

**IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT**

No 2651 of 2007

**MR JUSTICE NORRIS
WEDNESDAY 14TH MAY 2008**

**IN THE MATTER OF AMWAY (UK) LIMITED
AND IN THE MATTER OF THE INSOLVENCY ACT 1986**



B E T W E E N:

**THE SECRETARY OF STATE FOR BUSINESS,
ENTERPRISE AND REGULATORY REFORM**

Petitioner

and

AMWAY (UK) LIMITED

Respondent

UPON THE PETITION of the Secretary of State for Business, Enterprise and Regulatory Reform (“the Secretary of State”) for an order that Amway (UK) Limited (“Amway”) be wound up pursuant to section 124A of the Insolvency Act 1986 presented to this Court on 11 April 2007 (“the Petition”)

AND UPON THE TRIAL of the Petition

AND UPON HEARING Counsel for the Secretary of State and Counsel for Amway

AND UPON HEARING oral evidence

AND UPON READING the written evidence

AND UPON Amway undertaking by its Counsel to the Court in the terms set out at Schedule 1 to this Order and further undertaking that it will not lift its moratorium on the registration of new Amway Business Owners (“ABOs”) until the further hearing provided for in paragraph (2) of this Order

IT IS ORDERED that:

(1) The Petition be dismissed.

- (2) The determination of the costs of the Petition be adjourned to a further hearing on a date to be fixed in accordance with the direction set out below.
- (3) Any application for permission to appeal be adjourned to the further hearing referred to in paragraph (2).
- (4) The time for filing any appellant's notice shall be extended so as not start to run until the conclusion of the further hearing referred to in paragraph (2).

AND IT IS DIRECTED that the hearing referred to in paragraph (2) above shall be fixed through the usual channels on a date before the end of the current term.

SCHEDULE 1

1. Amway will maintain the present prohibition on the production, sale or promotion in the United Kingdom of Business Support Materials in connection with the Amway Business Opportunity that are not authorised and distributed by Amway.
2. Amway will not introduce a registration fee for new ABOs or a renewal fee for existing ABOs unless either the Secretary of State has consented or, in the absence of such consent, Amway has obtained a declaration from the Court to the effect that such a fee is lawful.
3. Amway will not lift its moratorium on the registration of new Amway Business Owners (“ABOs”) until it has published earnings data for the period from 1 October 2007 to the date of the lifting of the moratorium in accordance with the earnings disclosure policy set out in Schedule 2. Amway will thereafter publish on at least an annual basis earnings data covering the preceding 12 month period in accordance with the earnings disclosure policy. Earnings data will be included in official literature used to promote the Amway Business Opportunity and on the Amway website.
4. Subject to paragraph 3 above, Amway will operate and maintain an orientation programme for all new ABOs substantially in the form described in the witness evidence of Mark Beiderwieden filed on behalf of Amway and referred to in the Judgment of Mr Justice Norris at paragraph 57(d).
5. Save to the extent that the undertakings are varied by consent/agreement with the Secretary of State, Amway reserves the right to apply to Court for the variation of and/or release from all or part of these undertakings.

SCHEDULE 2

Amway Earnings Disclosure Policy

Amway will disclose for the specified period:

- A. Total number of Retail Consultants registered during the period
- B. Total number of Retail Consultants earning a customer volume rebate (“CVR”)
- C. Average CVR of Retail Consultants earning a CVR
- D. Highest total CVR earned by a Retail Consultant
- E. Lowest total CVR earned by a Retail Consultant
- F. Total number of Certified Retail Consultants registered during the period
- G. Total number of Certified Retail Consultants earning a CVR or bonus income
- H. Average income of Certified Retail Consultants earning a CVR or bonus
- I. Highest total earnings by a Certified Retail Consultant
- J. Lowest total earnings by a Certified Retail Consultant
- K. Total number of Business Consultants during the period
- L. Average income of Business Consultants during the period
- M. Total number of new Business Consultants qualifying as such during the period
- N. Minimum income levels for qualification at Platinum, Emerald and Diamond level
- O. Number of Business Consultants qualified at Platinum, Emerald and Diamond level during the period.

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BETWEEN:

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Petitioner

-and-

AMWAY (UK) LIMITED

Respondent

ORDER

Mr. Jody Ramnarine
The Treasury Solicitor
7th Floor
One Kemble Street
London WC2B 4TS
Tel: 020 7210 3000
Fax: 020 7210 3143
Ref: LT62859A/JAR/E4