

Application and Agreement: The Herbalife Distributorship Application and Agreement and the entire contractual relationship between the Distributor and Herbalife, including the Sales and Marketing Plan, the Rules of the Road and other documents posted on MyHerbalife.com and contained in the Sales & Marketing Plan and Business Rules in the IBP.

Association: In a divorce, or dissolution of a Life Partner relationship, the combination of volume between the original Distributorship and the new, separate Distributorship of the divorced couple or the former Life Partners, for the purpose of earnings percentage calculation.

Business Tool: A sales aid not provided by Herbalife.

Claim: Any statement, story, image, or video about Herbalife[®] products, or the Herbalife business opportunity.

Club: Nutrition Club.

Commercial Club: A Club in a non-residential location.

Company: Herbalife of Canada, LTD

Customer: Preferred Customers and Retail Customers.

Distributor: An individual whose Herbalife Application and Agreement for Distributorship has been accepted and entered into Herbalife records.

Distributorship: A Distributor's Herbalife independent business.

Fee: Annual Distributor Services Fee which is charged by Herbalife for computer processing and other services provided to Distributors.

General Public: People whom a Distributor has not had prior personal contact with, in any manner.

Herbalife Intellectual Property: Herbalife copyrighted materials, trademarks, trade names, trade dress, and trade secrets.

Herbalife[®] Products: Includes all products sold by Herbalife and preparations made by Distributors using those products.

IBP or International Business Pack: An IBP is a Business Starter Kit for Herbalife Distributors.

Leads: Prospects for Herbalife[®] products or the Herbalife business opportunity.

Life Partner: A person designated by a Distributor as their Life Partner on the "Add Life Partner Request Form."

Lineage Reports: These reports contain information regarding other Distributors and Preferred Customers within a Distributor's downline, such as their name and contact information, their Herbalife Identification Number, and business metrics such as their level or rank, volume, and sales statistics.

Materials: Herbalife-produced literature and sales aids.

Nutrition Clubs: Nutrition Clubs provide a supportive community setting for people who wish to focus on good nutrition through the consumption of Herbalife® products.

Review Committee: The committee that reviews an appeal of a Distributor termination decision. Consists of an appointed representative from each of: the Sales Department, the Distributor Services Department and the Legal Department.

Rules of the Road: The Herbalife Distributors rules, policies, and advisories that Herbalife issues from time to time.

Sales & Marketing Plan: Outlines the specific milestones and benefits that Distributors can strive to achieve.

Sponsor: The Distributor who brings individuals into the Herbalife business and Preferred Customership Program.

Transferee: The Distributor to whom a Distributorship is transferred.

Transferor: The former Distributor who is transferring his or her Distributorship to another person.