



Frequently Ask Questions: Using Business Tools & Solicitation

Q1: What is a direct selling company?

A1: Direct selling is a business model that offers entrepreneurial opportunities to individuals as independent contractors to market and/or sell products and services, typically outside of a fixed retail establishment, through one-to-one selling, in-home product demonstrations or online. Compensation is ultimately based on sales and may be earned based on personal sales and/or the sales of others in their sales organizations.

Q2: Does the sale of digital products, including those with Master Resell Rights (MRR) or Private Label Rights (PLR) constitute direct selling?

A:2 Yes. These products and business tools, usually in the form of digital content (e.g., e-books, articles, videos, and graphics) that are marketed through affiliates are considered direct selling.

Q3: Can I promote my Herbalife business and another direct selling business on my social media page?

A3: No. This is considered mixing businesses. Distributors may not suggest through the promotion of any product or otherwise that Herbalife is associated with any other business activity, including selling digital content with MRR/PLR.

TAB Team members, please refer to question 4.

Q4: As a TAB Team member, what if, in addition to my Herbalife business, I pursue another direct selling business and keep them separate?

A4: When a Distributor reaches the TAB Team, they must sign a TAB Team Acknowledgment form before they can get paid a Production Bonus. TAB Team Production Bonus earners cannot be distributors or representatives of any other MLM or direct sales company.

If you pursue both businesses, you forfeit your rights to earn a Production Bonus.

Q5: Can I tag other Distributors on my social media pages where I promote the other direct selling business?

A5: No. This is considered cross-promoting and solicitation of other opportunities. Distributors may not promote other business opportunities to Distributors or Preferred Members. Distributors also may not sell or promote products from other MLMs or direct selling companies to Distributors or Preferred Members. Doing so may result in the termination of your Distributorship.

Distributors may not suggest through the promotion of any product or otherwise that Herbalife is associated with any other business activity, including selling digital content with MRR/PLR.

TAB Team members, please refer to question 4.



Q6: Can I promote both businesses on my Linktree?

A6: No. This is considered cross-promoting and solicitation of other opportunities. Distributors may not promote other business opportunities to Distributors or Preferred Members. Distributors also may not sell or promote products from other MLMs or direct selling companies to Distributors or Preferred Members. Doing so may result in the termination of your Distributorship.

Distributors may not suggest through the promotion of any product or otherwise that Herbalife is associated with any other business activity, including selling digital content with MRR/PLR.

Q7: As a sponsor, can I create courses and content to train my downline?

A7: Yes. You may choose to utilize business tools that Herbalife does not provide; however, anyone who buys such tools should only do so after being in the business for a reasonable amount of time and only if they firmly believe that the tools will support their business. Please also be reminded that:

- A Distributor is not allowed to make a profit off business tools shared with their downline.
- Business tools must comply with all Herbalife rules and applicable laws.
- Herbalife reserves the right to prohibit the sale or use of a business tool that violates its rules or the law or damages Herbalife's reputation or image.

Q8: What are the consequences if a Distributor violates the rules related to business tools and solicitation?

A8: Violations of these rules are a breach of the Distributor Agreement. If Herbalife determines that a Distributor has violated these rules, Herbalife has the sole and absolute discretion to apply sanctions as outlined in enforcement procedures, including but not limited to:

- Monetary sanctions
- Suspension of Distributor rights and privileges
- Disqualification from participation in the TAB Team Production Bonus program
- Termination of Distributorship