blog about the Amway business and makes a comment. The ABO is allowed to com municate with the individual because the ABO owns or controls the digital property, the individual found it, and the individual opted into his community by choosing to comment on the blog.
- (b) An ABO creates a public Facebook page for her Amway business. This is allowed because the ABO owns or controls the digital property, and an individual would have to opt into her community to see further posts.
- (c) An ABO creates the hashtag #LifewithAmway and an individual finds the ABO through a search on Instagram. This is allowed because the ABO owns or controls the digital property where they posted the hashtag and an individual found it and demonstrated an interest in the ABO's community on Instagram, i.e. opted in.
- (d) An ABO tweets about the Artistry Light Up Lip Gloss on her public Twitter profile. An individual searches on Twitter and finds and likes the tweet. The ABO follows up with the individual by tweeting at her. This is allowed because by liking the tweet, the individual demonstrated an interest in the ABO's community, i.e. opted in.
- (e) An ABO posts a link promoting his Amway website in the comments on a public YouTube video. This is not allowed because the ABO does not own or control the digital property (YouTube channel) on which he is commenting.

### **Building Your Online Community Using Push Communication**

A push communication approach is when an ABO directly contacts individuals or pushes content on digital properties. When building a community, there are two types of Push communication; one is allowed, and one is not allowed.

Push Communication - Allowed: An ABO is allowed to send digital content to individuals with whom he/she has a personal, pre-existing business relationship because they are already a part of the ABO's community. In addition, an ABO may push Digital Communications to individuals who have opted in and expressed interest to join the ABO's community.

# **Push - Allowed Examples:**

- (a) An ABO direct messages about Nutrilite products to an individual who follows him on Instagram. This is allowed because the individual opted in by following the ABO on his Instagram community.
- (b) An ABO posts beauty tips on her professional Facebook page, an individual finds and likes the post, and the ABO direct messages the individual to discuss the products. This is allowed because the individual opted into the community by liking the Facebook post.
- (c) An ABO meets an individual at a charity event and follows up with a private message through WhatsApp about the Amway business. This is allowed because, through the meeting, the ABO has a personal, pre-existing relationship with the individual.
- (d) An ABO is the sole owner of a Facebook group devoted to boating interests and posts content about Amway products to clean boats. Providing the rules of the owner's digital property are followed, this is allowed because the ABO has a pre-existing relationship with the members of the Facebook group and are in his/her community.
- (e) An individual on an online group seeks a referral by posting "Looking for Amway distributor." A member of the group provides the name of an ABO who subsequently follows up with a private message. This is allowed because by asking for a referral, the individual has opted-in and the ABO is allowed to contact the individual.



**Push Communications – Not Allowed:** An ABO is not allowed to send Digital Communications to individuals with whom he/she does not have a personal, pre-existing concrete and actual business relationship, or to individuals who have not opted in to receiving communication. This is considered Spam and is not allowed because they are not part of the ABO's community.

### **Push - Not Allowed Examples:**

- (a) An ABO sends a message to an individual he found on a group discussion board. This is **not allowed** because the ABO does not have a personal, pre-existing relationship with that individual nor did that individual opt in to the ABO's communications or community.
- (b) An ABO who is a member of a large, professional engineering organization, acquires an email list of all the members, and invites them via email to a prospecting meeting. This is not **allowed** because membership in a professional organization and the acquisition of a mailing list does not constitute a personal, pre-existing relationship and does not imply the individual has opted into the ABO's community.
- (c) An ABO direct messages a member who they do not know of an alumni group about the Amway business opportunity through LinkedIn. This is **not allowed** because the ABO does not own or control the LinkedIn group and does not have a personal, pre-existing relationship with the individual and, therefore, is not part of the ABO's community.

### **Content for Private, ABO Only Environment:**

ABOs are allowed to post or send the following types of content privately to ABO communities:

- · List of available, authorized BSM
- ABO training organization promotion information, including without limitation, event dates and ticket pricing.

### **Prohibited Content for any Environment**

ABOs are not allowed to post the following types of content in private or public communities:

- · LOS information.
- · Confidential and/or business sensitive materials including, without limitation, pre-launch product information, management changes, plant closings, acquisitions, etc.

### **Communication Within a Community**

Once an individual has opted into an ABO's community, all communications with that individual are allowed regardless if they are Push or Pull, as long as they are compliant with the Rules, Policies and Standards. However, the Push or Pull communication approaches must be used when building ABO communities and must comply with the sections below.

# **INTRODUCING THE AMWAY BUSINESS OPPORTUNITY**

An ABO may prospect and introduce the Amway business opportunity to customers and prospective ABOs, including the use of a call-to-action, on digital properties the ABO owns, or controls provided the individual has opted in (Pull Communication). Alternatively, an ABO may prospect an individual with whom he/she has a pre-existing business relationship (Push Communication).

# **User-Generated Content**

ABOs are allowed to promote the Amway business opportunity and products by posting user-generated content including video, audio, images (product, people, or other), and images of themselves (selfies) with or without Amway product, provided the accompanying text is truthful, accurate, and not misleading.

However, user-generated content containing only Amway owned trademarks (product or brand names/logos), or Amway product images may not be used in profile pictures, cover photos or similar relevant area on the digital property.

# **Prospecting Examples:**

(a) An ABO posts a selfie on his/her Instagram account holding an Amway product and adds a call-to-action, "Direct



message me to learn more about the Amway business opportunity." This is allowed because the ABO owns or controls the digital property and those who choose to message the ABO are opting in to receive additional information.

- (b) An ABO retweets a post from Amway's official Twitter account regarding becoming an Amway business owner. In the retweet, the ABO mentions the benefits of being a business owner and asks her followers to contact her to register. This is allowed because those who choose to follow up are opting in to receive more information about the business.
- (c) An ABO posts a video about recruiting for his Amway business on a friend's blog. This is **not allowed** because the ABO does not own or control the digital property and, therefore, the individuals on the blog have not opted in to his communication.

# **SELLING/COMMERCE**

An ABO may promote products for sale to Customers and Prospects, including the use of a call-to-action, on digital properties the ABO owns or controls, provided the individual has opted in to the ABO's community. The ABO can complete the actual sales transaction off-line.

### **Pricing**

An ABO may not include pricing information (product price or any discounts to the product price) in any digital property or digital communications except within:

- A, person to person digital communications such as texting, direct messaging, e-mail, etc.
- · A direct link or post shared from an official Amway digital property.

# **User-Generated Content/Product Placement**

ABOs are allowed to promote in compliance with these DCS by posting user-generated content including video, audio, images (product, people, or other), images of themselves (selfies) with or without Amway products, provided the accompanying text is truthful, accurate, and not misleading.

However, user-generated content containing only Amway owned trademarks (product or brand names/logos), or Amway product images may not be used in profile pictures, cover photos or similar relevant area on the for digital property

# **Unauthorized Selling**

ABOs are not allowed to sell or promote Amway products online, in any retail property which has the primary purpose of selling products and services to the public, including, without limitation, Amazon®, eBay®, Taobao® and Etsy®. No Amway product or service is allowed to appear in these properties, even if the products or services are not for sale.

Selling on these digital retail properties compromises the competitive environment and may jeopardize service ABOs provide to customers and the reputation of Amway and its brands. These selling platforms are not authorized by Amway.

ABOs are not allowed to utilize or authorize non-ABOs (key influencers, customers, third-party resellers, etc.) to sell or merchandise Amway products and services, on their behalf, including the use of any misleading tactics to increase sales or the popularity of their digital properties.

# **Selling Examples:**

- (a) An ABO posts an image promoting Amway products on Facebook, asking individuals to contact him if they are interested. This is allowed because the ABO owns and controls the digital property where he has posted the call-to-action and the individuals who have reached out to the ABO have opted in.
- (b) An ABO posts a call-to-action on the Amway World Headquarters Facebook page encouraging people to buy from her. This is not allowed because the ABO does not own or control the Amway World Headquarters Facebook page.



- (c) An ABO lists an Artistry product for sale on Amazon. This is not allowed because Amazon is an unauthorized online store. Selling on these sites compromises the competitive environment and may jeopardize service from ABOs to customers and the reputation of Amway and its brands.
- (d) An ABO utilizes a YouTube vlogger to sell Amway products. The vlogger is not allowed to sell Amway products because she is a third party acting on behalf of the ABO and she is not authorized to sell Amway products.

# **BLENDING AND LEVERAGING OTHER COMMUNITIES/BUSINESSES**

A blended digital property combines multiple personal interests or businesses on an ABO's personal digital property. ABOs are allowed to blend and leverage their Amway business with their other social communities and businesses. This means, on blended digital properties the ABO owns or controls, he/she may leverage his/her non-Amway, communities and businesses, promote, recommend and sell Amway products, and prospect contacts made through that business or community.

This also means that in the same blended digital property, the ABO can leverage his/her Amway community, promote, recommend and sell non-Amway products, and prospect contacts made through that Amway community provided the ABO is not currently qualified at the Diamond level or higher, and has never qualified at the Diamond level or higher.

The ABO's blended digital property may not be dedicated to a single, commercial business or used for the purpose of online retailing, e.g., an e-commerce transactional digital property.

The ABO may not use official Amway digital properties or his/her own Amway-dedicated digital properties to prospect ABOs or customers for membership, services, or products in his/her non-Amway business.

Conversely, the ABO may not use his/her non-Amway business dedicated properties to promote, recommend or sell Amway products or services or promote the Amway Business Opportunity. A blended digital property must comply with the terms and conditions of that property, community, or business.

### **Exceptions**

ABOs may not blend with or leverage the following:

- Products or competitive business opportunities, from direct selling, or multi-level marketing (MLM) businesses.
- Products or services which are prohibited from being sold online or which require licensing or permits to sell, loans, financial investments, legal services, medical services, etc.
- Controversial businesses or lifestyles, e.g. pornography, tobacco, politics, alternative medicine, religion, gambling, investment schemes, etc.
- Services including mentorship, lifestyle coaching, marriage counseling, spiritual advising, public speaking or entrepreneurial development or any services which are used as a pretense primarily for attracting people to Amway but offer products, services or interests other than Amway products or the Amway opportunity.

Additionally, ABOs may not sell products on a blended digital property that directly compete and are functionally interchangeable with products in the Amway product portfolio. However, ABOs may blend, leverage, promote or recommend those products on their blended digital property as long as they do not receive any monetary compensation in exchange.

Within blended communities, sales transactions of Amway products must be independent of the transactions of non-Amway products ucts. ABOs are not allowed to bundle Amway products with non-Amway products as part of a promotion or sales offer.

# **Blending and Leveraging Other Communities/Businesses Examples:**

(a) An ABO is a road biking enthusiast who uses her personal, non-retail digital property to discuss and share ideas with other biking enthusiasts. She also uses the digital property to promote a healthy lifestyle using Nutrilite products and to sell bike accessories. This is allowed because the ABO owns and controls the digital property, it



- does not solely exist for the purpose of online retailing, and anyone who would view the content would have opted in.
- (b) A Silver level ABO maintains a personal digital property containing information about her family, her Amway business, and her artisan candle-making business. She posts a photo of several candles inviting people to contact her if they would like to purchase. This is allowed because the ABO used her blended digital property to sell a non-Amway product from a permitted non-Amway business, and she has not yet reached the Diamond level in her Amway business.
- (c) An ABO posts on her blog a listing of her top five favorite lipsticks including one from Artistry<sup>TM</sup>. This is allowed because the digital property is owned and controlled by the ABO, and she is allowed to blend, leverage, promote or recommend other products directly competing with Amway™ products as long as she does not also sell them on or through the digital property, or receive monetary compensation for posting about the competing products.
- (d) An ABO posts on his restaurant's business Instagram account information about his Amway business. This is not allowed because the digital property is solely used for the restaurant, a single commercial business.
- (e) An ABO is a musician who operates a web site to promote and sell her music. The ABO uses her Amway-specific business page on Facebook to livestream information about her upcoming tour dates and encourages ABOs to purchase tickets. This is not allowed because the ABO used her Amway-specific digital property to request prospects to purchase tickets for her non-Amway, non-retail business.
- (f) An ABO creates a website promoting her lifestyle coaching business. An individual finds the website and meets with the ABO only to discover the ABO is using the website to recruit individuals to be Amway Business Owners. This is not allowed because the business is included in the list of businesses / services that cannot be blended.
- An ABO posts for sale on her blended Facebook profile that she is selling her homemade soap. This is not allowed (g) because her soap directly competes and is functionally interchangeable with Amway's soap.

### ADVERTISING AND PROMOTION

ABOs are allowed to advertise using non-paid search engine business listings, including the use of a call-to-action, within their geographic area, using one Amway-approved templates.

ABOs are not allowed to advertise using paid advertising, including without limitation, boosted, sponsored, displayed, or search engine ads because these ads create an unfair advantage among ABOs and may directly compete with Amway. Paid or non-paid advertising, including without limitation, classified advertising services, e.g., Craigslist®, Facebook Marketplace, etc., auction sites, 'coupon & deal' sites, online garage sales, buy/sell groups, fund raising sites, e.g., GoFundMe®, and trade or direct selling sites is not allowed. Advertising on these sites may jeopardize service from ABOs to customers and the reputation of Amway and its brands.

### **Advertising Examples:**

- (a) An ABO creates a Google My Business listing to advertise his Amway business. This is allowed because it's a nonpaid search engine business listing site and uses the ABO's geographic area. In addition, an Amway-approved template must be used.
- (b) An ABO creates a sponsored Artistry Crème LX ad on Facebook. This is not allowed because sponsored ads create an unfair advantage among ABOs and may directly compete with Amway.
- (c) An ABO creates an advertising campaign on Google Adwords by purchasing keywords. This is not allowed because these ads could compete with Amway's advertising efforts, and it may create an unfair advantage among ABOs.
- (d) An ABO creates a Craigslist post to advertise XS Power Drinks. This is not allowed because Craigslist is a classified advertising service and could damage the reputation of Amway and its brands.



# **VIDEO, AUDIO, AND LIVE STREAMING**

Video, audio, and live streaming (which includes video and/or audio ["Live Streaming"]) within Digital Communications generally do not require prior written approval by Amway if they are on properties the ABO owns or controls. ABOs always have the option to submit videos and audios to Amway for consultation and review before posting, [reference Submitting for Authorization section at the end of the document]. Content must comply with the Amway Rules, Standards and Policies.

Video, audio, and live streaming may not include the following:

- Content created by BSM Providers and ABO support organizations.
- LOS information.
- Unauthorized claims.
- Listing of available BSM and pricing (including ticket prices).
- Confidential and/or business sensitive materials about Amway including, without limitation, pre-launch product information, management changes, plant closings, acquisitions, etc.
- Any other material that violates the Rules, Standards and Policies.
- Live streaming when not saved/memoralized may include the following:
- Amway Sales and Marketingplan information, with required disclosures, including without limitation how to make money and receive earnings and qualifications, awards, and bonuses through Amway.
- Authorized BSM for prospects.
- ABO training organization promotion information, including without limitation, event dates and ticket pricing.

However, prior written approval is required for video, audio, including saved/memorialized life streaming that are made available for distribution, sale or use at offline meetings.

In addition, video, audio, and saved/memorialized Live Streaming containing the following items also require the ABO to obtain prior written approval from Amway:

- Plan: Content used to depict the Amway Sales and Marketingplan information including, without limitation, how to make money and receive earnings and qualifications, awards, and bonuses through Amway, either for use with prospects or training ABOs how to show the Plan.
- Product claims: Content that deviates from approved Amway product claims.
- Prospecting: Content related to the teaching of prospecting, recruiting, and sponsoring techniques.
- Income representations.
- Third party intellectual property (IP) including, without limitation, music, signs, logos, graphics, and images (also requires approval from the third party).

### **WEBSITES, MOBILE APPS, PODCASTS AND BLOGS**

ABOs must obtain prior review and authorization from Amway for websites, mobile apps, podcasts, and blog concepts.

URLs must not be deceptive or misleading or violate the Amway Rules of Conduct (e.g. Ezmoney.com, Retirenow@EU.com, Nosellingrequired.com).

### **Definition of an ABO Website**

An ABO Website means a site generated for use in the support of and the development of his/her Independent Amway Business, regardless of who builds or hosts the site.

# **Types of ABO Websites**

The following types of websites may be used by ABOs separately. In some approved instances, their functions may be combined



within a single site, if the combined site meets the criteria applicable to all types of websites that are represented within the site: Personal Home page (PHP, Product Information site, Business Opportunity Information Site. Other type of sites may be developed upon Amway approval.

All site content must be reviewed and authorized by Amway in advance of site launch, this also applies to any amendments made on an authorized website. Amway reserves the right to monitor all ABO sites for content accuracy and approved content and take action against any ABO whose site does not follow the Amway Rules of Conduct, Policies and Standards or applicable laws and regulations.

### **General Requirements for Websites**

Except specifically stated otherwise, these requirements are applicable to all types of ABO websites. Further requirements specific to certain types of websites are outlined below.

- 1. Review of Site Content: ABOs need to provide their site content to their local affiliate for review or provide a confidential URL at which their site content can be reviewed.
- 2. Fair Business Practices: ABO Websites may not contain any income representations or sales plan depictions unless expressly authorized, in writing, by Amway. Further, ABO Websites may not misrepresent the business opportunity or make any representation or omission that is false or likely to be misleading or deceptive. Without limiting the generality of the foregoing, and by way of examples only,
  - ABO sites may not entice individuals into use of the site by failing to disclose that the site discusses a business a. opportunity or products offered by Amway; rather, the site must clearly make this disclosure;
  - b. ABO sites may not imply that participation in the Amway Business Opportunity will allow immediate or early retirement from former professions;
  - ABO sites may not make guarantees of success in the Amway Business Opportunity; C.
  - d. ABO sites may not imply that success in the Amway Business Opportunity can be achieved without retailing Amway's products nor through any sale of independently produced business support materials;
  - ABO sites may not misrepresent that ABOs may earn rewards and compensation based on personal consumption, e. rather than the sale of products to end consumers; and
  - f. ABOs may not use language in their websites, which reflects poorly on the Amway Business Opportunity.
- 3. Non-Amway Products, Services or Business Opportunities may not be offered, presented or sold on ABO websites, directly or indirectly through an advertising banner, link or frame.
- 4. Client, Downline and Site User Information: ABOs must post an appropriate privacy statement on their websites in accordance with the Amway Privacy Policy and applicable laws and regulations; this might require the ABOs to seek legal counsel to ensure that their privacy statements are in compliance with applicable legislation. A website should only require any viewer to offer personal information to an extent as needed to offer viewers the opportunity to send an e-mail to the site operators.
  - In that case, the website must clearly state that using this e-mail facility will automatically provide the ABO with the viewer's return e-mail address and that the address will be used only to respond to the viewer's questions and for no other purpose
- 5. Applicable Law and Jurisdiction: ABOs should clearly specify the law and jurisdiction that is applicable to their websites and transactions undertaken pursuant to such websites.
- 6. Passcode Protection: Passcode-protected sites must require a user to input a passcode prior to entry to the website. The entry page shall only contain information needed for sign-in purposes (i.e. user name, ABO numbers and/or passcode), and a small introductory paragraph to verify to the viewer that he/she has reached the correct site.
- 7. **Updating of Sites:** All ABO Websites must be updated. Such updates should take place regularly or as events warrant, and an ABO Website should contain a statement indicating the last date on which the site was updated.



#### Ī. Personal Home Page ("PHP"):

- 1. Appropriate content includes:
  - 1.1 Amway Business Owner's name and location (town, province, country).
  - 1.2 Amway Business Owner's personal history.
  - 1.3 ABO achievement level.
  - 1.4 Personal statements regarding the Amway Business Opportunity.
  - Photograph of the ABO featured on the PHP. 1.5
  - 1.6 Artistic elements which add to the businesslike nature of the PHP and which the owner of the PHP has all rights and licences to use on the PHP.
  - 1.7 Audio greeting from the ABO.
  - 1.8 Statement that the business opportunity is available in the ABO's home market with some international expansion opportunities.

#### 2. Inappropriate content includes:

- 2.1 Product advertisements.
- 2.2 Retail capabilities for Amway's products.
- 2.3 Information describing the Amway Business Opportunity or service information.
- 2.4 Solicitations of contact or other personal information from viewers, except an e-mail for viewers to contact the ABO for more information.
- II. Product Information Sites: ABOs may develop a site designed to interest potential customers in Amway's products, to share product information with potential customers. They may, simply state that sales of products by ABOs may generate income for the ABO or other ABOs as a result of the reward system imbedded within the Amway Sales and Marketing Plan. Sales may not be conducted online.

#### 1. Appropriate content includes:

- 1.1 Country-appropriate product descriptions and imagery, including copyrighted materials, trademarks, logos and product names of Amway or its affiliates, as taken verbatim from approved Amway material and containing all required and appropriate trademark and copyright designations and as explicitly approved by Amway.
- 1.2 A statement indicating that the described products are available only within a certain geographical area and naming that geographical area explicitly. (This geographical area will include only areas where the product claims related to the products displayed on the site are legally valid and where the products are registered for sale.)

#### 2. Inappropriate content includes:

- 2.1 Retail capabilities for Amway's products
- 2.2 Information describing the Amway Business Opportunity or service information, unless all criteria for business opportunity information sites are also met
- 2.3 Solicitations of contact or other personal information from viewers, except r an e-mail for viewers to contact the ABO for more information
- III. Business Opportunity Information Sites: ABOs may develop a site designed to interest potential ABOs in the Amway Business Opportunity. Such sites are intended to help potential ABOs make informed choices about their participation in the Amway business opportunity. As such, they should offer only facts and information regarding Amway and the Amway Business Opportunity.
  - 1. Business Opportunity Information Sites must be passcode-protected .
  - 2. Appropriate content includes:
    - 2.1 Factual information regarding the Amway Business Opportunity and the benefits of participating.
    - 2.2 Information identifying the ABO who owns the site.



- 2.3 The personal story of the featured ABO and/or personal reflections regarding the Amway Business Opportunity.
- 2.4 Background and statistical information having to do with the economic trends, general business environment and future projections, with readily identifiable and accurate sources for the information.
- 2.5 General "how-to's" reflective of the type of activities a new ABO should engage in to build their business. Examples include how to conduct product demonstrations and how to present the Amway Business Opportunity.
- 2.6 Collection and use of viewer contact or other personal information in accordance with all applicable data protection laws and regulations.
- 2.7 Provision of e-mail addresses to facilitate communication with the ABO site owner
- 2.8 A statement indicating that the described Amway Business Opportunity is available only within a certain geographical area with possibilities for international expansion and naming that geographical area explicitly.
- 3. Inappropriate content includes:
  - 3.1 Retail capabilities for Amway's products.
  - 3.2 **Business Support Material**
  - 3.3 Unauthorized links to Amway's Website or the websites of any of Amway's afiliates.
  - 3.4 Solicitations of contact or other personal information from viewers simply as a requirement for viewing
- 4. All business opportunity information sites should be updated as events warrant.
- IV. Line of Sponsorship (LOS) sites will undergo particular scrutiny to ensure that they comply with all applicable data protection laws and regulations.

# **DIGITAL EVENTS**

ABOs are allowed to host digital or virtual events in connection with the ABO's business, provided the ABO complies with the Rules, Standards and Policies and the digital event is on properties the ABO owns or controls. Digital events are defined as those events held in a virtual environment for a set period of time, with a common theme and a specific group or community ("Digital Events"). Digital Events on properties ABOs do not own or control are allowed with prior written approval from Amway and permission from the event host.

All Digital Events must meet the following requirements:

- If products are being sold, they must be consistent with the theme of the event.
- Sales may be made offline.
- Amway must preapprove all materials that will be used or otherwise made available during the event.
- Listing of available and registered/approved BSM, and ABO training organization tickets and events promotion information is allowed only in an ABO only community. If Amway Sales- and Marketingplan information will be provided in a non-ABO community, this must be submitted to Amway for authorization.
- Content from a third party may not be used without prior written approval from that party and from Amway.

### **Digital Events Examples:**

- (a) An ABO creates a virtual Artistry party on Facebook. This is allowed because it is on a property the ABO owns or controls.
- (b) An ABO creates a public Facebook event invitation to promote his upcoming Amway cooking event. This is allowed because the ABO owns or controls the digital property.



- (c) An ABO is invited to be interviewed on a podcast to discuss her experience with the Amway business and Amway products. This is allowed with prior written approval from Amway because it is not on a property the ABO owns or controls.
- (d) An ABO joins a virtual beauty Facebook party on a friend's public group and starts to promote his/her Amway business. This is not allowed because the ABO did not get prior written approval from Amway or an approval from the host because the event is on a property the ABO does not own or control.

### **CLAIMS ABOUT AMWAY**

Claims about the Amway Plan, business opportunity, products or services offered through or by Amway must be truthful, accurate, and not misleading and in compliance with national laws on advertising.

Claims for Amway products and services must use language specifically approved by Amway and may not be altered (please refer to www.amway.co.za).

### **Income and Lifestyle**

All direct and indirect income representations must provide realistic, not exaggerated, income potentials and lifestyle expectations. Earnings, lifestyle, and Plan materials that show how money is made in the Amway business may require the use of appropriate disclosures.

### **Income and Lifestyle Example:**

An ABO posts on Instagram a photo of the cheque he earned from Amway and states he has reached one of his goals for this year and is pleased his hard work was recognized. This is allowed as an ABO can post about his own personal experience if the statements are truthful, accurate and not misleading.

# **Endorsements and Testimonials**

Endorsements and testimonials must reflect the honest opinion, belief, or experience of the endorser. An endorsement or testimonial may not be used to make a claim that Amway could not legally make.

ABOs may not provide any form of compensation in exchange for an endorsement, testimonial, or positive reviews with the exception of providing product samples. ABOs may not provide any form of compensation for the purchase of followers or likes.

If a material connection exists between the person providing the endorsement or testimonial and Amway, and that material connection is not known to or expected by the audience, the connection must be disclosed. For example, a material connection may include the fact that the person received free product in exchange for providing the endorsement or testimonial, or the person providing the endorsement or testimonial is an ABO. Disclosures must be clear, conspicuous, prominent, legible, and close to the claim.

# **Endorsement and Testimonial Examples:**

- An ABO retweets a customer testimonial about how great his hair looks after using a free sample of Satinique™ (a) shampoo. This is allowed because the disclosure of the free product was included in the tweet, and the customer received no additional compensation.
- (b) An ABO provides a vlogger with two cases of SA8™ in exchange for positive reviews on her vlog. This is not allowed because the amount of product is not a sample.



### **Before and After Images and Videos**

Before-and-after images and videos are a form of testimonial, regardless of whether the before-and-after images or videos depict the ABO or someone else. A testimonial may not convey a claim that Amway would could not legally make.

ABOs must obtain prior written approval from Amway on any before and after images or videos involving Amway products or their use. However, the following before and after images or videos do not require prior written approval:

- Amway-provided before and after image or video, including any required disclosures.
- Application of Amway color cosmetics (make-up; this does not include skin-care products). The image or video may not include any caption, text, or audio that exceeds the scope of any claim that Amway makes for the product. The image or video may not feature, display, or mention third-party products.

If a material connection exists between the person providing the endorsement or testimonial and Amway, and that material connection is not known to or expected by the audience, the connection must be disclosed. Disclosures must be clear, conspicuous, prominent, legible, and close to the claim.

### **Product Demonstrations**

Product demonstrations are presentations of Amway products that involve the actual use of the product to show its function or a result that can be obtained from using the product.

ABOs must obtain prior written approval from Amway on any product demonstrations involving Amway products. However, the following product demonstrations do not require prior written approval:

- Those using Amway-published instructions that are strictly followed.
- Amway-provided product demonstrations.
- Those involving application of Amway color cosmetics (make-up; this does not include skin care products).
- Those that depict ABOs using Amway cookware products in accordance with their intended use (i.e. to prepare and cook food).

No product demonstration may include any caption, text, or audio that exceeds the scope of any claim that Amway makes for the product. Product demonstrations cannot feature, display or mention third-party products.

### INTELLECTUAL PROPERTY

Intellectual Property is a creative work to which one has rights, and for which one may apply for a patent, copyright, trademark, etc. An ABO may only use intellectual property, owned by Amway or someone else, for which they have secured the rights to use. Intellectual property can include music, images, audio, video, text, trademarks, logos, or other works.

# **Copyrighted Material**

Copyrighted materials, include without limitation, music, books, magazines, articles, and other writings, including excerpts and translations, speeches, photographs, artwork, including online images, websites, blogs, and other social media posts, videos, movies, plays, sculptures, buildings, and 3D forms, and computer software.

# **Use of Materials Created by Amway**

An ABO may not use copyrighted materials produced by Amway without first obtaining permission, unless the ABO has obtained them from approved sources as specified by Amway (pls. refer to www.amway.co.za). ABOs do not need to obtain permission to share or link from official Amway digital properties.

# **Use of Materials Created by Amway Examples:**

(a) An ABO shares an image from Amway's official Facebook page promoting the L.O.C. brand on his page. He is allowed to share the post because he does not need to obtain permission to share from official Amway digital properties.



(b) An ABO right clicks and saves or screen shots an image from the product section of Amway.com and posts it to her Twitter profile. This is **not allowed** because the rights to the image may only pertain to the company website (e.g. models featured in website photography) and may not extend to ABO usage. In addition, the quality of the image may be compromised. The ABO should obtain an image from an approved Amway source to ensure that the ABO is using a high-quality, authorized image.

### **Use of Materials Created by Third Parties**

An ABO may not use copyrighted materials from a third party without first obtaining a proper written assignment, license, or other permission from the copyright owner, or unless the use is otherwise permitted by applicable laws. An ABO must retain any written permission they obtain for the use of copyrighted materials and produce them to Amway upon request. The ABO must comply with all copyright laws in their Digital Communications.

Sharing a link or using the share button to an article, blog post, or social media post written by a third party is allowed provided anything accompanying the posted link does not include references to Amway products or the Amway business opportunity. In addition, comments on the posted link must not include references to Amway products or the Amway business opportunity.

### **Use of Materials Created by Third Party Examples:**

- (a) An ABO reads an online USA Today article discussing a potential link between fish oil and the reduction of risk for heart disease. The ABO shares the article to his Facebook account with the following text: "Really interesting article on the potential link between fish oil and heart disease." This is **allowed** because the ABOs comments do not include references to Amway products.
- (b) Forbes® posts on its official Facebook page a link to an article on its website. An ABO shares the article with her Facebook followers. If Forbes' original post contained a "Share" feature, Amway will not prohibit the ABO from sharing that post. This is allowed as long as any commentary added by the ABO is in compliance with other sections of these DCS. For example, the content should not suggest that Forbes is promoting or is in any way affiliated with the ABO or Amway.
- (c) An ABO shares a third-party article that features Amway products to his Twitter account and comments: "Check out this article." This is allowed provided the ABO comments do not include references to the Amway products or business.
- (d) An ABO subscribes to Forbes magazine, sees an article in it discussing the Amway business opportunity, and shares photographs of the cover and pages from the article on Instagram This is **not allowed** unless the ABO first obtained written permission from Forbes.
- (e) An ABO sees a video on YouTube created by another ABO. The ABO downloads the video and then uploads it to Facebook, sharing it with all of her followers. This is **not allowed** unless the ABO received written permission from the original owner.
- (f) An ABO shares an online New York Times® article to her Facebook account with the following text: "Really interesting article on the potential link between Vitamin D and depression. Contact me if you want more info about the new Nutrilite Vitamin D supplement!" This is **not allowed** because the post includes a reference to an Amway product and it creates an implied claim that Nutrilite Vitamin D supplement does or could reduce the risk for depression. Amway does not have substantiation for such a claim.
- (g) An ABO copies an image of a best-selling book cover from Google images and posts it on a social media site. This is **not allowed** because the ABO does not own the rights to the image.



### Music

Music reproduced, altered, played, performed, recorded, broadcast, or streamed via the Internet cannot be used 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 and provided to Amway upon request.

### **Music Examples:**

- (a) An ABO records a 20 second makeup-application demonstration featuring Artistry products. Before posting to Facebook she adds 20 seconds of a popular song as background music. Unless the ABO has obtained the appropriate license(s) for that track, the post is **not allowed**.
- (b) An ABO takes a 30 second video of a live music performance at an Amway event and posts it to Facebook. Unless the event coordinators have explicitly approved this activity, or the ABO independently secures the rights to use the performance in that manner, this is **not allowed**.

# **Rights of Publicity**

A person's "right of publicity" is the person's right to control and profit from commercial use of his/her own likeness, including his or her name, image, voice or other aspects of his/her identity. An ABO is expected to respect others' rights of publicity and comply with all applicable laws in the ABO's Digital Communications and comply with individuals' requests to stop using their likeness. An ABO is not allowed to use another individual's rights of publicity to promote his/her business without first obtaining written permission from that individual.

Amway prohibits an ABO from posting content that contains another person's likeness or that prominently features a third party unless the ABO has obtained written authorization from the person(s) appearing in the content or Amway has otherwise approved that content.

# **Rights of Publicity Examples:**

- (a) An ABO is at the beach, and takes a selfie holding up a can of XS power drink. A group of people can be seen in the background, but the camera is focused on the ABO and aspects of the identities of the background people cannot be easily determined. The ABO posts this photo with the caption "Great day at the beach powered by XS brand! See link in bio for more info on how to get your XSproducts!" This is allowed however, Amway expects that the ABO would take the post down if the people are recognizable in the photo and have asked that the post be removed.
- (b) An ABO takes a selfie where a well-known author, who is paid to speak and sign books at an Amway event, is highlighted in the background. This is **allowed** provided the event guidelines allow photography of this author at the event. If allowed, the ABO may not imply that the author is affiliated with, or otherwise has any connection to endorses Amway.
- (c) An ABO re-tweets a photo of a famous snowboarder drinking an XS power drink with the caption "Check this out! Top athletes swear by the XS™ brand!" This is **not allowed** unless the ABO has obtained written authorization from the snowboarder.
- An ABO is at the beach, and takes a selfie holding up a can of XS power drink. Two random people photobomb the ABO, both giving him the thumbs up sign. The ABO posts this photo with the caption "Great day at the beach! Everyone loves XS™ power drinks! See link in bio for more info on how to get your XS™ products!" Unless those two people provided consent to the ABO, this is **not allowed** and gives the impression that those people are promoting XS products.



### **Trademark Use**

An ABO is not allowed to copy, distribute or in any other manner use trademarks of Amway or Alticor inc (Alticor) without prior written approval from Amway. Amway or Alticor corporate-owned trademark and logo artwork, product photos, and corporate-related images may be obtained only from approved sources as specified by Amway.

An ABO is not allowed to copy, distribute or in any other manner use trademarks of a third party without proper written assignment, license, or other permission by the trademark owner.

### **Amway's Trademarks**

Amway's trademarks – including Amway™, Nutrilite™, Artistry™, XS™, and other brands, logos, or names it currently uses or may adopt in the future - are of great value to Amway.

Amway expects the ABO to respect its rights by only using Amway-owned trademark and logo artwork, product photos, and corporate-related images that the ABO has obtained from approved sources as specified by Amway. An ABO may use those unedited resources without seeking prior approval from Amway.

When creating a digital property (such as a Facebook or Instagram account, or website), an ABO may use an Amway-owned brand name (in text only) to describe the ABO's connection to Amway as appropriate in the "about," "bio," or similar relevant area on the digital property without prior approval. An ABO may not use Amway-owned trademarks (product or brand names), brand logos or product images, in the domain name, account username, handle, alias, account name, display name, page name, email address, profile pictures, or backgrounds or similar relevant area on the digital property unless they have written permission from Amway.

Except for assets obtained from the approved sources and as otherwise described in this section, an ABO is not allowed to copy, distribute or in any other manner use trademarks of Amway without prior written approval from Amway.

### **Amway's Trademarks Examples:**

- An ABO creates a Facebook page and the bio section reads, "Amway Business Owner. Passionate about BodyKey (a) and weight management. Direct message for more info." This is allowed because Amway brand can be used in the
- (b) An ABO creates an Instagram account with the username@amwayking. This is not allowed because the ABO used "Amway" in the username.
- An ABO creates a Twitter account with the display name "My Nutrilite Account." This is not allowed because the ABO (c) used an Amway owned brand, Nutrilite, within the display name.

### **Third-Party Trademarks**

The ABO is responsible for not violating the trademark rights of third parties in his/her Digital Communications. An ABO may not feature or use a third-party's trademark in a digital communication in a way that falsely suggests an affiliation or sponsorship between the ABO or Amway and that third party.

# **Third Party Trademark Examples:**

- An ABO posts an image with her ABO Organization logo on her Instagram account. This is allowed provided the ABO (a) Organization approves use of the trademarked logo.
- (b) An ABO posts a video to Facebook demonstrating (in full compliance with product claims rules) how Amway products are used in the kitchen. The ABO has a cookbook of a celebrity cook propped up on the counter next to the Amway products and is wearing a shirt with his logo embroidered on the chest. This is not allowed because posting this video could be interpreted as suggesting an affiliation between the ABO and this cook and/or between Amway and this cook.



### **SUBMITTING FOR AUTHORIZATION**

BSM are often thought of as books, brochures, CDs, etc. used to support, train, motivate, and educate ABOs, prospects, and customers (see Rule 6 and 7 of the Amway Rules of Conduct and the South African Business Support Material Quality Assurance Framework Policy). BSMs can also include digital assets such as apps, websites, podcasts, and videos. All digital BSM must comply with the Rules and the BSM Standards and Policy.

Under the Rules, BSM must be submitted to Amway for review and approval prior to use. Digital Communications that are BSM but that are spontaneous in nature will not require prior approval unless specifically set forth in these DCS. The following is a list of Digital Communications that require prior written approval from Amway prior to use:

- · Amway, Alticor, and third-party intellectual property.
- · Before and after images and videos (user generated; except for color cosmetics).
- · Blog concepts.
- Digital events with use of third-party intellectual property.
- Digital events on non-ABO owned or controlled properties.
- · Digital events with use of Amway Sales and Marketingplan information in a non-ABO community.
- Mobile apps.
- Podcasts.
- · Product demos (user generated; except for color cosmetics, cookware, and cooking).
- · Video, audio and saved/memorialized live stream containing: Plan, Product Claims, Prospecting, Income Representations, and Third-Party IP.
- · Websites.

ABOs must send all requests for review and approval to Business Conduct and Rules. Requests must include ABO name and number, content and intended use.

Facebook® is a registered trademark of Facebook, Inc.; YouTube is a registered trademark of Google Inc.; Instagram® is a registered trademark of Instagram, LLC; Twitter® is a registered trademark of Twitter, Inc.; Wechat® is a registered trademark of Tencent Holdings Ltd.; VK® is a registered trademark of Limited Liability Company "V Kontakte";Line® is a trademark of Line Corporation; WhatsApp® is a registered trademark of WHATSAPP INC.; SnapChat® is a registered trademark of SNAP INC.

 $\label{linkedIn of LinkedIn Corporation} \mbox{LinkedIn Corporation}$ 

Amazon® is a trademark of Amazon.com, Inc.; eBay® is registered trademark of eBay Inc.; Taobao® is a registered trademark of Alibaba Group; Etsy® is a registered trademark of MORGAN STANLEY SENIOR FUNDING, INC.

Forbes® is a registered trademark of Forbes LLC; The New York Times® is a registered trademark of The New York Times Company