Non-competition and Non-solicitation

IBOs must comply with the contractual obligations under the Rules of Conduct regarding participating in more than one direct selling business.

Do



Carefully review Rule 6.2, Non-Competition and Non-Solicitation. (<u>U.S.</u> | <u>Canada</u> | Dominican Republic)



Carefully review Rule 6.1 to learn about your responsibilities related to Confidentiality of Line of Sponsorship information.



Remember that, under Rule 3.4. Spouses as IBOs, you will be held accountable for the actions of a spouse or partner, whether or not they are an Independent Business Owner (IBO).



Ensure your spouse or partner does not become involved in a competing business, even if they are not Amway™ IBOs themselves.

Why?

- To avoid potential conflict of interest.
- To protect Amway's confidential information and trade secrets from being discovered by competitors.
- To protect IBOs who devote time, resources and energy to build their business.

Don't



Become an Independent Business Owner/Distributor for a competitor of Amway if it has not been at least six months since your contract with Amway ended.



Recruit current IBOs or those who have been an IBO within the past two calendar years to become an Independent Business Owner/Distributor for a competitor of Amway.

Why not?

- To avoid potential conflicts of interest.
- · To prevent intentional or inadvertent sharing of Amway's confidential information or trade secrets with competitors.
- To protect IBOs who devote time, resources and energy to build their business.

Key points

- Non-Competition: While you are an IBO, and for six months after your contract with Amway ends, do not own, manage, operate, consult for, serve in a Key Position in or participate as an independent distributor for any other direct sales program using a multilevel or network marketing structure or any other enterprise that markets, through Independent Business Owners/Distributors, products or services functionally interchangeable with those offered through or by Amway.
- Non-Solicitation: While you are an IBO, and for 24 months after your contract with Amway ends, do not on your own behalf or on behalf of any person or entity, directly or indirectly, encourage, solicit or otherwise attempt to recruit or persuade (i) any IBO or (ii) any person who has been an IBO within the past two calendar years, to own, manage, operate, consult for, serve in a Key Position participate as an Independent Business Owner/Distributor in any other direct sales program using a multilevel or network marketing structure or any other enterprise that markets, through Independent Business Owners/Distributors, products or services functionally interchangeable with those offered through or by Amway.
- The "Spouses as IBOs" Rule (Rule 3.4): The Rule states that an IBO will be held accountable for the actions of a spouse, whether or not the spouse is an IBO, so far as the Rules of Conduct are concerned. Remember, spousal involvement in a competing business is a violation of Rule 3.4 even if your spouse is not an Amway IBO.

Resources:

Amway Business Reference Guide: amway.com/brg | amway.ca/brg | amway.com.do/brg.

Amway Business Conduct and Rules Department: bcr@amway.com.

Amway Business Support Materials Administration: wwbsm@amway.com.

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