

# HERBALIFE NUTRITION DISTRIBUTORSHIP APPLICATION AND AGREEMENT

## A. DISTRIBUTORSHIP

**1. Becoming a Distributor:** Thank you for applying to become an Herbalife Nutrition Independent Distributor (“Distributor”). You will become a Distributor only when we Herbalife International South Africa, Ltd. accept your application and your Distributorship is entered into our records. The terms and conditions of our Agreement are found in this application, the [Sales and Marketing Plan](#), [Rules of Conduct](#) (“Rules”) and other documents posted on <https://www.myherbalife.com/en-ZA> (collectively the “Materials”), and by this reference are incorporated herein, and together with this Distributorship Agreement constitute the entire Agreement between Herbalife Nutrition and you. We may revise the Materials from time to time in our discretion, so we encourage you to regularly visit <https://www.myherbalife.com/en-ZA>. You may also call Herbalife Nutrition at 27 (011) 554-1000 for assistance in obtaining these Materials.

**Note:** If you, or your spouse or Life Partner, have participated in a Distributorship or as a Preferred Customer, please complete section 2. If not, please skip to section 3.

**2. Prior Distributorship or Preferred Customership:** As provided in the Rules, if you or your spouse or Life Partner owned, participated or assisted in an Herbalife Nutrition Distributorship or Preferred Customership in the past two years, you may not apply for a new Distributorship under a different Sponsor until fulfillment of a waiting period (“Period of Inactivity”), which may be up to two years following (a) non-payment of the Annual Distributor Services Fee (b) resignation of any prior Distributorship or Preferred Customership, (c) or conversion to Preferred Customership. Additional requirements may be applied to Distributors who convert to Preferred Customership.

By submitting this Application, you represent and warrant that the required Period of Inactivity has passed. Please see the Period of Inactivity Rule available at [https://hrbl.me/POI\\_en-ZA](https://hrbl.me/POI_en-ZA).

**3. Herbalife Nutrition Distributor Pack:** Along with this application you purchased and received from Herbalife Nutrition a new, unopened Herbalife Nutrition Distributor Pack. If you resign your Distributorship for any reason within 90 days of the date Herbalife Nutrition accepted this application, you are entitled to a full refund of the cost of the Herbalife Nutrition Distributor Pack. To obtain a refund you may call Herbalife Nutrition at 27 (011) 554-1000 or submit the refund form you will find at <https://www.myherbalife.com/en-ZA>.

**4. Term:** The term of the Agreement will be one year from the date this application was accepted by us, renewable annually, so long as you comply with certain requirements such as payment of an Annual Services Fee. You may cancel your Distributorship at any time by notifying Herbalife Nutrition in writing at Herbalife International South Africa, Ltd., Ground Floor, Building 32, Woodlands Office Park, Woodlands Drive, Woodmead, Gauteng, 2191, South Africa, or via Online Support at <https://www.myherbalife.com/en-ZA>. You may also contact Herbalife Nutrition at 27 (011) 554-1000 for more information. Herbalife Nutrition may terminate your Agreement if it determines that you or others participating in your Distributorship have violated the Agreement.

**5. Inventory Refund:** If you decide to resign your Distributorship for any reason at any time, you are entitled to a full refund for any unopened product you purchased during the previous twelve (12) month period. The amount you will be refunded includes the cost of the product, any taxes you paid on the purchase, and return shipping costs. The cost of shipping and handling paid on the original order will not be reimbursed. To obtain a refund please call Herbalife Nutrition at 27 (011) 554-1000 or submit the refund form you may find at <https://www.myherbalife.com/en-ZA>.

**6. Self-employed:** As a Distributor you are a self-employed independent contractor deciding, among other things, your schedule, how much time you wish to devote to your business, your expenses and methods of operation. As an independent contractor you are not an employee, agent, franchisee, fiduciary or beneficiary of Herbalife Nutrition or any other Distributor. You acknowledge that as an independent contractor, you will have no rights or benefits that an employee of Herbalife Nutrition may have nor will you make any claim to the contrary.

In conducting your Herbalife Nutrition business, you will comply with any and all applicable laws and regulations, including without limitations the need to obtain business registration, if required. Upon Herbalife Nutrition’s request you will provide documents evidencing your compliance with such laws and regulations.

## B. UNDERSTANDING THE HERBALIFE NUTRITION BUSINESS OPPORTUNITY

**1. Diligent Inquiry:** A successful Herbalife Nutrition Distributorship involves hard work, diligence and development of business skills as your business grows. You agree to carefully review the Materials so you will be informed about the potential risks, benefits and [Rules](#) applicable to your Distributorship.

**2. Compensation You Might Earn:** The [Statement of Average Gross Compensation](#) is the only authorized representation of Distributor earnings, and you acknowledge that you are not relying upon any other written or oral information or representations about the financial results you might achieve.

You are aware that you will earn no compensation or other economic benefit solely by enrolling or recruiting other Distributors. If you choose to build and maintain a sales organization by sponsoring other Herbalife Nutrition Distributors, you may receive payments from Herbalife Nutrition based, among other things, on those Distributors' retail sales to their customers. This multi-level compensation opportunity is detailed in [Herbalife Nutrition's Sales & Marketing Plan](#), which is available at <https://www.myherbalife.com/en-ZA>.

**3. The Only Required Purchase:** The only required purchase to become an Herbalife Nutrition Distributor is the Herbalife Nutrition Distributor Pack. All product purchases are optional. You are never required to purchase a minimum quantity of products, maintain an inventory, or attend meetings or events. Herbalife Nutrition believes that you can advance in the [Sales & Marketing Plan](#) without incurring debt. For more information, please see the [Business Tools and Other Optional Expenses](#) available at <https://www.myherbalife.com/en-ZA>.

**4. Business Tools:** We do not recommend that you purchase Business Tools. In addition, you may not promote, buy or sell, business opportunity leads or product leads from any source. For more information please see the [Business Tools and Other Optional Expenses](#) found at <https://www.myherbalife.com/en-ZA>.

**5. Sale of Products:** By becoming a Distributor you are representing the Herbalife Nutrition brand, and you agree that you will promote the sale of Herbalife Nutrition products only in a manner that enhances the reputation of Herbalife Nutrition, your business and the Herbalife Nutrition businesses operated by other Distributors. Your advancement will only come from sales of Herbalife Nutrition product by you, or other Distributors that you might sponsor, to retail customers for their genuine consumption.

**6. Leased or Purchased Non-residential Locations:** While it is not necessary to conduct your Herbalife Nutrition business from a Non-residential location, some Distributors lease or purchase a Non-residential location to, for instance, operate a Nutrition Club, fitness facility or office. Operating from a Non-residential location involves expense and financial risk. Therefore, we require that before you lease or purchase a Non-residential location you must be an Herbalife Nutrition Distributor for at least 90 days and complete the Company's Mandatory Nutrition Club Operator's Registration process and any training required at that time.

**7. Illegal Practices:** You will not engage in any deceptive, unfair or illegal practices, and you will comply with applicable law. You will comply with Herbalife Nutrition's [Rules of Conduct](#) published in the countries in which you conduct any aspect of the Herbalife Nutrition business.

**8. Obligations of Sponsorship:** If you sponsor others to become Distributors, you will do so in an ethical and lawful manner, and in compliance with this Distributorship Agreement and applicable law. Thereafter, you will use best efforts to train, assist and support those you sponsor to do the same, and you will communicate and lead by example.

**9. Representations:** You will make no representations about Herbalife Nutrition's products or business opportunity except in compliance with Herbalife Nutrition's [Rules](#) and applicable law.

**10. Conduct:** Herbalife Nutrition is a family-oriented business that expects its Distributors to conduct themselves with the highest ethics and integrity. You agree to do so.

## C. INTELLECTUAL PROPERTY AND CONFIDENTIAL INFORMATION

**1. Limited Revocable License:** You are hereby granted, during the term of your Distributorship, a limited, revocable license to use Herbalife Nutrition's trade name, logo, trademarks and certain intellectual property only to the extent expressly permitted under the terms of the Agreement or otherwise by Herbalife Nutrition in writing, and only in connection with the conduct of your Distributorship and for no other purpose.

**2. Confidential Information:** During the term of your Distributorship, you and your spouse or Life Partner will hold in strict confidence and trust for the exclusive benefit of Herbalife Nutrition any trade secrets, formulas, business plans, customer lists, Distributor information, or any other confidential or proprietary business information, and any other information of commercial value provided by Herbalife Nutrition ("Confidential Information"). You acknowledge and agree that you will not use Confidential Information, directly or indirectly, for any purpose other than the conduct of your Herbalife Nutrition Distributorship and you will take reasonable care to protect Confidential Information

**3. Use of Your Image:** You hereby authorize Herbalife Nutrition to record your image at Herbalife Nutrition events and you grant to Herbalife Nutrition a limited license to use your name, photograph, video image, personal story and information that you provide to Herbalife Nutrition, in Herbalife Nutrition promotional or other materials. You hereby waive all claims for payment for such use.

## D. MISCELLANEOUS LEGAL PROVISIONS

**1. Transfers:** Your Distributorship, or any interest in your Distributorship, may not be transferred or assigned unless authorized in writing by Herbalife Nutrition in its sole discretion as provided in the [Rules](#). You hereby give consent and confirm that Herbalife Nutrition may assign, in whole or in part, the Agreement without obtaining any other authorization from you.

**2. Non-Solicitation:** While you are a Distributor, neither you nor your spouse or Life Partner may solicit or promote the products or business opportunity of another multi-level marketing or direct-selling company to any Herbalife Nutrition Distributor, Preferred Customer or customer.

**3. Representations and Warranties:** You represent and warrant that you have not been convicted of a crime involving dishonesty, moral turpitude, or violence to others. You acknowledge and agree that you are applying to become a Herbalife Nutrition Distributor solely for the business opportunity and use of Herbalife Nutrition products and not for any other purpose.

**4. Damages:** Neither Herbalife Nutrition nor you shall be liable for any indirect, incidental, consequential or special damages of any kind, including without limitation any loss of goodwill, business opportunities, bargains, profit or revenues caused by breach, termination or suspension of this Distributorship Agreement, whether or not the possibility of such damages is known by either party.

**5. Waiver and Delay:** No failure, refusal or neglect of Herbalife Nutrition to exercise any right, power or option under this Agreement with you or any other Distributor shall constitute a waiver of the provisions or a waiver by Herbalife Nutrition of its rights at any time under the Agreement.

**6. Severability:** If any provision in the Agreement is found to be invalid, illegal, or unenforceable in any respect, it shall be severed from the Agreement and have no effect on the remainder of the Agreement, which shall remain in full force and effect. Further, there shall be added automatically as part of the Agreement a provision as similar as possible to the severed provision that would be legal, valid, and enforceable.

**7. Private Statute of Limitations:** Despite any law or equitable doctrine or authority to the contrary, any claim, whether brought by Herbalife Nutrition or by you, shall be brought within one (1) year from the date the person or entity asserting the claim first knew, or through the exercise of reasonable diligence should have known or suspected, the facts which underlie the claim.

**8. Choice of Law:** The Agreement, and any dispute arising from the relationship between you and Herbalife Nutrition, shall be governed by the laws of the Republic of South Africa without the application of conflict of law principles. Any such dispute shall be resolved exclusively in judicial proceeding in the competent court located in Johannesburg, Republic of South Africa.

**9. Indemnification:** You will indemnify, defend and hold Herbalife Nutrition harmless from any suit, action, demand, prosecution or claim, including all costs, liabilities and damages, relating to or arising from your breach of the Agreement or the conduct of your Herbalife Nutrition Distributorship. Herbalife Nutrition may, among other things, offset amounts you are owed to satisfy any obligations arising under this indemnity.

**10. Claims Between Distributors:** Herbalife Nutrition shall not be liable to you for any cost, loss, damage, or expense suffered by you directly or indirectly as a result of any act, omission, representation, or statement by another Distributor.

**11. Binding Terms:** The Agreement shall be binding upon and inure to the benefit of the parties, their heirs and permitted successors in interest.

**12. Credit Note:** You hereby give permission to issue credit note provided by SARS in respect of commissions earned.

## E. ELECTRONIC DISCLOSURE AGREEMENT

You agree that you have read and are bound by the terms of this Electronic Disclosure Agreement, and the Herbalife Nutrition Online Distributorship Agreement Terms and Conditions, which is fully incorporated herein by reference (hereinafter, the "Agreement").

### 1. ELECTRONIC DISCLOSURE NOTICE

You agree that all documents, including but not limited to, this Agreement, as well as all notices, disclosures and records (collectively, "Disclosures") relating to your account with Herbalife Nutrition may be sent to you electronically at the email address indicated by you in the account registration form or by viewing the Disclosures on Herbalife Nutrition's web site. Alternatively, Herbalife Nutrition may provide you with Disclosures via email or in the mail.

## 2. CONSENT TO ELECTRONIC DISCLOSURES

You agree to receive all Disclosures from Herbalife Nutrition electronically which Herbalife Nutrition may send to you by email or by posting the Disclosures on the internet.

## 3. WITHDRAWAL OF CONSENT TO ELECTRONIC DISCLOSURES

You may withdraw your consent to electronic Disclosures in the future at any time without charge. To withdraw your consent, you may contact Herbalife Nutrition calling at 27 (011) 554-1000 or write Herbalife Nutrition at Herbalife International South Africa, Ltd., Ground Floor, Building 32, Woodlands Office Park, Woodlands Drive, Woodmead, Gauteng, 2191, South Africa and indicate you wish to receive all future communications in writing. Herbalife Nutrition will send you a confirming notice once it has processed your change request.

## 4. TECHNICAL REQUIREMENTS FOR ELECTRONIC DISCLOSURES

To access Disclosures electronically and print copies of these Disclosures for your records, you must have internet access, as well as access to a printer. You confirm that you have access to the Internet and a printer or the ability to make hard copies of my information and records (the "Hardware").

Herbalife Nutrition uses a Secure Socket Layer (SSL) system that supports 128-bit encryption. In order to submit an Online Distributorship Application, you must have the hardware and/or software to support 128-bit encryption.

Please make a copy of this Agreement, including the Online Distributorship Application and Agreement for your records. You may also save an electronic copy of this document to your hard drive. Upon request, you may also obtain a copy of the foregoing by contacting Herbalife Nutrition by calling at 27 (011) 554-1000.

## 5. ONLINE DISTRIBUTORSHIP APPLICATION AND AGREEMENT

By completing the Online Distributorship Application and Agreement, which you can retrieve a copy of once your application is confirmed, you agree to be bound by the terms of the Herbalife Nutrition Online Distributorship Application and Agreement.

## 6. CONTACT INFORMATION

You agree to promptly notify Herbalife Nutrition of any changes in your address information by contacting Herbalife Nutrition calling at 27 (011) 554-1000, by writing to Herbalife International South Africa, Ltd., Ground Floor, Building 32, Woodlands Office Park, Woodlands Drive, Woodmead, Gauteng, 2191, South Africa, or by accessing one of Herbalife Nutrition's websites and changing your personal information.

## F. PERSONAL INFORMATION

Herbalife International South Africa, Ltd., Ground Floor, Building 32, Woodlands Office Park, Woodlands Drive, Woodmead, Gauteng, 2191, South Africa, collects, uses and shares certain personal identifiable information about you as set forth in the [Rules](#) and our [Privacy Policy](#), located at [https://www.myherbalife.com/ed/en-za/pages/public/privacy\\_policy.html](https://www.myherbalife.com/ed/en-za/pages/public/privacy_policy.html). It does so to fulfill its obligations under the Distributor relationship and for the other purposes described in the privacy statements referenced.

Your information may be used to send you materials necessary to the conduct of your Herbalife Nutrition business.

## G. IMPORTANT NOTICE REGARDING RIGHT OF CANCELLATION

**Please see section A3 which provides you with details of the Herbalife Nutrition 90-day Herbalife Nutrition Distributor Pack Refund. This contractual right is in addition to your statutory rights.**

**You have the right to cancel this contract within 14 days without giving any reason.**

**The cancellation period will expire after 14 days from the day of the conclusion of the contract.**

To exercise your right of cancellation, you must make a clear statement of your wish to cancel (e.g. by letter or email) to Herbalife Nutrition (contact details above).

You may wish to use the form provided, but it is not obligatory.

To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right of cancellation before the cancellation period has expired.

## NOTICE OF CANCELLATION

Only complete if you intend to cancel this contract

**Complete and return this form only if you wish to cancel the contract.**

To Herbalife International South Africa, Ltd., Ground Floor, Building 32, Woodlands Office Park, Woodlands Drive, Woodmead, Gauteng, 2191, South Africa, Tel: 27 (011) 554-1000: \_\_\_\_\_

I (Distributor's name) \_\_\_\_\_

Herbalife Nutrition ID number: \_\_\_\_\_ hereby give notice that I wish to cancel the Distributorship Application and Agreement contract dated: \_\_\_\_/\_\_\_\_/\_\_\_\_

Distributor's Address: \_\_\_\_\_

Distributor's signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

*To assist us in processing your request all fields are mandatory.*