



WHAT YOU EARN ON AFTER YOU
HAVE QUALIFIED TO EARN

Earn 25% to 50% Retail Profits off Earn Base from:

Customers

- a) New, Repeat and HN Rewards program participants
- b) Nutrition Club Consumptions

To document your sale to customers:

- ✓ Have customers order on your GoHerbalife website
 - ✓ Choose the “Customer Direct” option when placing your customer orders
 - ✓ Use the Point of Sales (POS) App – May accept ProPay, PayPal, Cash, Check or offline Credit Card (if you have an existing credit card processor) as you process your customers' orders
 - ✓ Create and manage receipts in the Customer area on MyHerbalife.com
 - ✓ Send in paper copies of your customer receipts with the required info
- ✓ = This way automatically documents a receipt, no further action is required.

80% Rule – We MUST Achieve the 80% Rule

Documented Volume + Primary Personal Consumption = 80%(+++)

- As long as 80% of U.S. Net Sales in a 12-month period is Primary Rewardable Volume (Documented Volume + Primary Personal Consumption) Herbalife Nutrition can set the payout on that volume to any level it likes
 - The Accumulate & Allocate (A&A) process is the mechanism Herbalife Nutrition will use to increase payouts on U.S. earnings to ensure Herbalife Nutrition pays out the same amount after May 2017 that it does today
 - If less than 80% of U.S. Net Sales in a 12-month period is Primary Rewardable Volume Herbalife Nutrition can only pay out on Primary Rewardable Volume AND then can only increase payout to 110% of 2015 levels resulting in total payouts being reduced
- Document ALL sales and correctly place your Personal Consumption Order choosing Personal Consumption

Earn 8%-25% Wholesale Profits From:

Your downline not at 50%

Charter Preferred Members & Preferred Members at 25%-42%.

What You Earn On:

Each month ALL of the volume from the downline that contributes to your volume is put into a Wholesale Bucket. Then the volume is divided into Wholesale Primary Rewardable Volume and Secondary Rewardable Volume buckets.

For you to earn your full Wholesale Profit, 2/3 of the Wholesale Primary Rewardable Volume pot must be Documented Volume.

YOU only need to be at a higher discount level than your downline Herbalife Nutrition Independent Distributor. There is NOT a Documented Volume requirement to “Qualify to Earn” Wholesale Profit.

Wholesale Profit Rewardable Volume Buckets

Purchases from Downline that Contribute to Your Volume

Wholesale Primary Rewardable Volume

Documented Volume
(must be 2/3 of the total PRV)

+

Primary Personal Consumption

Documented Volume divided by the
Total Primary Rewardable Volume
= % of Documented Volume

Wholesale Secondary Rewardable Volume

Non-Documented Volume

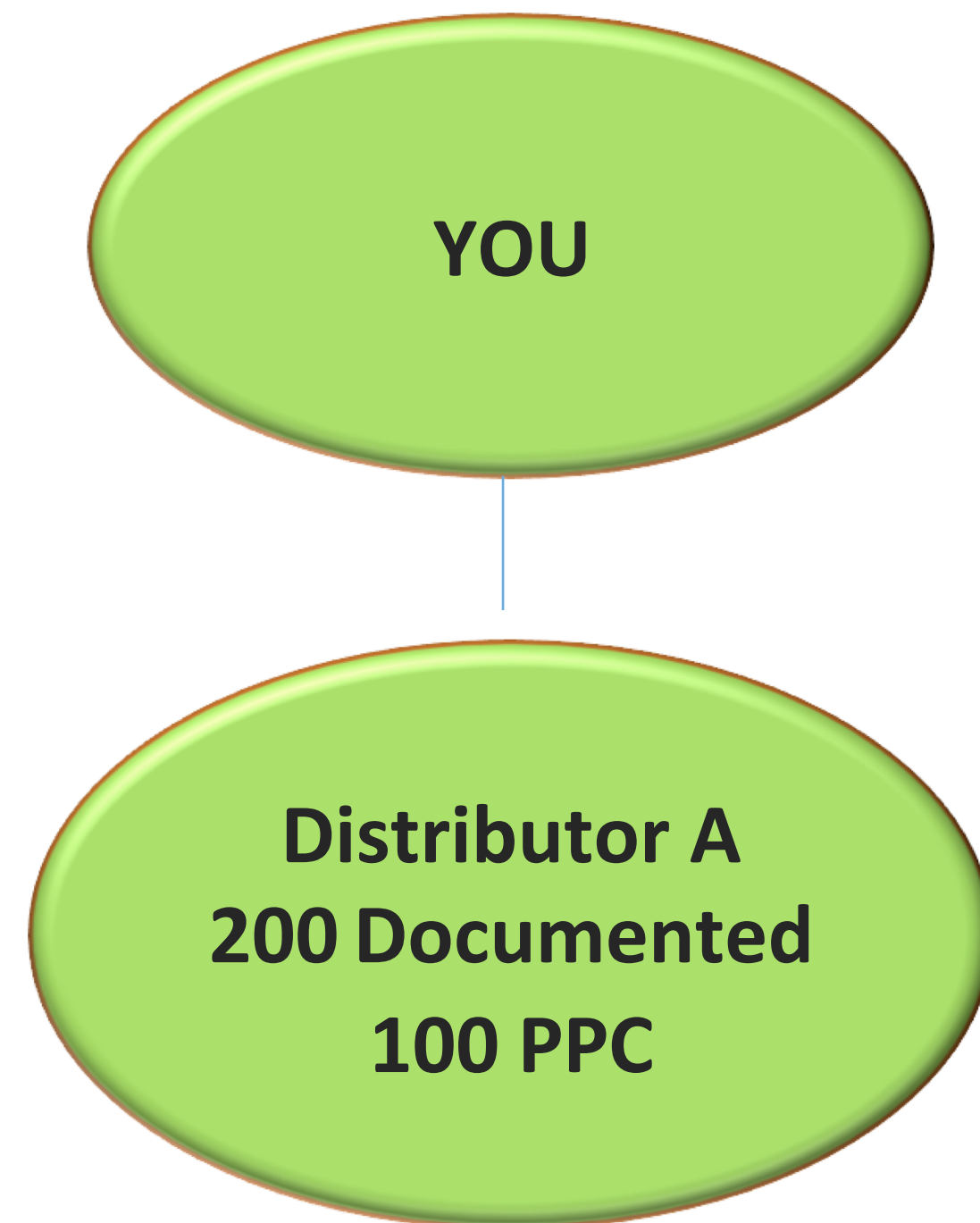
+

Secondary Personal Consumption

Paid out using A&A process

Each month, if the Documented Volume is not 66.66% then some of the Primary Personal Consumption (until the Documented Volume % is 66.66%) **must be Rolled Up** to the first Wholesale Profit earner who meets the 2/3-1/3 rule.

Wholesale Profit Example 1: One Contributor to Wholesale Bucket



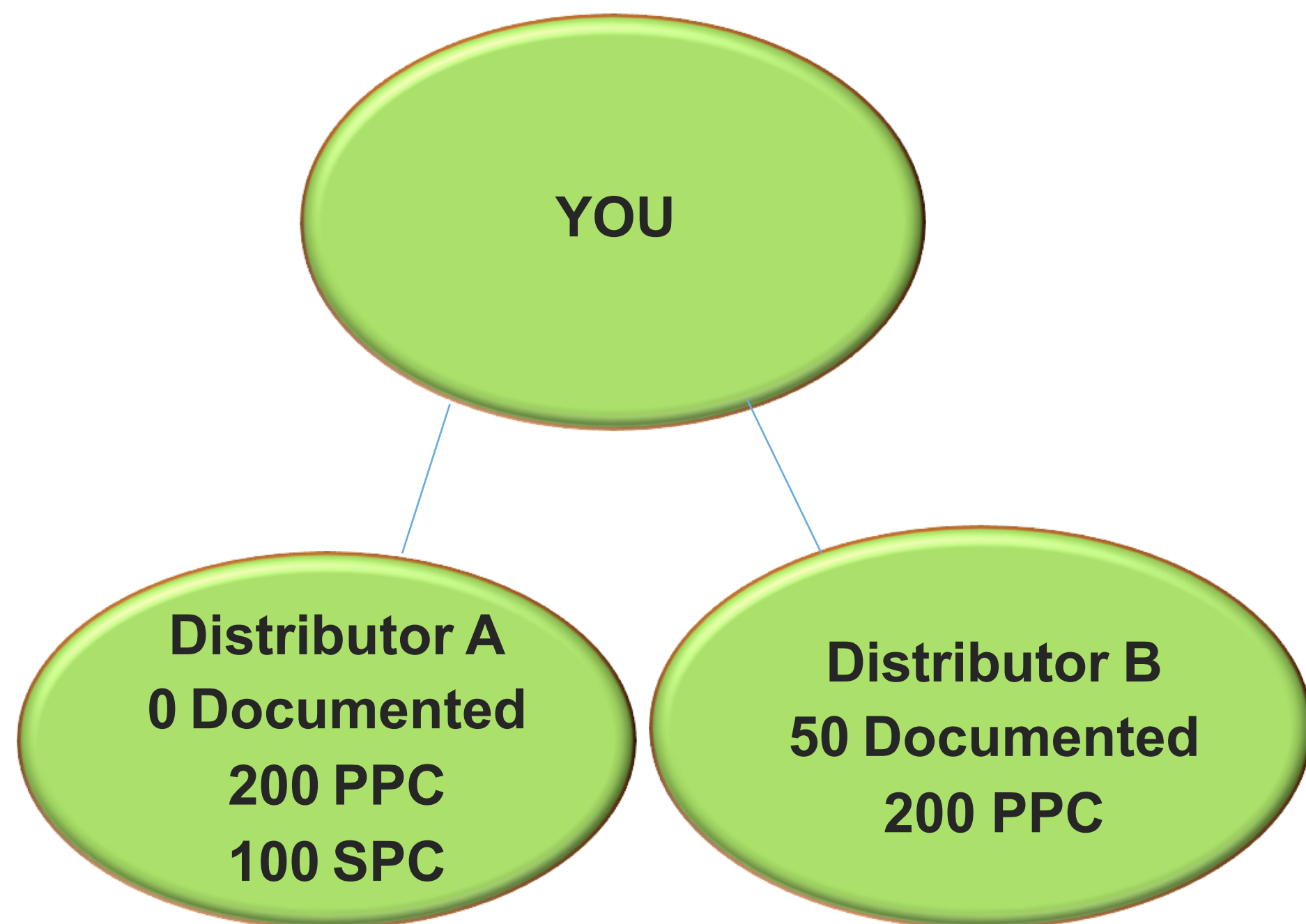
Total Wholesale Documented Volume from Downline = 200
Total Wholesale Primary Personal Consumption (PPC) from Downline = 100
Total Wholesale Volume Bucket from Downline = 300

Math Equation used with the Wholesale Volume Bucket:
Documented Volume Total Volume Documented Volume (200)
Total Volume (300) = 66.66%

**66 2/3 requirement is met therefore NO adjustment to
Primary Rewardable Volume is necessary and FULL
Wholesale Profits will be paid.**

Primary Personal Consumption from Downline Rolled UP = 0
Primary Rewardable Volume Earned on from Downline = 300

Wholesale Profit Example 2: Two Contributors to Wholesale Bucket



Total Wholesale Documented Volume from Downline = 50
Total Wholesale Primary Personal Consumption from Downline = 500
Total Wholesale Volume from Downline = 550

Math Equation used: Documented Volume Total Volume

Documented Volume (50) Total Volume (550) = 9%

9% is 57.66% short of the required 66.66% therefore:

For payout: Wholesale Primary Personal Consumption Volume will be adjusted to 25* to make the Wholesale Primary Rewardable Volume category equal the 66.66% required Documented Volume.

***Quick computation: Take ½ of the Documented Volume amount and that will be the Primary Personal Consumption amount allowed.**

Secondary Personal Consumption (SPC) from Downline = 100
(Paid out from the Wholesale Secondary Rewardable Volume Bucket)

Primary Personal Consumption from Downline Rolled UP = 375
Primary Rewardable Volume Earned on from Downline = 75

Earn Royalty Overrides and Production Bonuses from:

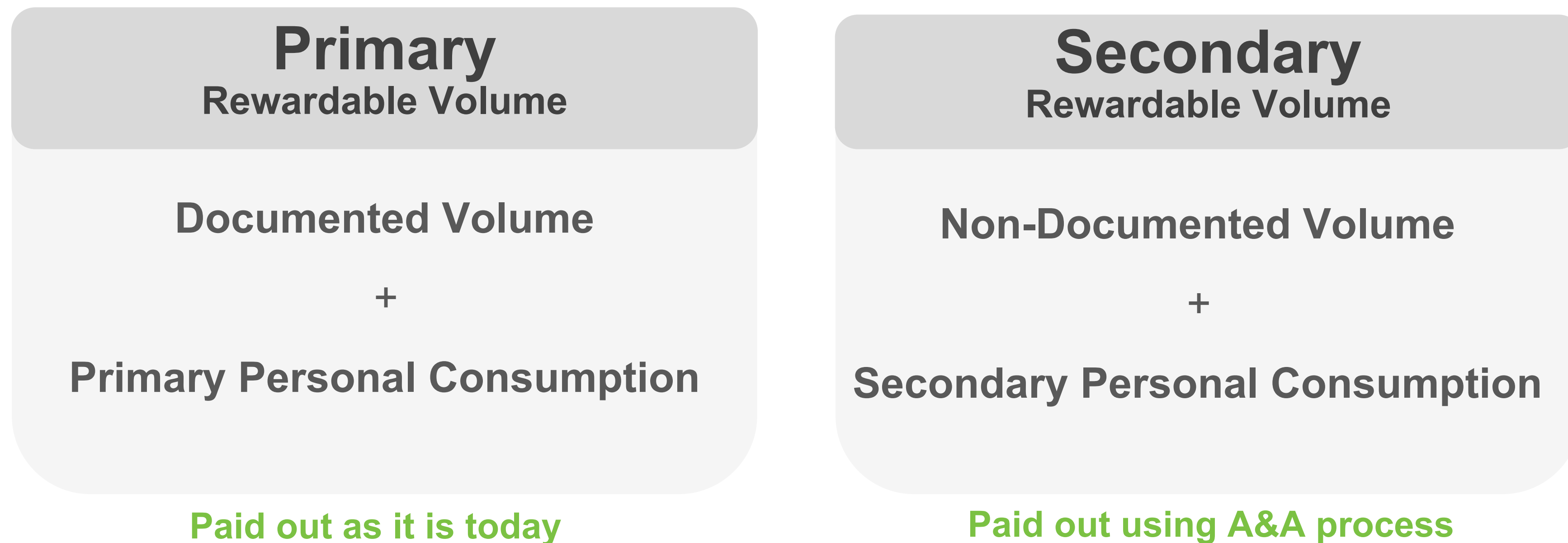
Your Supervisors at 50% & Chartered Preferred Members at 50%

Royalties & Bonuses - “What You Earn On”:

- ✓ Royalty Points for earnings will continue to be calculated on the first three active levels of downline Supervisors (Roll-ups are still in effect)
- ✓ Each month ALL of the U.S./PR volume from your organization that you have qualified to earn Royalty Overrides and Bonuses on is divided into two buckets:
 - Primary Rewardable Volume – paid out using existing payout process
 - Secondary Rewardable Volume – paid out using Accumulate & Allocate process
- ✓ Each month ALL of the foreign (outside the U.S./PR) volume from your organization that you have “Qualified to Earn” Royalty Overrides and Bonuses on will be paid out using the existing payout process

Royalty Override and Production Bonus Rewardable Buckets

Organizational Volume



Each month, if your organization's Documented Volume is not 66.66% then some of the Primary Personal Consumption (until the Documented Volume % is 66.66%) must be moved to Secondary Personal Consumption where you are eligible to earn on it based on your ranking for Documented Volume in the U.S. that month. It all gets paid out on when we reach the 80% threshold.

✧ If You Don't Remember All This, Don't Worry...

- ✓ Remember that Herbalife Nutrition will be tracking your qualifications and eligibility to earn for you.
 - Use MyHerbalife to see the new “My Volume” and BizWorks reports including the new “Linear View Plus” report and more. Throughout the month, you can track the volume on which you are eligible to earn and how you and your organization are tracking toward Qualifying to Earn.
- ✓ Remember to document ALL your retail sales and teach every Distributor in your organization to do the same.

✧ Keys to Earning and Growing Our Check:

- ✓ Build a Strong Customer & Preferred Member Base.

Distributor Action Promotion (DAP)

5-7+ New Clients Each

Month Get, Keep, Develop...

HN Rewards program participants, CPM & Preferred
Members, Distributors that Work the DAP

- ✓ Build a Strong Distributor Base of Distributors that are immediately ready to build a Strong Customer, Preferred Member & Distributor Base