

Privileged Member and Distributor

People being sponsored by a current Distributor can choose either to become a Distributor who will actively embark on running his/her Amway business, or to become a Privileged Member who will simply purchase Amway products for self consumption. However, these two states are mutually convertible depending on circumstances and their needs.

A Privileged Member (PM) can opt to convert into a Distributor anytime in accordance with his/her intention to further develop his/her career. Apart from purchasing and using Amway products, PMs can share their experiences in using Amway products with friends and invite them to become Privileged Members as well. Therefore, PMs are in fact serving such as the medium of communication between consumers and Distributors that more people are given chances to choose between the two different states according to the circumstances they are under.

► Differences between PMs and Distributors

Compared

	PM	DISTRIBUTOR
1. Entry Fee	NT\$500 (no refund while withdrawing)	NT\$1,000 (refund guaranteed while withdrawing)
2. Way of enrollment	To submit a PM Application Form	To purchase a Starter Kit
3. Renewal Fee	NT\$250	NT\$500
4. Rights and Interests	Registration Bonus (NT\$300 Cash Coupon), Birthday Bonus, plus Renewal Bonus	13% First Purchase Discount
5. Bonus	No bonus (unless converting to the state of Distributor)	Yes
6. Bonus Points	Yes	No
7. Product price	Distributor price	Distributor price
8. Means and conditions of the state conversion	PMs can make applications to convert to Distributors anytime	*Distributors can make applications to convert to PMs anytime
9. Annual Renewal	In accordance with current regulations	In accordance with current regulations
10. Return of products	Service available only when the dissatisfaction of customers with products occurs	In compliance with the current relevant rule
11. Rules of Conduct	Privileged Membership Decree	Yes
12. Rights	Introduction of Members (but retail of products and sponsoring Distributors are not allowed)	Retail of Amway products; Sponsoring; offer service to distributors and PMs
13. Publications received	PM Bimonthly Magazine	Amagram
14. Amway Co-branded Credit Card	Eligible for application	Eligible for application
15. Reward & Recognition	Not entitled to reward and recognition	Accordance with the Amway Sales & Marketing Plan
16. Incentive Trip	No Incentive trip (unless converting to the state of Distributor)	Entitled to the Incentive trip in accordance with the Amway Sales & Marketing Plan
17. Identification Card	Amway Privileged Member Card	Amway Distributor Card

* Distributors who convert to the state of PM during the contract renewal period will be charged NT\$250 as the renewal fee; if converting to the state of PM from that of Distributor not during the contract renewal period, no fee is charged.