



Sales & Marketing Plan







The Sales & Marketing Plan

Overview

Herbalife's Sales and Marketing Plan offers you unique opportunities which can lead to various levels of success; the plan was developed by Herbalife's founder, Herbalife Founder and First Member, Mark Hughes (1956–2000). The result is arguably the best Sales and Marketing Plan in the industry. The Herbalife Sales and Marketing Plan pays a high percentage of product revenues to Members and Distributors in the form of Retail and Wholesale Profits, Royalty and bonus income and incentives. This tested, proven business plan is designed to maximise rewards for effort and provide substantial and ongoing income.

The Herbalife business opportunity and the Sales and Marketing Plan are identical for every Member. Each Member's success is dependent on two primary factors:

- The time, effort and commitment put into the Herbalife business and
- The product sales made by a Member and their downline organisation.

These two factors raise the importance of a Member's responsibility to train, support and motivate their downline organisation.

The following pages describe the different levels of Herbalife's Sales and Marketing Plan. Each level has specific qualifications and associated benefits to reward Members for their efforts and enhance their success.

Becoming a Member — The Important First Step

The only required purchase in order to become an Herbalife Independent Member is the Herbalife Member Pack (HMP). Each HMP contain the Herbalife Membership Application and Agreement, which you must complete and submit in order to receive an Herbalife Identification Number and purchase products.

Registration

You officially become an Herbalife Independent Member when your properly completed Application has been processed and accepted by Herbalife. The quickest and easiest method of completing your registration is online at **www.MyHerbalife.com**. You may also mail your Application; however, this process might take a few days. In the meantime, you are entitled to purchase Herbalife products at the applicable discount through the Member Services Department.

Once your Application has been accepted, your contract with Herbalife becomes effective immediately, giving you all the rights, responsibilities and privileges of an Herbalife Independent Member.

Income Opportunities

The Herbalife Sales and Marketing Plan provides many opportunities to earn income and other rewards based on Earn Base.

Earn Base

Value assigned to a product in local currency, on which discounts and earnings are calculated.

Earn Base Value is used to calculate:

- Discounts on your product purchases
- Earn Potential Retail Profits
- Wholesale Profit
- Royalty Override and Bonuses

PROFIT ON RETAIL 	ROYALTIES Up to 5% on 3 levels of your Organisation 
PROFIT ON WHOLESALE 	PRODUCTION BONUS 2% to 7% bonus on the Organisational production 

(Refer to page 12 for more information).

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Steps To Success

As you start on your Herbalife journey, it's important to remember to take it step-by-step. Work with your Sponsor and set achievable goals to help you progress to the next level by building your business in a sustainable way.

The chart below describes the different levels of the Herbalife Sales and Marketing Plan. Each level has specific qualifications and associated benefits to reward Members for their efforts and enhance their success.



Active Supervisor
(See Page 11 for More Information)



Active World Team
(See Page 11 for More Information)

Royalty Overrides

Potential to earn Royalty Overrides this level and up.



Supervisor



World Team

How you qualify
2,500 Volume Points (VP) in each of 4 consecutive months or 10,000 VP at 50% in 1 month or 500 Royalty Override Points in 1 month.

What you get
50% Potential Retail Profit, 8–25% Wholesale Profit and up to 5% Royalty Overrides.

How you qualify
4,000 Volume Points (VP) in 1 month with at least 1,000 Unencumbered Volume, or 4,000 VP over 2 consecutive months (with at least 1,000 Unencumbered Volume), or 4,000 VP in 3–12 months, with at least 2,000 PPV.

What you get
50% Potential Retail Profit, 8–25% Wholesale Profit and up to 5% Royalty Overrides.

Qualified Producer

How you qualify
2,500 accumulated Volume Points (VP) in 1–3 months, of which 1,000 is Personally Purchased Volume (PPV).

What you get
42% Potential Retail Profit and 7% – 17% Wholesale Profit.

Success Builder

How to qualify
1,000 Personally Purchased Volume Points in one order and receive 42% discount on this order and additional orders during the same Volume Month.

What you get
42% Potential Retail Profit and 7% – 17% Wholesale Profit.

Wholesale Profit

Potential to earn Wholesale Profit this level and up.

Senior Consultant

How to qualify
500 Volume Points or more in 1 month.

What you get
35% – 42% Potential Retail Profit and 7% or 17% Wholesale Profit.

Discount

Receive discount off Earn Base on all product purchases this level and up

Member

How to qualify
Purchase Herbalife Nutrition Member Pack and complete the Member Application and Agreement.

What you get
25% – 42% Discount (or 25% – 42% Potential Retail Profit).

*It is not necessary to become a Senior Consultant, Success Builder or Qualified Producer before qualifying as Supervisor. Active World Team, GET 2,500 and Millionaire Team 7,500 are recognition levels, not earnings levels in the Sales and Marketing Plan. For complete qualification details, refer to page 17. All US/PR Volume must be Documented Volume.

TAB Team

Top Achievers
Business Team
This level and up

Production Bonus

Potential to earn
Production Bonus
this level and up.



Global Expansion Team (GET)

How you qualify
1,000 Royalty Override Points in 3 consecutive months.

What you get
50% Potential Retail Profit, 8–25% Wholesale Profit, up to 5% Royalty Overrides, plus 2% Production Bonus, qualify for special Vacation and Training Events.



GET 2500

How you qualify
2,500 Royalty Override Points in 3 consecutive months.

What you get
50% Potential Retail Profit, 8–25% Wholesale Profit, up to 5% Royalty Overrides, plus 2% Production Bonus, qualify for special Vacation and Training Events.



Millionaire Team

How you qualify
4,000 Royalty Override Points in 3 consecutive months.

What you get
50% Potential Retail Profit, 8–25% Wholesale Profit, up to 5% Royalty Overrides, plus 2% or 4% Production Bonus, qualify for special Vacation and Training Events.



Millionaire Team 7500

How you qualify
7,500 Royalty Override Points in 3 consecutive months.

What you get
50% Potential Retail Profit, 8–25% Wholesale Profit, up to 5% Royalty Overrides, plus 2% or 4% Production Bonus, qualify for special Vacation and Training Events.



President's Team

How you qualify
10,000 Royalty Override Points in 3 consecutive months.

What you get
50% Potential Retail Profit, 8–25% Wholesale Profit, up to 5% Royalty Overrides, plus 2% to 6% Production Bonus, qualify for special Vacation and Training Events.

Founder's Circle*



Chairman's Club*



The Sales & Marketing Plan

K Level Awards President's Team Plus Award



15K PRESIDENT'S TEAM

Gold and Diamond Cufflinks and Earrings

15,000 Royalty Override Points in 3 consecutive months



20K PRESIDENT'S TEAM

20,000 Royalty Override Points in 3 consecutive months



30K PRESIDENT'S TEAM

30,000 Royalty Override Points in 3 consecutive months



40K PRESIDENT'S TEAM

Herbalife Branded Movado Watches[†]

40,000 Royalty Override Points in 3 consecutive months



50K PRESIDENT'S TEAM

50,000 Royalty Override Points in 3 consecutive months



60K PRESIDENT'S TEAM

White Gold and Diamond Necklace and Cufflinks

60,000 Royalty Override Points in 3 consecutive months



70K PRESIDENT'S TEAM

White Gold and Diamond Signet Rings

70,000 Royalty Override Points in 3 consecutive months



80K PRESIDENT'S TEAM

White Gold and Diamond Ring and Earrings

80,000 Royalty Override Points in 3 consecutive months



90K PRESIDENT'S TEAM

Piaget Herbalife Branded Diamond Watch[†] and White Gold Diamond Logo Bracelet

90,000 Royalty Override Points in 3 consecutive months

[†]Actual watch model / jewellery may vary based on availability at time of qualification.
All US/PR Volume must be Documented Volume



100K PRESIDENT'S TEAM

100,000 Royalty Override Points in 3 consecutive months



110K PRESIDENT'S TEAM

110,000 Royalty Override Points in 3 consecutive months



120K PRESIDENT'S TEAM

120,000 Royalty Override Points in 3 consecutive months



130K PRESIDENT'S TEAM

Personalised and Customised Experience

130,000 Royalty Override Points in 3 consecutive months



140K PRESIDENT'S TEAM

Personalised and Customised Experience

140,000 Royalty Override Points in 3 consecutive months



ONE DIAMOND

EXECUTIVE PRESIDENT'S TEAM

To qualify, you must have one Fully Qualified President's Team Member in any line of your downline organisation.



TWO DIAMONDS

SENIOR EXECUTIVE PRESIDENT'S TEAM

To qualify, you must have two Fully Qualified President's Team Members in two separate lines of your downline organisation.



THREE DIAMONDS

INTERNATIONAL EXECUTIVE PRESIDENT'S TEAM

To qualify, you must have three Fully Qualified President's Team Members in three separate lines of your downline organisation.



FOUR DIAMONDS

CHIEF EXECUTIVE PRESIDENT'S TEAM

To qualify, you must have four Fully Qualified President's Team Members in four separate lines of your downline organisation.



FIVE DIAMONDS

CHAIRMAN'S CLUB

To qualify, you must have five or more Fully Qualified President's Team Members in five or more separate lines of your downline organisation.



TEN DIAMONDS

Founder's Circle

To qualify, you must have 10 or more Fully Qualified President's Team Members in 10 or more separate lines of your downline organisation.

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Presidential Plus Awards

The Presidential Plus Awards are based on Royalty Override Points (January through December Volume Months).



Baume and Mercier Watch[†]

250,000 Royalty
Override Points



Piaget Gold and Diamond Watch[†]

750,000 Royalty
Override Points



Marquis Diamond Ring

500,000 Royalty
Override Points



Piaget Diamond Watch[†]

1,000,000 Royalty
Override Points

Lifetime Achievement Awards



1 Million Lifetime Achievement Award

Members who have
achieved 1 million
Volume Points or more
during their Herbalife
career



2 Million Lifetime Achievement Award

Members who have
achieved 2 million
Volume Points or
more during their
Herbalife career



3 Million Lifetime Achievement Award

Members who have
achieved 3 million
Volume Points or
more during their
Herbalife career



4 Million Lifetime Achievement Award

Members who have
achieved 4 million
Volume Points or
more during their
Herbalife career



5 Million Lifetime Achievement Award

Members who have
achieved 5 million
Volume Points or
more during their
Herbalife career



Mark Hughes Bonus Award

Herbalife sets aside 1% of total worldwide Company product/promote Earn Base sales to be paid as a Mark Hughes Bonus Award to a pool for President's Team Members who meet certain requirements, in recognition of their outstanding performance in advancing sales.

[†]Actual watch model / jewellery may vary based on availability at time of qualification.
All US/PR Volume must be Documented Volume

Promotions And Vacations



Active Supervisor*

All Fully Qualified Supervisors who achieve 2,500 Total Volume Points in 3 consecutive months will receive an Active Supervisor pin and certificate of achievement.

Month 1
2,500TV

Month 2
2,500TV

Month 3
2,500TV



Active World Team

In a consecutive 4–6 month period, achieve:

- 2,500 Total Volume Points in four consecutive months, and
- 10,000 Total Volume Points in one Volume Month OR 5,000 Total Volume Points in 2 months and
- 500 Royalty points in one Volume Month.

What you earn:

- Active World Team pin and certificate
- Onstage recognition at the event in your region
- A US\$500 Special Bonus for first-time non-TAB Team Active World Team qualifiers
- Free one-year BizWorks subscription for first-time non-TAB Team Active World Team qualifiers

Vacations*

Every year, you have the opportunity to qualify for a fantastic Herbalife Vacation. You'll join your fellow Members from around the region for an exclusive break in a beautiful location where you can relax and have fun. Members always say it's their best holiday of the year! See your local flyer for the details.



*Qualification varies by country.
All US/PR volume must be Documented Volume.

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Understanding Volume

We use the term volume extensively. Volume is a key element in the Sales and Marketing Plan and is the basis for qualifying and working your way to higher levels.

Each Herbalife product has a Volume Point value assigned to it (see order forms and price lists for exact information). Official Herbalife Member Packs (HMPs), literature items and sales tools do not count as volume. As you order products, you accumulate Volume Points that are applicable to the products ordered. These accumulated Volume Points become your sales production and are used for purposes of qualifications and benefits.

Volume is assigned to you in various ways depending on who purchased the product, their status and discount, your own status and other factors of the Herbalife Sales and Marketing Plan. Volume is calculated on the accumulated Volume Point value of products ordered in a Volume Month.

Explanation of Volume Month

Definition of Volume Month

Volume is assigned to and accumulated by a Member on a Volume Month basis. The Volume Month begins on the first business day of the month and ends on the last business day of the month. If the last day falls on a weekend, the Volume Month will be extended to Monday. Likewise, if the last day of the month is considered a holiday, the month may be extended to the first business day after the holiday. Herbalife reserves the right to modify the Volume Month as it deems appropriate.

Determination of Volume Month

Volume is assigned to the Volume Month in which the order is both placed and full payment is received by Herbalife.

Add-On Volume

The following conditions must be met for an order to be accepted as Add-On volume:

1. Order must be placed no later than the designated last order day of a Volume Month
2. Full payment must be made, or initiated, on the same last order day of the month. For example if payment is mailed, the postmark must be stamped the designated last order day of a volume month. If the payment is a wire transfer, direct deposit or other bank transaction, then it must be initiated on the last order day of a volume month.
3. Full payment must be received by Herbalife no later than the 5th day of the following month. If the 5th of the month falls on a weekend or a holiday, then the payment must be received by the last business day before the 5th. If for any reason, a payment is not accepted or received, then the order will be canceled and the Volume will not be applied.

There are a number of ways volume is assigned in the Herbalife Sales and Marketing Plan. The following definitions and examples illustrate these:

Personally Purchased Volume (PPV)

Personally Purchased Volume is the volume on orders purchased directly from Herbalife using your Identification Number.

Downline Volume (DLV)

Downline Volume is achieved on orders placed by your non-Supervisor downline directly from Herbalife.

Downline Volume Example		
	Purchases/ Discount %	Downline Volume
A Supervisor	2,500 Volume Points @ 50% discount	*Refer to footnote
B Senior Consultant	500 Volume Points @ 35% Discount	= 900 Volume Points (C and D's Volume)
C Senior Consultant	500 Volume Points @ 35% Discount	= 400 Volume Points (D's Volume)
D Member	400 Volume Points @ 25% Discount	= 0

Personal Volume (PV)

As a Fully Qualified Supervisor, Personal Volume is achieved from your own purchases and purchases made by non-Supervisor downline, down to your first Fully Qualified Supervisor.

All product must be purchased directly from Herbalife and may not be purchased from an upline Supervisor or other Members.

Therefore, if you are a Fully Qualified Supervisor, all of your own orders purchased at 50% as well as all orders purchased by your Members at 25% to 42% discount count as your Personal Volume.

Personal Volume Example		
	Purchases/ Discount %	Personal Volume
A Supervisor	1,000 Personal Volume Points + B, C and D's Volume	= 2,800 Personal Volume
B Success Builder	1,100 Volume Points @ 42% Discount + C and D's Volume	= 1,800 Personal Volume
C Senior Consultant	300 Volume Points @ 35% Discount + D's Volume	= 700 Personal volume
D Member	400 Volume Points @ 25% Discount	= 400 Personal Volume

*For Fully Qualified Supervisors, Downline Volume is counted towards Personal Volume or Group Volume.
Discount % is calculated off the Earn Base of the products and may not be equivalent to 25-50% off of the Retail Price.
All US/PR Volume must be Documented Volume.

Understanding Volume

Group Volume (GV)

Group Volume is the volume on orders purchased at a temporary 50% discount by Qualifying Supervisor(s) during the qualifying month.

This Temporary 50% Volume is accumulated as Personal Volume for the Qualifying Supervisor who is purchasing, and it is Group Volume for the first upline Fully Qualified Supervisor. As a Fully Qualified Supervisor you will earn Royalty Overrides on Group Volume if all other Royalty Override requirements are met. (Refer to the “Fully Qualified Supervisor” and “Qualifying Supervisor” sections of this book for complete details.)

Supervisor A 2500 PPV @50%	Supervisor A's Personal Volume, Group Volume, Total Volume						
Qualifying Supervisor B 1000 PPV @temp 50%	<table> <tr> <td>Personal Volume</td><td>2500 Volume Points from A's PPV + 4000VP from C's PPV@42% = 6500</td></tr> <tr> <td>Group Volume</td><td>1000VP from B's PPV @ Temp 50%</td></tr> <tr> <td>Total Volume</td><td>Personal Volume + Group Volume = 7500VP</td></tr> </table>	Personal Volume	2500 Volume Points from A's PPV + 4000VP from C's PPV@42% = 6500	Group Volume	1000VP from B's PPV @ Temp 50%	Total Volume	Personal Volume + Group Volume = 7500VP
Personal Volume	2500 Volume Points from A's PPV + 4000VP from C's PPV@42% = 6500						
Group Volume	1000VP from B's PPV @ Temp 50%						
Total Volume	Personal Volume + Group Volume = 7500VP						
Member C 4000 PPV @42%							

Total Volume (TV)

Total Volume is the sum of Personal Volume plus Group Volume. (See “Group Volume Example” for Supervisor A's Total Volume.) Total Volume is the factor on which some qualifications are based.

Encumbered Volume

Encumbered Volume is volume being used by your downline to qualify for Supervisor.

Unencumbered Volume

Unencumbered Volume is volume not being used for Supervisor qualifications by your downline.

The example that follows illustrates the use of Encumbered and Unencumbered Volume for each of the Members.

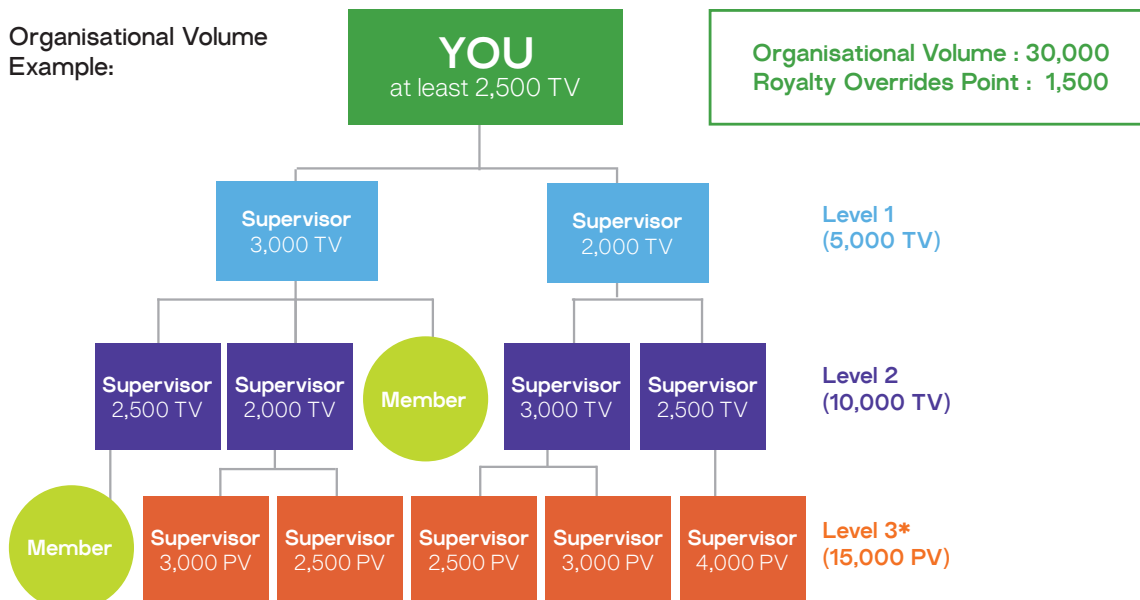
Encumbered and Unencumbered Volume		
A Supervisor	2,500 Total Volume Points + B and C's Volume	= 2,500 Unencumbered for A 5,000 Encumbered for A
B Qualifying Supervisor	1,000 Total Volume Points + C's Volume	= 1,000 Unencumbered for B 4,000 Encumbered for B
C Qualifying Supervisor	4,000 Accumulated Total Volume Points	= 4,000 Unencumbered for C

Organisational Volume (OV)

Organisational Volume is the accumulated Volume amount on which a Supervisor earns Royalty Overrides. (See the “Organisational Volume Example” that follows.)

*Group Volume on 3rd level Supervisor does not count towards your Organisational Volume.

Organisational Volume Example:



The Sales & Marketing Plan

Income Opportunity

You may be surprised to learn that retail sales are not the only way to earn profit. There are other ways to increase your earnings, too.

01 PROFIT ON RETAIL



Profit on Retail explained:

The amount of profit that a Member earns on a retail sale.

- Retail Profit is the difference between the price at which the Member sells the product to the Retail Customer and the Member Price.
- $\text{Selling Price} - \text{Member Price} = \text{Retail Profit}$.

02 PROFIT ON WHOLESALE



Profit on Wholesale explained: (Commissions)

When a Member qualifies for a higher Discount Percentage than a Member in their downline, then the Upline Member may earn a Wholesale Profit

- Wholesale Profit is equal to the Earn Base value of the product times the difference between the Upline Discount Percentage and the Downline Discount Percentage.
- $\text{Earn Base} \times (\text{Upline Discount Percentage} - \text{Downline's Discount Percentage}) = \text{Wholesale Profit}$.

03 ROYALTIES

Up to 5% on 3 levels of your Organisation



Royalties explained:

When you are a Supervisor and have Fully Qualified or Qualifying Supervisors in your first three downline levels, you may then be able to earn Royalty Overrides of 1% to 5% of your Organisational Volume.

04 PRODUCTION BONUS

2% to 7% bonus on the Organisational production



Production Bonus explained:

Once you have qualified to the TAB Team, you have the potential to also earn a Production Bonus. You can qualify to earn between 2% and 7% on your Downline Organisational Volume. You must be qualified to earn 5% Royalty Overrides in order to be eligible to also earn Production Bonus.

Member Benefits

Retail Profit

As a Member, you may purchase Herbalife products at a wholesale discount of 25% to 50% on the Earn Base value. As your volume increases, this discount will increase up to a maximum of 50% when you qualify as a Supervisor. You earn an immediate Retail Profit when you sell these products to customers. The difference between the discounted product price paid by you and the retail price paid by your customer is your Retail Profit.

Wholesale Profit (Commissions)

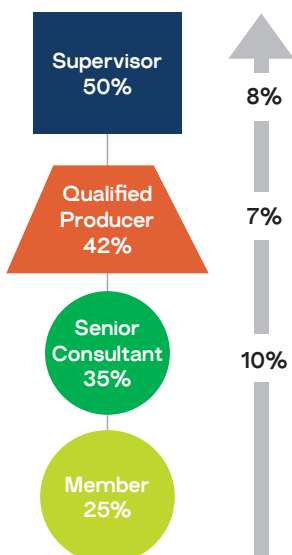
In addition to Retail Profit, as an Herbalife Independent Member, you can earn Wholesale Profit on products purchased by your downline. Your Wholesale Profit, also called Commissions, is the difference between the discounted price you pay for products and the discounted price paid by your downline.

When your downline purchase their product from Herbalife, Herbalife pays the Wholesale Profit to the eligible Senior Consultant, Qualified Producer, Qualifying Supervisor and/or Fully Qualified Supervisor based on their respective final discount percentage achieved at the end of the month. This payment is made during the monthly Royalty Override process.

Retail Profit Example				
(A) Suggested Retail Price	(B) Earn Base	(C) Discounted Amount = B x 25% Discount	(D) Your Cost = A - C	(E) Your Retail Profit = A - D
\$108	\$100	\$25	\$83	\$25

Wholesale Profit (Commissions) Example				
(A) Retail	(B) Earn Base	(C) Your Cost (at 50%) = A - (B x 50% discount)	(D) Your Downline's Cost = A - (B x 25% discount)	(E) Your Wholesale Profit D - C
\$108	\$100	\$58	\$83	\$25

Split Commission Example						
(A) Total Retail	(B) Earn Base	(C) Discount Level (Off Earn Base)	(D) Your Downline's Discounted Amount = B x C	(E) Your Downline's Cost = A - D	Split Commissions	
					To the Qualified Producer (at 42%, Cost \$66) = E - \$66	To the Supervisor (at 50%, Cost \$58) = E - \$58 - F
\$108	\$100	Member - 25%	\$25	\$83	\$17	\$8
\$108	\$100	Member - 25%	\$25	\$83	No Qualified Producer	\$25
\$108	\$100	Senior Consultant - 35%	\$35	\$73	\$7	\$8
\$108	\$100	Senior Consultant - 35%	\$35	\$73	No Qualified Producer	\$15



Senior Consultant

Improve Your Profits With the Discount Scale

As you and your non-Supervisor Downline sell more Herbalife products, your Total Volume increases and you may reach the next level of Senior Consultant. As such, you become eligible to purchase products at a 35% or 42% discount off the Earn Base, giving you a greater profit margin.

Discount Scale

As a Member you may purchase at a 25% discount on all orders until you become eligible for a higher discount by achieving the Senior Consultant level. Thereafter, your discount on purchases will be determined by the Discount Scale at no less than a 35% discount.

Volume Points accumulate either from orders placed by you directly with Herbalife, which are referred to as **Personally Purchased Volume**, or from orders your downline Members place with Herbalife, which are called **Downline Volume**. Both types of volume may be used to achieve Senior Consultant Level at a 35% or 42% discount.

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Level	Qualification	Discount	Eligibility	Benefits
 Senior Consultant	Achieve 500 Volume Points in one month	35%	All orders will be placed at 35% discount off the Earn Base until you become eligible for a higher discount.	- Earn a 35% or 42% Retail Profit on the Earn Base Value. - Earn 7%, 10% or 17% Wholesale Profit (Commission) on the Earn Base value from purchases made by your downline Members at a 25%-35%.
	Achieve 2,000 Volume Points in one month	Temporary 42%	Once you have achieved 2,000 you are eligible to place this order and all orders for the remainder of the Volume Month at a 42% discount off the Earn Base. Discounts will revert to 35% the next month until a higher discount qualification is achieved.	
 Success Builder	Minimum 1,000 Personally Purchased Volume Points (One Month)	Temporary 42%	Receive a 42% discount off the Earn Base on orders for the remainder of the month you qualify. Discounts will revert to 35% the next month until a higher discount qualification is achieved.	- Earn a 42% Retail Profit on the Earn Base Value. - Earn 7% or 17% Wholesale Profit (Commission) on the Earn Base value from purchases made by your downline Members at a 25% or 35% discount.
 Qualified Producer	Achieve 2500 accumulated Volume Points in 1-3 Months, of which a minimum 1,000 is Personally Purchased Volume	42%	Receive a 42% off the Earn Base discount on orders.	- Earn a 42% Retail Profit on the Earn Base Value. - Earn 7-17% Wholesale Profit (Commission) on the Earn Base value from purchases made by your downline Members at a 25% or 35% discount.
 Qualifying Supervisor	Achieve 4,000 Volume Points in one volume month with a minimum 1,000 Volume Points Unencumbered OR Achieve 4,000 Volume Points over two consecutive months, with a minimum 1,000 Volume Points Unencumbered OR Accumulate 4,000 Volume Points within 12 months with a minimum of 3 months required	Temporary 50%	Once Qualifying Volume Points are achieved additional orders are purchased at a Temporary 50% discount off the Earn Base.	- Earn a 50% Retail Profit on the Earn Base Value. - Earn up to 25% wholesale Profit (Commission) on the Earn Base Value from purchases made by your downline Members at a 25% - 42% discount.
 Supervisor	3 ways to qualify: See "Qualifying Supervisor" above	50%	As a Supervisor, you are entitled to a 50% discount off the Earn Base on every order. (Must requalify annually)	- Earn a 50% Retail Profit on the Earn Base Value. - Earn up to 25% wholesale Profit (Commission) on the Earn Base Value from purchases made by your downline Members at a 25% - 42% discount. - Earn Royalty Overrides of 1% to 5% on their first, second and third-level active Supervisor*.

*Group Volume on 3rd level Supervisor does not count towards your Organisational Volume. All US/PR Volume must be Documented Volume.

Member Benefits



Success Builder

As an Herbalife Independent Member, you have an opportunity to purchase a single order of 1,000 Volume Points directly from Herbalife at a 42% discount on Earn Base value. This qualifies you to become a Success Builder, and you will be able to order at a 42% discount for the remainder of the Volume Month.

Members (non-Supervisors) who do not achieve Success Builder are able to order at a 42% once they have accumulated 2,000 Volume Points in one month or have achieved the Qualified Producer level.

- The Success Builder level is a Personally Purchased Volume qualification; Downline Volume may not be used toward this discount opportunity.



Qualified Producer

You have the opportunity to achieve Qualified Producer status by accumulating 2,500 Volume Points within 1–3 month of which 1,500 points can be from Downline Volume. All volume achieved towards this qualification must be from orders purchased directly from Herbalife.

You will automatically receive the 42% once the qualification has been achieved; and will be updated to this status on the 1st of the month following the month your qualification volume was achieved.

A Qualified Producer is eligible to:

- Purchase at 42% immediately after qualifying for this status
- Earn a 42% Retail Profit on the Earn Base Value
- Earn up to 17% Wholesale Profit (Commissions) on the Earn Base value from purchases made by your downline Members at a 25% or 35% discount



Qualifying Supervisor

Eligibility for Temporary 50% Discount

Once you have achieved the required Volume Points toward Supervisor Qualification you will be considered a **Qualifying Supervisor** until the 1st of the following month, when you will become a **Fully Qualified Supervisor**. As a **Qualifying Supervisor**, you are eligible for a temporary 50% discount for the remainder of the Volume Month in which your qualifying Volume Points were achieved.

The Volume from orders purchased at a Temporary 50% is considered Personal Volume for the purchaser and Group Volume for the Fully Qualified Supervisor on the order.



Fully Qualified Supervisor

At the Supervisor status you will earn the highest discount of 50%, plus Retail and Wholesale Profit, and become eligible to earn Royalty Overrides (RO).

A Fully Qualified Supervisor is eligible to:

- Earn a 50% Retail Profit on the Earn Base value
- Earn up to 25% Wholesale Profit (Commission) on the Earn Base value from purchases made by your downline Members at a 25% – 42% discount
- Earn RO of 1% to 5% on their first, second and third-level active Supervisor*
- Attend special workshops and training sessions
- Qualify for special Supervisor recognition

Qualification

There are three ways to qualify as a Supervisor:

- One-Month Qualification:** Achieve 4,000 Volume Points in one Volume Month (with a minimum 1,000 of those 4,000 Volume Points Unencumbered).
- Two-Month Qualification:** Achieve 4,000 Volume Points over two consecutive months (with a minimum of 1,000 of those 4,000 Volume Points Unencumbered over the same two month period).
- Accumulated Qualification:** Achieve 4,000 Volume Points within 12 months (of which a minimum of three months is required). You can use up to 2,000 Downline Volume Points with the remaining 2,000 as Personally Purchased Volume.

For all methods of Supervisor Qualification, once achieved, you are automatically updated to Supervisor status on the 1st of the month following completion of your qualification. Members that are qualifying for Supervisor in line with their downline Members may require a Supervisor Qualification Form. This form can be downloaded from **MyHerbalife.com** – Documents and Policies or can be obtained from Member Services.

Failure to Qualify as a Supervisor

If your sponsored downline becomes a Fully Qualified Supervisor before you do, you will have one year from the date of your downline's qualification to also become a Fully Qualified Supervisor.

If you do not become a Fully Qualified Supervisor within the one year following your downline's Supervisor qualification, you will permanently lose that downline to your first upline Supervisor at the end of your downline Supervisor's first requalification year.

Example	
08/01/2020 Downline Supervisor's Qualification Month	February 2022 Sponsor loses Qualified Downline as Sponsor hasn't become a Fully Qualified Supervisor
08/01/2020–1/31/2022 Sponsor's Opportunity to Qualify for Supervisor	

*Group Volume on 3rd level Supervisor does not count towards your Organisational Volume. All US/PR Volume must be Documented Volume.

The Sales & Marketing Plan

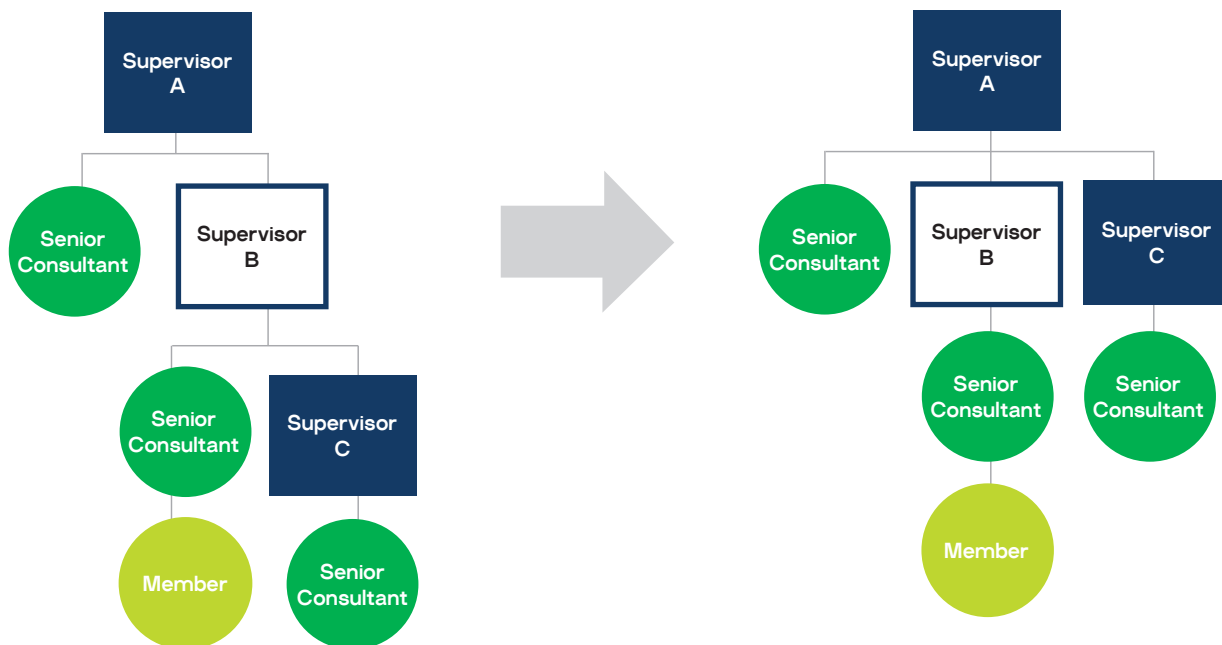
Supervisor Requalification

Once you become Supervisor status and above you must requalify your Supervisor status annually between **February 1** and **January 31** to maintain your rights and privileges.

The requalification requirements for this are described below.

- **One-Month Qualification:** Achieve 4,000 Volume Points in one Volume Month (with a minimum 1,000 of those 4,000 Volume Points unencumbered).
- **Two-Month Qualification:** Achieve 4,000 Volume Points over two consecutive months (with a minimum of 1,000 of those 4,000 Volume Points Unencumbered over the same two month period.)
- **Twelve-Month Requalification:** Accumulate 10,000 Unencumbered Total Volume Points over the 12-month Requalification period. Or,
- Accumulate 4,000 Unencumbered Total Volume Points over the 12-month requalification period.

When requalifying by accumulating 4,000 Unencumbered Volume Points between February 1 and January 31 you will retain your Supervisor status and 50% buying privileges. However, any downline lineage that includes a Supervisor will be lost and moved to your next upline Fully Qualified Supervisor as illustrated below.



You will automatically requalify as a Supervisor each year if the volume requirements are met during the qualification period. As a reminder, you have the advantage of receiving a 50% discount on your requalification orders.

In addition to requalifying your Supervisor status, you must assure your Annual Membership Services Fee is current and paid. Failure to pay the Annual Membership Services Fee prior to or within 90 days after requalification will result in suspension of your ordering privileges and earnings until the fee is paid.

If you do not complete your Supervisor Requalification you will lose all rights and privileges of a Supervisor, including the loss of any lineage that includes a Supervisor. In this case, the entire downline lineage will be moved to your next upline Fully Qualified Supervisor.

As a Supervisor if you fail to requalify each year by January 31 you will be demoted to the position of Qualified Producer.

Royalty Overrides

Royalty Overrides are paid as follows:

In the following example, at the maximum 5%, your Royalty Override is calculated on 30,000 Organisational Sale Volume, which gives you 1,500 Royalty Override Points. Royalty Override Points are used for qualification purposes. Keep in mind, earnings are calculated on the Earn Base value of the products in the country from which the product is ordered. In certain countries, these Royalty Override earnings are converted to your local currency.

Payment of Royalty Overrides

Your Royalty Override percentage is based on your Total Volume for each month, if your Volume Points are less than 500 Volume Points, then no Royalty Overrides are earned. If you produce 2,500 Volume Points or more, then a maximum 5% is earned on three active downline levels. The following Royalty Override scale shows the volume requirements that you must meet as a Supervisor every month to earn Royalty Overrides.

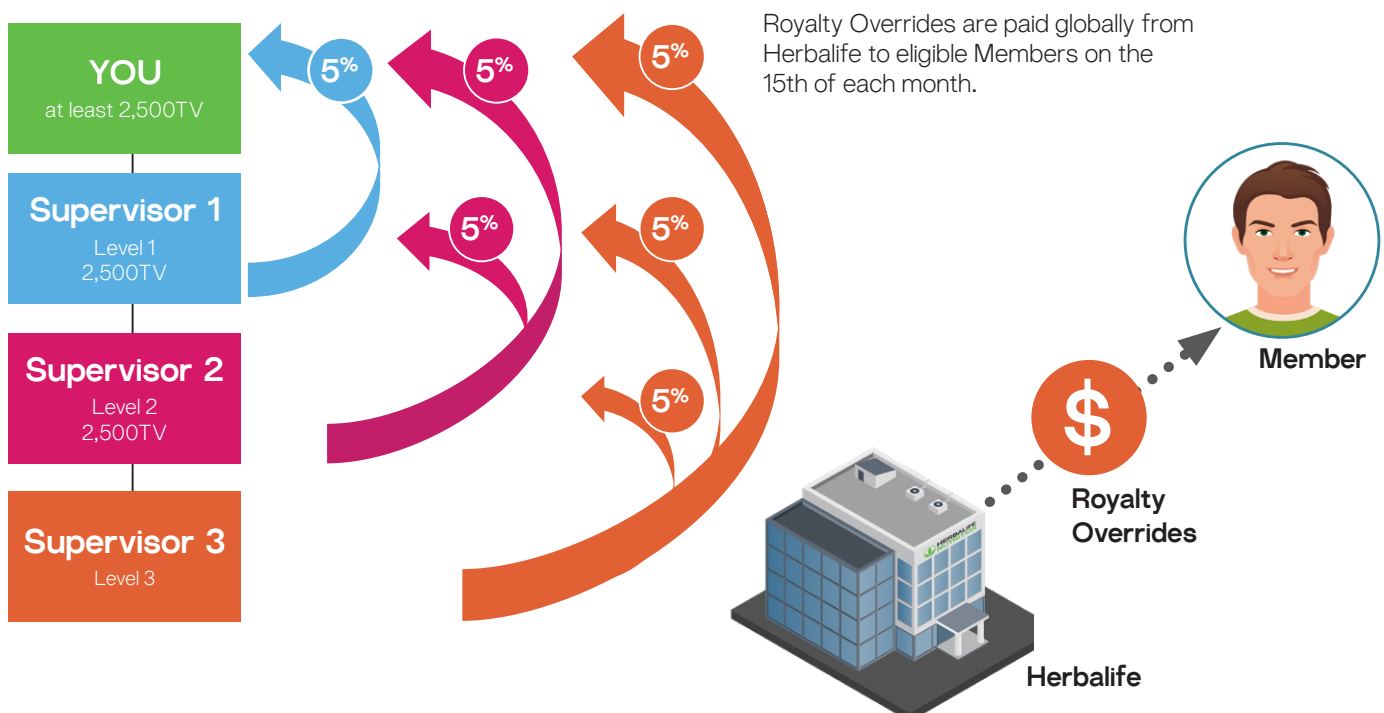
Additional Requirements

As a Supervisor who meets the specified requirements to earn Royalty Overrides you must also comply with Herbalife's 10 Retail Customers Rule and the 70% Rule, to earn and receive both Royalty Overrides and Production Bonus. You must confirm your adherence to these requirements by submitting the Earnings Certification Form each month. If you fail to comply with either of these rules, the Royalty Overrides and Production Bonus will not be paid to you.*

Royalty Override Example			
YOU	2,500 Volume Points	=	Your Total Royalty Override 1,500 Royalty Points
First-Level Supervisor	10,000 Volume Points	=	5% = 500 Royalty Points
Second-Level Supervisor	10,000 Volume Points	=	5% = 500 Royalty Points
Third-Level Supervisor	10,000 Volume Points	=	5% = 500 Royalty Points

Royalty Override Scale	
Your Total Volume Points	Royalty Override Earning %
0 – 499	0%
500 – 999	1%
1,000 – 1,499	2%
1,500 – 1,999	3%
2,000 – 2,499	4%
2,500 plus	5%

Royalty Overrides Example



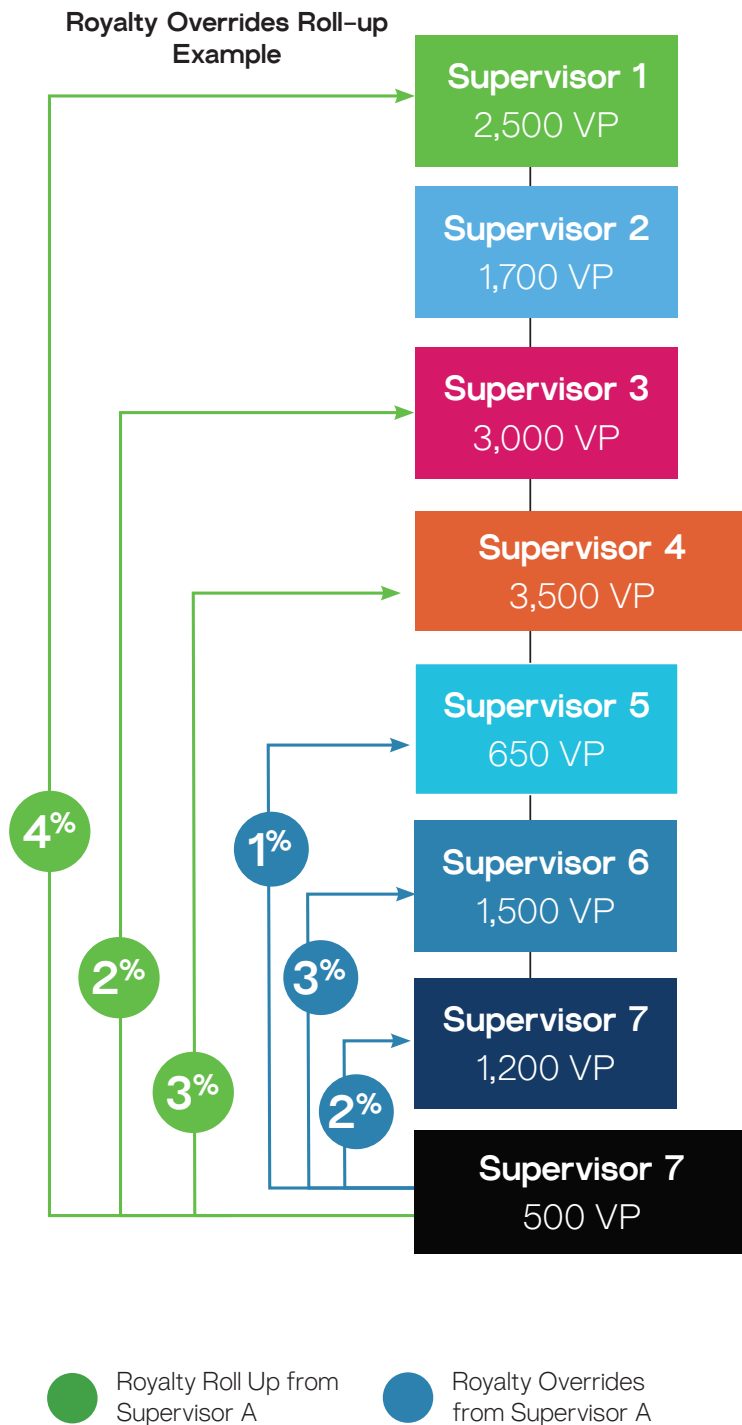
*Not applicable to all markets. See your local Rules and Conducts for more information. All US/PR Volume must be Documented Volume.

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Royalty Overrides Roll-Up

As a Supervisor, you also have the opportunity to earn Royalty Override Roll-Ups. Royalty Override Roll-Ups are paid to the appropriate qualified upline Supervisor(s) when any downline Royalty Override contributing Supervisor earns less than the maximum 5% payout. This “roll-up” percentage is the difference between the 5% maximum Royalty Override and the actual percentage earned by the downline Royalty contributing Supervisor.

To be eligible for Royalty Override Roll-Ups, as a Supervisor you must be at the maximum 5% earning level, based on the Royalty Override Sliding Scale. You may not earn more than 5% Royalty Override on any order.



15% of each order's earn base value are paid out as Royalty Overrides, Royalty Roll Up.

Supervisor 4 Organisational Volume And Royalty Points				
1 st Level TV	650	earn 5% RO		
2 nd Level TV	1500	earn 5% RO	X 5%	167.50
3 rd Level PV	1200	earn 5% RO		
4 th Level TV	500	earn 3%	X 3%	15 Roll Up
Organisational Volume: 3850			Royalty Points 182.50	

*This is an example and only includes active Supervisors. Your individual results will vary.
All US/PR Volume must be Documented Volume.

Qualification Levels

Level	Qualification	Discount	Eligibility
World Team	Achieve 2,500 Total Volume Points (TV) in each of 4 consecutive months as a Supervisor or Qualifying Supervisor OR Achieve 10,000 TV of in 1 month after becoming a Fully Qualified or Qualifying Supervisor OR Achieve 500 Royalty Points* in 1 month	50%	All the benefits of a Supervisor. Attend special planning and training sessions targeted to accelerate your progress to TAB Team
Active World Team	(Refer to Page 12 for details)		
GET Team (Global Expansion Team)	Achieve 1,000 Royalty Points each month for 3 consecutive months.	50%	• Earn 2% monthly TAB Team Production Bonus on your downline organisation's activity by achieving 1,000 Royalty Points and 5,000 TV each month. • Eligible to qualify for company training event promotions • Eligible to participate in special advanced trainings • Eligible to participate in special conference calls
Millionaire Team	Achieve 4,000 Royalty Points each month for 3 consecutive months.	50%	• Earn up to 4% monthly TAB Team Production Bonus, after a 2-month waiting period, on your downline organisation's activity by achieving 4,000 Royalty Points and 3,000 TV each month • Eligible to qualify for company training event promotions • Eligible to participate in special advanced trainings • Eligible to participate on special conference calls
President's Team	Achieve 10,000 Royalty Points in 3 consecutive months.	50%	• Earn up to 6% monthly TAB Team Production Bonus, after a 3-month waiting period, on your downline organisation's activity by achieving 10,000 Royalty Points and 2,500 TV each month • Eligible to qualify for special President's Team vacation and training event promotions • Eligible to participate in special conference calls and advanced trainings
Based on your qualification level, eligible to earn up to 7% monthly TAB Team Production Bonuses (Refer to page 20 and 21 for details)			
20K President Team	Achieve 20,000 Royalty Points in 3 consecutive months.	50%	• Earn up to 6.5% monthly TAB Team Production Bonus, after a 3-month waiting period, on your downline organisation's activity by achieving 20,000 Royalty Points and 2,500 TV each month
30K President Team	Achieve 30,000 Royalty Points in 3 consecutive months.	50%	• Earn up to 6.75% monthly TAB Team Production Bonus, after a 3-month waiting period, on your downline organisation's activity by achieving 30,000 Royalty Points and 2,500 TV each month
50K President Team	Achieve 50,000 Royalty Points in 3 consecutive months.	50%	• Earn up to 7% monthly TAB Team Production Bonus, after a 3-month waiting period, on your downline organisation's activity by achieving 50,000 Royalty Points and 2,500 TV each month
Chairman's Club	5 Fully Qualified President's Team Distributors in 5 or more separate lines of your downline organisation	50%	• All the benefits of a President's Team Member • Eligible to qualify for special Chairman's Club vacation and training event promotions • Eligible to participate in special conference calls and advanced trainings • As a leader, assist with worldwide trainings
Founder's Circle	10 Fully Qualified President's Team Members in 10 or more separate lines of your downline organisation	50%	• All the benefits of a Chairman's Club Member • Eligible to qualify for special Founder's Circle vacation and training event promotions • Eligible to participate in special conference calls and advanced trainings • As a leader, assist with worldwide trainings

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Monthly Production Bonus

TAB Team members (Members who have met all the requirements for the Global Expansion, Millionaire or President's Team) have the potential to earn an extra **2% to Maximum 7% Monthly Production Bonus** on their entire downline organisation's activity on a monthly basis.

(Refer to page 61 and 62 for more details).



Global Expansion Team

Achieve **1,000** Royalty Points in each of 3 consecutive months

Potential to Earn 2%

On Your Downline's Sales*



Millionaire Team

Achieve **4,000** Royalty Points in each of 3 consecutive months

Potential to Earn up to 4%

On Your Downline's Sales*



President's Team

Achieve **10,000** Royalty Points in each of 3 consecutive months

Potential to Earn up to 6%

On Your Downline's Sales*

*Calculated on Earn Base

"If you help someone, you help yourself. If you solve someone's problem, you solve your own. If you help others take the first steps, it makes your steps stronger."

Jim Rohn (1930 – 2009)

Business Philosopher and Motivational Speaker



Production Bonus

Qualifications by Team Level

Following is an easy-to-understand graph of qualifications for each team level.

Qualifications		Waiting and Earning Periods	
Team	Achieve required Royalty Points each month for 3 consecutive months	Waiting Period	Earning Period
Global Expansion Team	1,000	None	12 months from Fully Qualified/Requalified Date
Millionaire Team	4,000	2 months	12 months after waiting period is complete
President's Team	10,000	3 months	12 months after waiting period is complete
President's Team 20K	20,000	3 months	12 months after waiting period is complete
President's Team 30K	30,000	3 months	12 months after waiting period is complete
President's Team 50K	50,000	3 months	12 months after waiting period is complete

Production Bonus Earning Percentage Requirements

Once you have qualified and/or requalified for a particular TAB Team earning percentage level, the following must be achieved in each of the earning months to receive a TAB Team Production Bonus ("PB" on the following table) during your earning period:

Max Earning % Level	Total Volume Points Required	Royalty Points Required for Max 2% PB	Royalty Points Required for Max 4% PB	Royalty Points Required for Max 6% PB	Royalty Points Required for Max 6.5% PB	Royalty Points Required for Max 6.75% PB	Royalty Points Required for Max 7% PB
2%	5,000	1,000					
4%	3,000	1,000	4,000				
6%	2,500	1,000	4,000	10,000			
6.5%	2,500	1,000	4,000	10,000	20,000		
6.75%	2,500	1,000	4,000	10,000	20,000	30,000	
7%	2,500	1,000	4,000	10,000	20,000	30,000	50,000

Tab Team Production Bonus Payout Guidelines

To help you better understand the TAB Team Production Bonus [Production Bonus] Payout, we've put together the following guidelines.

- When a TAB Team in your downline earns a Production Bonus at a lower % level than you, you will earn the % difference on their downline. For example, if you earn a Production Bonus at the 6% level and your downline TAB Team earns a Production Bonus at the 2% level, you will earn 6% on that TAB Team and the remaining 4% Production Bonus on their downline organisation down to the next Production Bonus earner. Your Production Bonus earnings below those downline Production Bonus earners will depend upon the earning % of each Production Bonus earner.
- When a downline TAB Team earns Production Bonus at the same % level as you, you will earn on that TAB Team but you will be unable to earn a Production Bonus on their downline. This is commonly referred to as "Cut-Off".
- When a downline TAB Team earns a Production Bonus at a higher level than you, you will be unable to earn a Production Bonus on that downline and their organisation. This is commonly referred to as "Blocking".
- Remember, to be eligible to receive the Production Bonus, your completed TAB Team Production Bonus Acknowledgment Form must have been accepted and approved by Herbalife, and all other terms and conditions must be met.

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Production Bonus Eligibility Period

Examples

Qualification Period			Global Expansion Team (GET)														
JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
1,000 Royalty Points	1,000 Royalty Points	1,000 Royalty Points	Eligible to earn 2% PB from April to March														
			Requalification Period from April to March														

Qualification Period			Millionaire Team														
APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
4,000 Royalty Points	4,000 Royalty Points	4,000 Royalty Points	Waiting Period		Eligible to earn 4% PB from September to August												
					Requalification period from July to June												

Qualification Period			President's Team														
NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR
10k, 20k, 30k, 50k Royalty Points x 3 months			Waiting Period			Eligible to earn 6% PB from May to April											
						Requalification period from February to January											

Production Bonus Requalification

To continue earning your Production Bonus, you need to requalify at your team level or above. Here's how you do just that:

Requalification

To remain at your earning level, simply achieve three consecutive months of Royalty Point requirements (same as original qualification) every year during your requalification period.

Please note: When you qualify for any Team status, you retain that status regardless of your Production Bonus earning % level (unless you achieve a higher TAB Team status or are demoted as a Supervisor).

If you don't requalify for any Production Bonus earning % level during your last requalification period and later qualify for the same level, you will need to observe the waiting period before you start earning at that level.

Requalification Period

To allow you ample time to requalify and continue to earn your Production Bonus, you have a 12-month time frame from your last Team qualification/requalification date.



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BizWorks will help you grow and organise your business online, so that you can make the most of your time offline. BizWorks PLUS offers reports that help you monitor your business growth, and track volume and activities of your downline within your organisation. It's all powered by MyHerbalife, so you can access BizWorks 24 hours a day, 7 days a week.

- Monitors and tracks the Business trends in your organisation (organisational analysis reports)
- Provides Downline Alerts (New Members, Birthdays, Level advancements)
- Recognises your Downline for their achievements to the next level of the Marketing Plan
- Plans and tracks via My Calendar
- Supports Quick and Easy communication with your entire team

BizWorks Reports

Various Reports are available to enhance your business:

- Supervisor Requalification
- Non-Supervisor and Supervisor Volume
- Organisational Analysis
- Supervisor Metrics
- Active World Team Qualifiers
- Annual Membership Services Fee Due
- Herbalife Anniversaries, Birthdays and more!

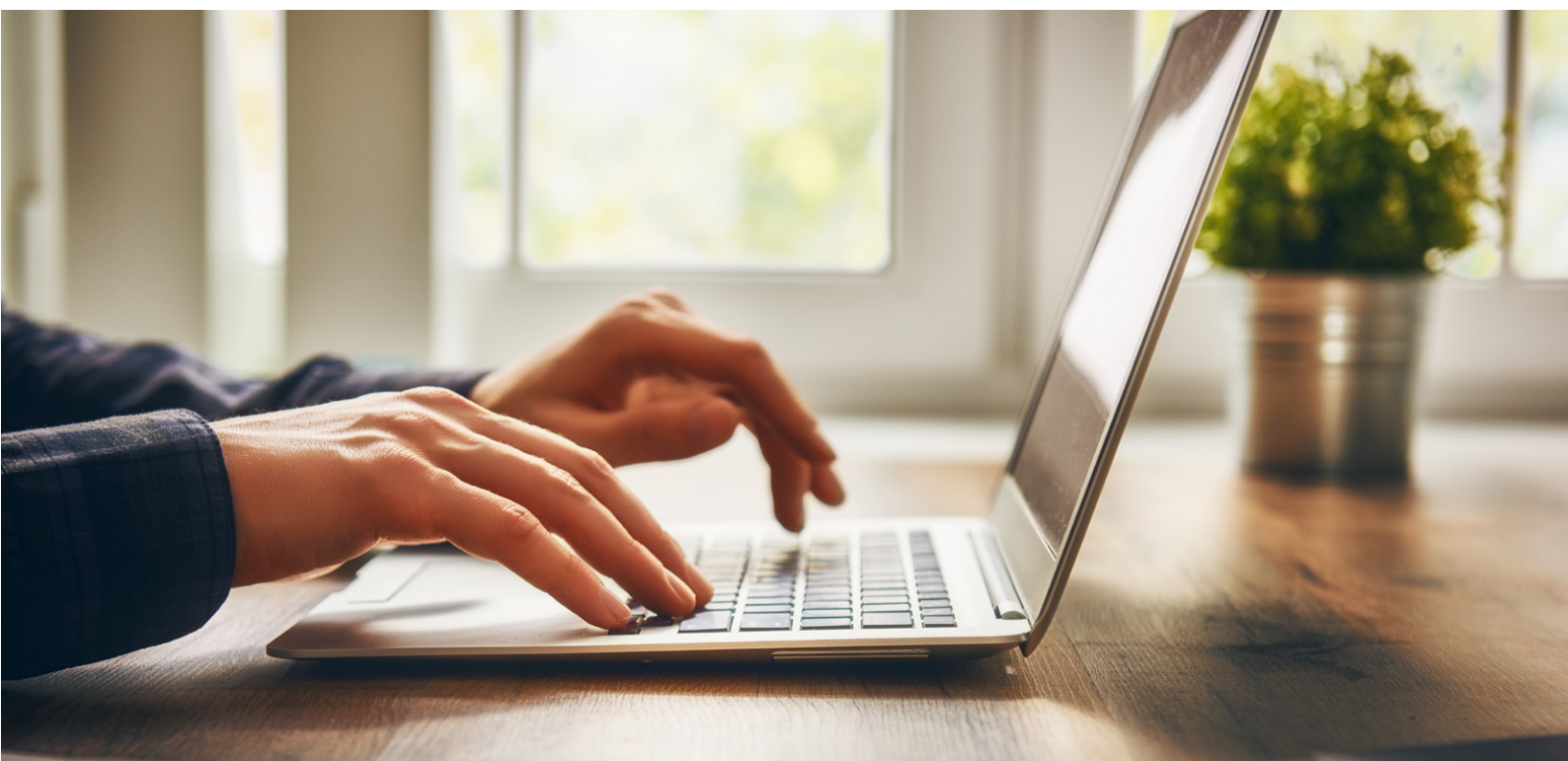
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