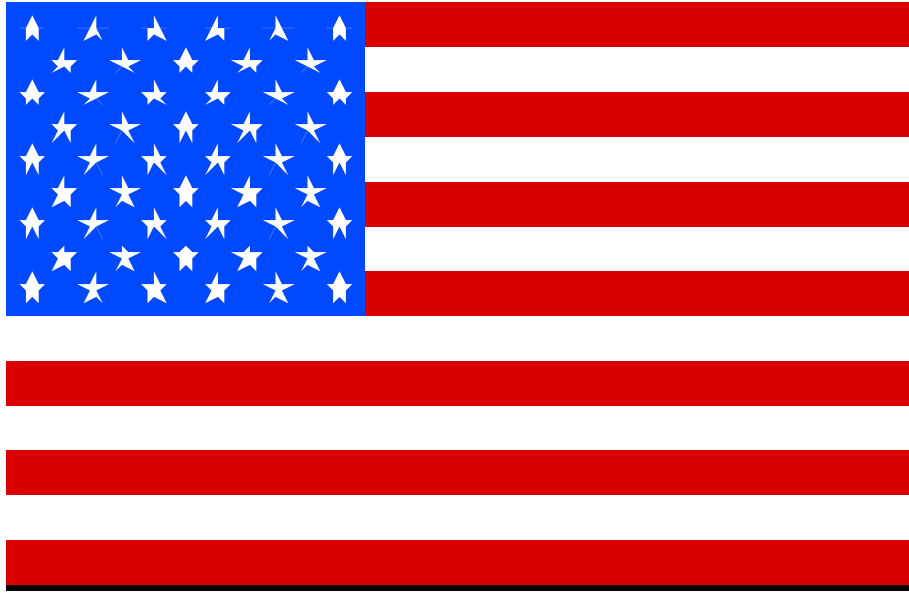


Business Information



*United States
of
America*



“Herbalife is more than a business to me. It is truly a way of life. My hope is that Herbalife will be as meaningful for you as it has been for me and so many hundreds of thousands of others.”

Mark Hughes

Congratulations and Welcome!

You are about to embark on a journey that can change your life for the better.

I sincerely believe that you can attain all your goals and dreams with Herbalife as your vehicle. Together we can help people achieve happier, healthier lives and attain personal freedom and financial independence.

Our products are not about change for a day, but change for life. Our business is all about putting you in charge of your time, your income and your dreams. Not for an hour, a day or a week. But for a lifetime.

As an Herbalife Distributor, there are virtually no risks. Do you know that the average small business costs thousands of dollars to start? Or that most new businesses fail within the first year! With Herbalife we've taken the worry out of operating your own business. For you there's no inventory, no employees, no overhead and no up-front investment, except for your International Business Pack. There are none of the usual headaches associated with running a small business.

You don't need any previous experience or special skills, apart from a willingness to work and a desire to learn. You will not be alone. Your sponsor and upline organization will work with you and teach you how to start earning money immediately. Through your own efforts plus the support and encouragement of the whole Herbalife organization, you have everything you need to succeed! Herbalife is turning dreams into reality for thousands of people just like you!

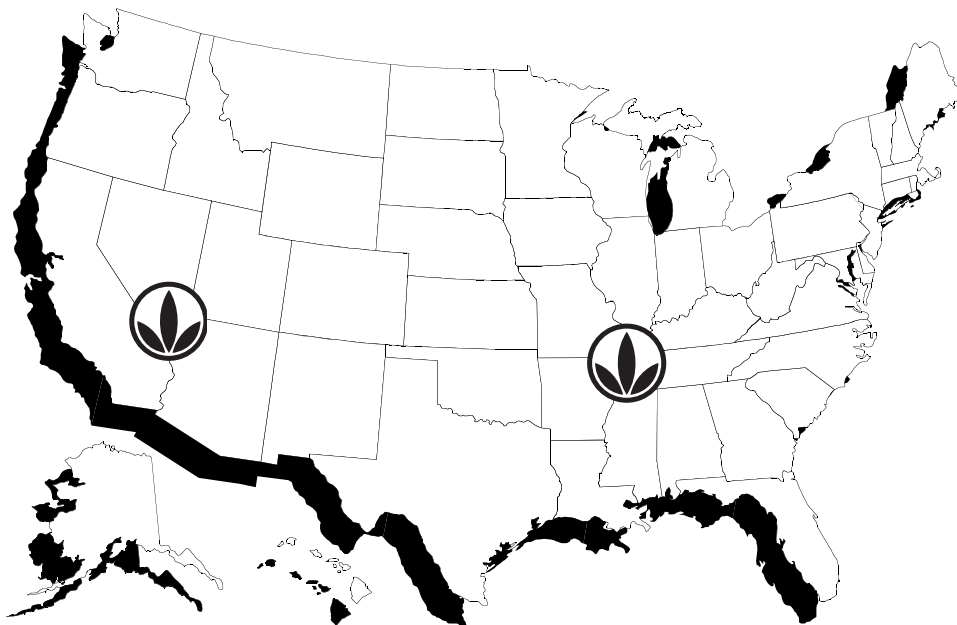
Good Luck!

**Mark Hughes
President and Founder**



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How May We Assist You?



The Telephone & Fax Numbers Below Are For Distributor Relations And Sales Order Only. See "Placing Orders" Section For L.A. and Memphis Distribution Center Information.

CORRESPONDENCE

HERBALIFE INTERNATIONAL OF AMERICA, INC.	
Sales Order Center P.O. Box 80210 Los Angeles, California 90080-0210 United States of America	
	Distributor Relations 9800 S. La Cienega Blvd. Inglewood, CA 90301 United States of America

SALES ORDER CENTER
 Monday-Friday: 5:00 am-7:00 pm (Pacific Time)
 Saturday: 6:00 am-2:00 pm (Pacific Time)

DISTRIBUTOR RELATIONS DEPARTMENT
 Monday-Friday: 6:00 am-6:00 pm (Pacific Time)
 (Korean, Russian & Temporary 50% Lines
 Mon-Fri: 8:30 am-5:30 pm)

English Line:
 (310)216-7770

Spanish Line:
 (310) 348-8513

24 Hour Automated Line ("Herbie"):
 (310) 568-0532

HAP Order Line:
 (310) 216-2556

24 Hour Automated HAP Line ("Happy"):
 (310) 258-7056



English Line:
 (310) 216-9661

Spanish Line:
 (310) 215-0686

Korean Line:
 (310) 410-1214

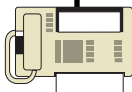
Russian Line:
 (310) 410-1766

Temporary 50% Hotline:
 (310) 216-6005

SALES ORDER CENTER FAXES

DISTRIBUTOR RELATIONS FAX

Sales Order: (310) 216-5160
HAP: (310) 216-6056
 24 Hours a Day,
 7 Days Per Week



(310) 258-7019
 24 Hours a Day,
 7 Days Per Week

Pacific Time





How To Do Business USA



How to Become a Distributor:

IT'S EASY TO BECOME AN INDEPENDENT HERBALIFE DISTRIBUTOR! All you need to do is purchase an **International Business Pack (Distributor Kit)** from an Herbalife Distributor. Please note that the Distributor whose name is written in the Sponsor box on the application becomes your permanent Sponsor. The International Business Pack contains everything you need to help you get started in the business, including the Distributor Application.

You should immediately complete the Distributor Application included in your Kit, date and sign the application, and return it to the mailing address listed in the upper left hand corner of the Application (please refer to the instructions on page -6-). Keep the Herbalife registration card with you at all times, since it includes your permanent Herbalife Identification number, and immediately identifies you as an Independent Herbalife Distributor. You officially become an Independent Herbalife Distributor when your completed application form has been accepted and processed by Herbalife. This process only takes a few days. Once the processing of your application is completed, your Distributorship becomes active, giving you all the rights and obligations of an Independent Herbalife Distributor.



Placing Orders:

As soon as you have become a Distributor, you may purchase from your Sponsor, your first upline Supervisor, or directly from Herbalife. Once you qualify as an Herbalife Supervisor you must always purchase directly from Herbalife.

There are several convenient methods you may use to place an order directly with Herbalife: telephone(including automated), mail, fax or directly at an Herbalife Distribution Center. All orders will be shipped on the next business day, whenever possible, if all moneys have cleared.

Please remember that our ordering process is computerized, so once you complete your order it cannot be adjusted or altered in any way. Therefore, no matter what method you choose to place your order, it is important that you **prepare your order in advance to ensure accurate and speedy processing.** All Orders must be paid in full, confirmed and processed for us to release the order. Please always have the following information readily available.

Information To Have Ready When Ordering

1. Your name and Herbalife identification number.
2. The name and identification number of your Sponsor, Upline Fully Qualified Supervisor and Upline Qualifying Supervisor (if applicable).
3. The shipping method, "Ship To" address (*including zip code, city and state*), recipient's name and corresponding telephone number.
4. Your discount percentage.
5. Your method of payment and appropriate details (i.e.: credit card number, expiration date, APS PIN number, etc.).
6. The stock number(s), descriptions and quantity of the item(s) you are ordering.
7. All calculations (prices, discounts, volume points, and taxes of the city/county/state to which you are shipping--*please have the correct zip code available*).


**** Please refer to the latest U.S. price list. ****




SAMPLE DISTRIBUTOR APPLICATION

REGISTRATION CARD

is an authorized independent Distributor with



I.D. No.: **SAMPLE** Valid Until _____
Mo / Day / Year



HERBALIFE INTERNATIONAL OF AMERICA, INC.
9000 S. La Cienega Boulevard
P.O. Box 80210
Los Angeles, California 90080-0210
Tel: (310) 410-9600
Order Department Tel: (310) 216-7770
Distributor Relations Tel: (310) 216-9661

APPLICATION FOR INTERNATIONAL DISTRIBUTORSHIP

Application must be completed accurately and in its entirety in order to be considered by Herbalife International of America, Inc.

IDENTIFICATION NUMBER

SAMPLE

The number above becomes your permanent Herbalife I. D. number

APPLICANT INFORMATION

2 Last Name _____ First Name _____ Middle Initial _____

3 Street Address (P.O. Box / Rural Route Number) If P.O. Box indicated, Legal Residence Address must be completed below. _____

4 City _____ State _____ ZIP Code _____

5 Country Code _____ Area Code _____ Day Phone _____ Country Code _____ Area Code _____ Evening Phone _____ Country Code _____ Area Code _____ FAX _____

6 Country of Permanent Legal Residence _____ Date of Birth (month - spelled out) _____ (day) _____ (year) _____ 7 Applicant's U.S. Social Security Number* _____

8 Spouse's Last Name (if co-applicant) _____ First Name _____ Middle Initial _____

9 c/o - in care of name (if applicable) If completed, Legal Residence Address must be completed below. _____

10 Language Preference (Please check one): English Spanish *Required if working in the U.S.

11 Have you or your spouse previously been Herbalife Distributors? Please check one: YES NO If yes, please provide your previous Distributorship I.D. Number / Name _____

12 Expiration date of previous Distributorship (must be at least 12 months prior) _____

LEGAL RESIDENCE ADDRESS (IF DIFFERENT FROM ABOVE)

12 Street Address (cannot be a P.O. Box) _____

City _____ State _____ ZIP Code _____

Country _____ Country Code _____ Area Code _____ Phone Number _____

SPONSOR'S INFORMATION	SUPERVISOR'S INFORMATION	Name of applicant and your upline Sponsors and 1st upline Supervisor. Please Print.
Sponsor's Name (print) 13 _____	Supervisor's Name (print) 14 _____	Applicant: _____ 15
Street Address _____	Street Address _____	Herbalife I.D. Number: _____
City _____ State _____ ZIP Code _____	City _____ State _____ ZIP Code _____	1st Sponsor: _____ 16
Country _____	Country _____	Herbalife I.D. Number: _____
Telephone Number _____	Telephone Number _____	2nd Sponsor: _____ 17
Sponsor's I.D. Number _____	Sponsor's I.D. Number _____	Herbalife I.D. Number: _____
		Supervisor: _____ 18
		Herbalife I.D. Number: _____

NOTICE

19 APPLICANT: By executing this application, Distributor acknowledges that he/she has reviewed the terms and conditions on the reverse side of this application and agrees to be bound by them.

20 Dated at _____ City, State, Country _____ on _____ Month, Day, Year _____

21 Applicant's Signature: _____ Spouse's Signature: _____ Spouse's Social Security Number _____

Distributor: White; Herbalife's Copy Pink; Sponsor's Copy Blue; Supervisor's Copy Gold; Applicant's Copy
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Instructions For Completing Your Distributor Application...

It's Simple!

(See Corresponding Numbers In Black Boxes On The Sample Application above)

1. This is where your Herbalife Distributor ID Number is located. Please keep the Registration Card that accompanies your Distributor application with you at all times. You may also use this number to place orders until your Distributor Application is processed.
2. Your last name, first name and middle initial (this will be the name of your Distributorship, which must be in the name of an individual).
3. Your address. All correspondence and future earnings will be mailed to this address.
4. Your day telephone number, evening telephone number and fax numbers.
5. Your country of permanent legal residence.
6. Your date of birth (please spell out the month).
7. Your US Social Security number (if applicable).
8. Your Spouse's name (if you would like it to appear in our system as part of your Distributorship).

9. In Care of Name (if applicable).
10. Your language preference.
11. If you or your Spouse have been Herbalife Distributors in the past, please list the expiration date and ID number of your former Distributorship here (it must have expired over 12 months ago unless you are signing up again under your original sponsor).
12. Your legal address (if different from the above mailing address #3), for any applicable tax purposes.
13. Your Sponsor's name, address, telephone number and Herbalife ID number. This information is crucial to properly establish your Distributorship.
14. Your first upline Fully Qualified Supervisor's name, address, telephone number and Herbalife ID number. This information is crucial to properly establish your Distributorship. If your Sponsor is your first upline Fully Qualified Supervisor, repeat the information in box 11, here.
15. Your name and Herbalife ID number.

16. Your Sponsor's name and Herbalife ID number.
17. Your 2nd Sponsor's name and Herbalife ID number (this will be your Sponsor's Sponsor).
18. Your first upline Fully Qualified Supervisor's name and Herbalife ID number (this may be the same as your Sponsor if he/she is a Fully Qualified Supervisor).
19. The city, state, country and date at which and on which you are signing this Distributor Application.
20. Your signature (required).
21. Your Spouse's signature (required if box 8 is completed).
22. Your Spouse's US Social Security number (if applicable).
23. This is the Registration Card that accompanies your Distributor Application. Please keep this card with you at all times, as once your application is processed, this will become your Herbalife ID number.



PAID **Accepted Methods Of Payment:** **PAID**

All Orders must be **paid in full, processed and accepted** for us to release the order. The following methods of payment are acceptable:

■ **Credit Cards** - Visa, MasterCard, American Express (dollar amount is at Amex discretion, mostly under \$200) & Discover. The credit card must be in the name of the purchaser. Credit cards may be used for telephone (including automated), fax, mail and walk-in orders.

■ **Automatic Payment System (APS)** - If you have been a Fully Qualified Supervisor for at least 30 days; approved applications (available through the Sales Order Center or Distributor Relations Departments) must be on file at headquarters, and you must have a 4 digit Personal Identification Number (PIN). This system automatically deducts the amount of your order from a designated bank account. APS may be used for telephone (including automated), fax, mail and walk-in orders.

■ **Guaranteed Checks** - Cashiers Checks, Travelers Checks and Money Orders, which must be made out to Herbalife International of America, Inc., and in U.S. Dollars only. Guaranteed checks may be used for mail and walk-in orders only.

■ **Personal Checks** - *You must be a Fully Qualified Supervisor for 30 days or more to be eligible to use personal checks (checks must be drawn on a U.S. Bank).* Supervisors may use personal checks only for their own orders or orders for their downline Distributors. All personal checks must be preprinted with the Fully Qualified Supervisor's name. Postdated and third-party checks will not be accepted. **The daily check writing limit is \$5,000.** You must also note your Herbalife ID Number and order number (if available) on your check. Checks may be used for mail and walk-in orders only.

■ **Wire Transfer** - Your order may be paid by wire transfer to Herbalife's bank account (shown above right); it must be a bank-to-bank transaction. **Please note that products will not be shipped/released until your wire transfer has been received, confirmed and processed.** You must reference your Herbalife ID Number and order number with your transfer. Wire transfers may be used for telephone (including automated), fax or mail orders.

■ **Cash** - U.S. Dollars only. Cash may be used for walk-in orders only.

Please do not mail cash! Please remember to include the applicable sales tax in your payment, based on the retail total and the sales tax rate in effect where the products are to be received. Please note that when calculating your taxes for the Six Pack Distributor Kits (Stock #4999 & #5531), you are getting six for the price of five, but **each of the six Kits** is subject to tax on their individual retail value.

WIRE TRANSFER INFORMATION	
Beneficiary:	Herbalife International of America, Inc.
Bank Name:	Bank One, N.A.
Location:	1 Bank Plaza Chicago, IL 60670
Account Number:	09-25461
ABA Number:	071-000013
Additional Info:	Purchaser's Name, Herbalife ID Number & Orderr Number.



Telephone Orders:



To place your order by telephone, please have your order completed and the information listed on page -5- readily available before calling. Again, this will help ensure speedy and accurate processing of your order, as we are unable to place orders on hold awaiting information.

You may pay for telephone orders by:

- **Credit Cards - VISA, Mastercard, American Express and Discover ***
- **Wire Transfers**
- **Automatic Payment System (APS)**

** Please refer to the "Accepted Methods of Payment" section for limitations.*

Herbalife strives to provide you with the most flexible and efficient telephone ordering system available. Our Sales Order Center features separate English and Spanish Sales Order lines; a dedicated group to speedily take your HAP orders; and 24 hour, 7 days per week **automated** ordering lines for Sales Order and HAP. The Sales Order Center is open 14 hours a day Monday-Friday, 8 hours on Saturday, and may be reached at the numbers listed on the next page.



SALES ORDER CENTER
Monday-Friday: 5:00 am-7:00 pm (Pacific Time)
Saturday: 6:00 am-2:00 pm (Pacific Time)

English Line:
(310) 216-7770
Spanish Line:
(310) 348-8513
24 Hour Automated Line ("HERBIE"):
(310) 568-0532
24 Hour Automated Line ("HAPPY"):
(310) 258-7056
HAP Order Line:
(310) 216-2556



Mail Orders:



You may mail your fully completed orders directly to Herbalife at the address listed below. Please be certain that the order form is completed in full and payment is enclosed, as missing or incomplete information will cause processing and shipping delays. Please be certain to designate the shipping method in the Shipping Instructions box on the order form. You may pay for mail orders by:

- Credit Cards - VISA, Mastercard, American Express and Discover *
- Wire Transfers
- Automatic Payment System (APS)
- Guaranteed Checks
- Personal Checks *

* Please refer to the "Accepted Methods of Payment" section for limitations.

VIA REGULAR MAIL

Herbalife International of America, Inc.
Attn: Sales Order Center
P.O. Box 80210
Los Angeles, CA 90080-0210
United States of America

VIA EXPRESS SERVICES (EG: FEDERAL EXPRESS & EXPRESS MAIL)

Herbalife International of America, Inc.
Attn: Sales Order Center
9800 S. La Cienega Blvd.
Inglewood, CA 90301
United States of America



Fax Orders:



You may fax your order(s) directly to our office at the numbers listed below. Please be sure that the order form is completed in full, listing the type of payment, as missing information will cause processing and shipping delays. Please be certain to designate the shipping method in the Shipping Instructions box on the order form. You may pay for fax orders by:

- Credit Cards - VISA, Mastercard, American Express and Discover *
- Wire Transfers
- Automatic Payment System (APS)

* Please refer to the "Accepted Methods of Payment" section for limitations.

SALES ORDER CENTER FAXES

Sales Order: (310) 216-5160
HAP: (310) 216-6056
24 Hours a Day,
7 Days Per Week



Walk-In Orders:



If you are located near Los Angeles, California or Memphis, Tennessee, the fastest way to receive product(s) is to place and pay for your order in person at one of our Distribution Centers. The addresses of our U.S. Distribution Centers are listed on the next page for your reference. **All shipping inquiries should be directed to our Order Support and Audit Group**, they can be reached at the number listed under the section entitled "Shipment Inquires" on page -9-. All mail, telephone and fax orders should be directed to the address and numbers listed under "Mail Orders", "Telephone Orders" and "Fax Orders." All other inquiries should be directed to our Distributor Relations Department. You may pay for walk-in orders by:

- Credit Cards - VISA, Mastercard, American Express and Discover *
- ATM Debit Card
- Guaranteed Checks
- Personal Checks *
- Cash - U.S. Dollars only

* Please refer to the "Accepted Methods of Payment" section for limitations.

LOS ANGELES DISTRIBUTION CENTER (LADC)
Monday-Friday: 9:00 am-6:00 pm (Pacific Time)
Saturday: 9:00 am-5:00 pm (Pacific Time)

ADDRESS:
930 E. 233rd Street
Carson, California 90745

Telephone: (310) 952-0100

MEMPHIS DISTRIBUTION CENTER
Monday-Friday: 9:00 am - 6:00 pm (Eastern Time)

ADDRESS:
3580 E. Raines Road
Memphis, Tennessee 38118

Telephone: (901) 795-5056

Please note that you must present a picture ID when picking up your order. If you place your order through our Sales Order Center for pickup at one of the Distribution Centers, and someone other than yourself will be picking up your order, please specify that individual's name when placing your order, and please ensure they are prepared to present a picture ID when picking up the order. You or the party picking up the order must have the purchaser's Herbalife ID number

Packaging & Handling Charge

and Order number with you.
In order to accommodate the costs associated with packaging, handling and marketing, be sure to add 7% packaging and handling charge to the full retail price of all

Tax Information

product and art of promotion orders.
Please be certain to add to your order the appropriate sales tax, based on the exact location (city) where the order is being shipped.

Note: Will Call (Pick-Up) orders are taxed on the location of the Herbalife Distribution Center.

Shipment Inquiries

For shipment inquiries, please contact our Order Support and Audit group at the following numbers:

ORDER SUPPORT & AUDIT GROUP
Monday-Friday: 8:30 am-5:30 pm (Pacific Time)

Telephone: (310) 216-6055
Fax: (310) 557-3966

The following states have their shipments sent from the Distribution Center noted in parentheses:

Alabama-(Memphis)	Nebraska-(Los Angeles)
Alaska-(Los Angeles)	Nevada-(Los Angeles)
Arizona-(Los Angeles)	New Hampshire-(Memphis)
Arkansas-(Memphis)	New Jersey-(Memphis)
California-(Los Angeles)	New Mexico-(Los Angeles)
Colorado-(Los Angeles)	New York-(Memphis)
Connecticut-(Memphis)	North Carolina-(Memphis)
Delaware-(Memphis)	North Dakota-(Los Angeles)
DC-(Memphis)	Ohio-(Memphis)
Florida-(Memphis)	Oklahoma-(Memphis)
Georgia-(Memphis)	Oregon-(Los Angeles)
Guam-(Los Angeles)	Pennsylvania-(Memphis)
Hawaii-(Los Angeles)	Puerto Rico-(Memphis)
Idaho-(Los Angeles)	Rhode Island-(Memphis)
Illinois-(Memphis)	South Carolina-(Memphis)
Indiana-(Memphis)	South Dakota-(Los Angeles)
Iowa-(Memphis)	Tennessee-(Memphis)
Kansas-(Los Angeles)	Texas*-(Los Angeles)
Kentucky-(Memphis)	Texas**-(Memphis)
Louisiana-(Memphis)	Utah-(Los Angeles)
Maine-(Memphis)	Vermont-(Memphis)
Maryland-(Memphis)	Virginia-(Memphis)
Massachusetts-(Memphis)	Virgin Islands-(Memphis)
Michigan-(Memphis)	Washington-(Los Angeles)
Minnesota-(Los Angeles)	West Virginia-(Memphis)
Mississippi-(Memphis)	Wisconsin-(Memphis)
Missouri-(Memphis)	Wyoming-(Los Angeles)
Montana-(Los Angeles)	

US Military

Africa-(Memphis)
Ctl/Sth America-(Memphis)
Atlantic Ships-(Memphis)
Europe-(Memphis)

US Military

Med Ships-(Memphis)
Middle East-(Memphis)
Pac Rim-(Los Angeles)
Pacific Ships-(Los Angeles)

**Only El Paso, Laredo & San Antonio*

***Except El Paso, Laredo & San Antonio*





Shipping Information



Shipping Procedures

All orders will be shipped on the next business day, whenever possible, if all moneys have cleared. You must indicate the method of shipment as applicable, i.e. air, U.P.S., motor freight, etc. on each order.

Shipping Procedures

Selecting the right method of shipment for your order is an important decision. You will want to keep the freight cost as low as possible, and at the same time get the best results in terms of service. The decision must be based on distance, weight and size of the order, and how rapidly you want it delivered. You should call the various freight carriers in your area for rates and service details. However, here is some general information on how they work:

United Parcel Service-UPS:

■UPS Ground service typically takes 3-5 working days for delivery. It is recommended that someone be available at the "Ship To" address to accept the shipment (you may wish to address your shipment to your neighbor, friend, relative, etc.).

■UPS allows a maximum weight of 150 lbs. per box.

■When your shipment consists of several boxes, they might not all be delivered at the same time. If this happens, simply allow 2 additional working days for the balance of the shipment to be delivered.

■All orders to be shipped via UPS Ground service are shipped from our Los Angeles or Memphis Distribution Centers freight prepaid. When you request UPS Ground, please be certain to add 3% of the total **retail value** of your order (\$5 minimum) to cover shipping costs. Examples: For an order with a retail value of \$400, multiply \$400 by .030 (3%), which would equal \$12. For an order with a retail value of \$110, multiply \$110 by .030 (3%), which would equal \$3.30; however, since the minimum charge is \$5 you would add \$5 to your order.

Motor Carrier:

■When your order weight exceeds 100 lbs., you may want to consider a motor carrier. Generally, you will pay for a minimum of 100 lbs. of freight.

■All motor carrier shipments are made on a freight collect basis.

■Shipping times will range from overnight delivery to 5 or more working days, depending on shipping distance.

■Door-to-door service is provided to most locations, or, upon request at an additional charge, the shipment may be held at the dock for pickup. If door-to-door service is requested, there must be someone available at the "Ship To" address to accept the shipment, so you may wish to address your shipment to a neighbor, friend, relative, etc. Generally, the complete shipment is delivered at once.

■The heavier the shipment, the lower the freight rate per pound. For more detailed information, please call your local motor carrier.

Air Shipping:

■Special rates are available for almost any shipment size, but when your order weighs over 200 lbs., it may be to your advantage to consider the delivery time and the possible cost savings. The air freight industry is becoming very cost competitive with ground.

■Freight transportation, and convenient special freight cost programs are available through most airlines.

■All air shipments are made on a freight collect basis, and offer the fastest means of transportation.

■Weekend service is available at most major airports.

■Air containers have special rates. When using this method remember that the total cubic footage cannot be 100% utilized due to the variance of product dimensions.

■Please specify the airport of destination; otherwise the airline will ship to the airport closest to the "Ship To" address.

Air and Motor Carrier/Cargo Insurance:

Herbalife recommends that you insure your air and truck shipments at their full discounted value. The cost of this is small, and without this you can only collect the amount determined by the freight company policy, which will only cover a small portion. Please contact the respective air or truck carrier for additional information. When ordering, please indicate in the shipping instruction that you wish to have your order "insured at full value."

When Receiving Your Shipments

All Herbalife products are in perfect condition when the carrier takes possession of the shipments at our Distribution Center loading docks. Before signing "Received" for your shipment, here are some things to remember:

■Your signature means that you have received your shipment in a satisfactory manner (unless otherwise noted).

■Determine the number of boxes you shipment includes, either by the packing slip or by the number of boxes marked on top of each box (eg: 1 of 3, 2 of 3, etc.); and only sign "received" for the number of boxes actually received.

■Inspect your shipment for obvious *outside* damages (even though there is no apparent damage on the outside, some damage might be found inside, which could become part of a freight claim). Note any damages and/or box shortages on the carrier's delivery documents.

Freight Claims

Air and Motor Carrier:

■Air and motor carrier damaged and lost shipment claims must be placed directly with the carrier. Air and motor freight claims, when properly documented and immediately filed, are usually settled promptly.

UPS:

■UPS lost shipments (complete or partial) must be reported to Herbalife International within seven (7) days after estimated time of arrival.

■Any hidden damages discovered after the driver has left must be reported immediately to your local UPS office, which will usually send a driver to pick up the damaged items for inspection. Keep the damaged items in the original package as found, including all packing material and the master container. UPS will forward a copy of the damage inspection report to the Herbalife Distribution Center that originated the shipment, which will then initiate the proper UPS claim(s) and follow-up to completion. In some instances, UPS may not wish to send an inspector to pick up the damaged items. However, the damage report will still be generated and the procedures above will still be followed. In every case, you will get a control number from UPS.





Placing International Orders:

For your convenience, we have a simple ordering process that will enable you to expand your business internationally. International orders are available through our U.S. Sales Order Center or through any Herbalife Distribution Center worldwide (where applicable). Please note, however, that Herbalife can only accept International Orders for countries in which Herbalife is officially open.

Each country in which Herbalife is officially open has a specific range of products, literature and promotional items approved for that country and approved for international ordering. Therefore, orders can only be accepted for products and literature approved for international ordering in the country to which you are requesting shipment. It is also important to note that when you purchase products, literature or promotional items for shipment to a specific country, they must be sold only in that country.

Information on approved products, literature and promotional items approved for international ordering for each open country is readily available through the Sales Order Center or through the Distributor Relations Department. When placing your order, please indicate that you are placing an "International Order." The Order Representative will assist you with pricing, which will be based on prices in the country to which the products are being shipped, then converted to U.S. Dollars for payment in the United States.

Important End of Month Reminders:

All monetary transfers must be initiated on/or before the designated end of the month day and received at Herbalife no later than the fifth of the following month.

The End-Of-Month ("EOM") deadlines are set to ensure accurate payment of earnings to each and every Distributor. **All orders MUST be received on or before the designated "EOM" day in order to count for that month's volume.** The "EOM" day is absolutely the **last day** for us to process your order in the current month. Payment deadlines are detailed in the following section, to which there must be strict adherence in order to receive requested volume credit. Order(s) will be shipped once full payment is received. Once an order is released for shipping, no changes can be made to that order. Herbalife shall not be held responsible for wire transfers and mail orders that are not initiated, received and/or deposited to our account by the specified deadlines.

If the "EOM" falls into the next month creating a dual volume month, Distributors are responsible for specifying the order month they wish the volume of the order to count towards.



End-Of-Month ("EOM") Order Deadlines:



TELEPHONE ORDERS "EOM" DEADLINE

All telephone orders must be placed and fully paid by 7:00 pm (Pacific Time) on the designated "EOM" day. Please have your order ready before calling the Sales Order Center.

AUTOMATED ORDERS "EOM" DEADLINE

All automated orders must be fully placed and fully paid by 12 midnight (Pacific Time) on the designated "EOM" day. Please have your order ready before calling the Automated Ordering System.

FAX ORDERS "EOM" DEADLINE

All fax orders must be fully completed, faxed, received at Herbalife, and include appropriate payment by 12 midnight (Pacific Time) on the designated "EOM" day. It is strongly recommended that you keep copies of all fax confirmations. Herbalife shall not be held responsible for late fax transmissions.

MAIL ORDERS "EOM" DEADLINE

All mail orders must be fully completed and postmarked no later than 12 midnight (Pacific Time) on the designated "EOM" day, and received at Herbalife NO LATER than the fifth (5th) of the following month (regardless of what day the actual "EOM" falls on). Appropriate payment must be included with the order. Herbalife shall not be held responsible for mail delays.

WALK-IN ORDERS "EOM" DEADLINE

All walk-in orders are accepted at the Los Angeles and Memphis Distribution Centers ONLY. All walk-in orders must be placed and fully paid by 6:00 pm (local time at the respective Distribution Center) on the designated "EOM" day. Please have your order ready before handing it to an Order Representative.

Please see "Information To Have Ready When Ordering" on page -5- for assistance in ensuring your order is fully completed prior to faxing, mailing, telephoning, visiting one of our Distribution Centers or calling our automated order system.





Frequently Asked Questions How To Do Business USA

Do I have to wait for my Distributor Application to be processed before placing an order?

It's not necessary to wait for your Application to be processed. You are entitled to buy Herbalife products from your Sponsor, first upline Fully Qualified Supervisor, or from the Herbalife Sales Order Center (at the applicable discount) utilizing the Herbalife ID number on the Registration Card contained in your International Business Pack (Distributor Kit).

How do I place an order?

It's easy! You may place orders through your Sponsor, upline Supervisor or directly from Herbalife. When you become a Supervisor you must purchase directly from Herbalife. It's important for you to have certain information prepared prior to placing an order directly with Herbalife. Please see page -3- of this guide for a listing of this information. You may place orders with Herbalife by telephone (including automated), fax, mail, or by going to one of our Distribution Centers (Los Angeles or Memphis). Full details of these ordering methods may be found in pages -5-, -7- and -8- of this guide.

May I go to a Distribution Center and pick up the products myself?

Absolutely! You may either place your order with our Sales Order Center and specify that you will pick it up in person, or you can simply go to our Los Angeles or Memphis Distribution Center, place and pay for your order there, and pick up the products at the same time.

May I call Herbalife directly with questions?

Of course! We're here to assist you in any way possible. We always encourage you to first consult your Distributor Career Book (International Business Opportunity Manual), and to work closely with your Sponsor and upline Supervisor, since they have a great deal of field experience. However, if we may assist you, please call our Distributor Relations Department directly in Los Angeles, the telephone numbers for which are listed on page -4-.

How quickly will my order be processed and how long will it take to reach me?

All orders will be shipped the next business day, whenever possible, if payment is received and processed. Shipping times vary, of course, depending on the shipping method you choose. All orders shipped from our Los Angeles and Memphis Distribution Centers via UPS ground service are

shipped freight prepaid, and will generally arrive within three to five working days. Distributors commonly utilize UPS Ground services when an order weighs under 200 pounds. Express, Motor Carrier and Air services are also available on a freight collect basis, in order to provide you with the widest possible variety of choices (please see the "Shipping Information" section of this document on page -10- for more detailed information).

Do I have to pay any other charges on top of the price of the products?

Orders shipped via UPS Ground, our most popular freight service, are shipped freight prepaid, with 3% of the total retail value of your order added to your order to cover this cost (\$5.00 minimum) to cover shipping cost. All other freight services are shipped freight collect. We also add a 7% packaging and handling charge to the **full retail of all products, giftables and promotional orders**. Taxes, of course, are based on the tax rates of your shipping destination.

Why do I have to pay a 7% packaging and handling charge?

A great deal of administrative time and labor goes into processing, handling and marketing. Charging by products ordered is the fairest way to cover these costs.

I've heard a lot about the HAP Program. What is it all about?

"HAP" stands for "**Herbalife Advantage Program.**" HAP is an automatic monthly product shipment program, providing Distributors with an effortless, flexible and convenient method for selecting and automatically shipping the products they use the most. HAP also provides Herbalife Distributors who activate their HAP orders with exclusive added benefits, including free activation; no Annual Processing Fee for non-Supervisors with active HAP orders; 35% - 50% discount; multiple HAP orders-one for personal use and one consisting of products for resale; additional sales tax savings (on personal use orders only); single unit purchases; automatic, consistent monthly home delivery; special promotional offers; flexibility to change your HAP order (any time before HAP deadline); free monthly literature and communications; and easy automatic payment options. You will find a HAP Distributor Activation and Order Form in your Herbalife Career Book (International Business Opportunity Manual). There are dedicated HAP Sales Order telephone and fax

numbers listed on pages -4- and -8- of this guide. For additional information, please contact our Distributor Relations Department.

How do I retail the products?

Retailing the Herbalife products will be one of the most important keys to your success! As Mark Hughes always stresses, use the products, wear the button and talk to people. You will develop your own selling style, which might include talking to your circle of influence, distributing flyers, conducting surveys and/or participating in seasonal promotions. Your Sponsor has the field experience to provide you with the proper training.

May I export the products?

Regulations vary from country to country in which we are officially open. Each country has its own line of products, literature and promotional items specific to each of these countries. Distributors may only bring products approved for a specific country within that country. Distributors may not bring products from one Herbalife country to another, unless approved for sale there.

Where can I get more training on the Herbalife products and selling methods?

You have many choices! Your Sponsor and upline Supervisor should be able to assist you, and we always suggest you contact them first. There are training sessions held throughout the country and the world on a regular basis. We have a great web site on the Internet (www.Herbalife.com), through this site you can also access a number of other exciting sites:

- WWW.HERBALIFE.COM - This web site provides the Distributor with the latest updated information on events, announcements, qualifications, product information, the Today Magazine and an exciting "Ask the Experts" page. You will also find a library that allows you to view Herbalife videos and HBN live!
- WWW.HERBALIFE4US.COM- 100lb Journal (weight loss) online.
- WWW.HRBLIFE.COM - This is our newest web site! This site allows an Herbalife Supervisor to access their personal information on volume, orders, checks, personal summary and contact information for all of our Distribution Centers around the world. To log onto the system, a Supervisor must have their Herbalife ID number and Personal Identification Number (PIN).

There is also Herbalife's very own global satellite television network (Herbalife Broadcast Network -HBN). The following are some of the exclusive programs HBN offers:

- Exciting product launches.
- Unbeatable training from Herbalife's Number One Distributor, President and Founder, Mark Hughes.

- Business-building knowledge from Herbalife's top-earning Distributors.
- Live questions-and-answer sessions with top Distributors and Herbalife's Doctors.
- Motivation by Jim Rohn, World-renowned business speaker.
- House Party training.



Our Sales & Communications Department also operates a touch phone information service that will keep you updated with the latest Herbalife information at a nominal charge. For additional information on these and many other business tools available, please contact our Distributor Relations Department.

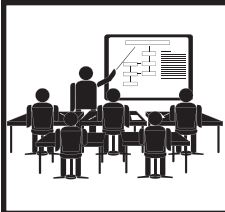
Once I qualify for earnings, are there any special procedures to follow?

Yes, and they are quite simple. In order to receive your earnings, you must strictly adhere to Herbalife's 10 Customer/70% Rule. Please refer to Rule No. 20 in the "Rules of Conduct & Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual) for complete information.

Are there any tax issues of which I should be aware?

Yes, and they are similar to any business you would independently operate. Distributors are solely responsible for the proper reporting of their income and payment of their taxes. Any questions should be referred to the individual Distributor's own tax advisor. For more information, please refer to Rule NO. 20, under "Annual Federal/State Tax Reporting" in the "Rules of Conduct & Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual) for full details.





Frequently Asked Questions Rules of Conduct & Distributor Policies USA

IMPORTANT NOTICE!

Following are the answers to some of the most commonly asked questions by new Distributors regarding Herbalife's Rules of Conduct and Distributor Policies. **Please carefully review the "Rules of Conduct and Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual), which will provide you with the full details.** These Rules of Conduct and Distributor Policies have been established for your protection. They represent the code of ethics by which all Herbalife Distributors must operate. We encourage you to read and understand them, so you are fully aware not only of your own obligations, but also of your rights as an Herbalife Distributor. We believe Herbalife's products and Sales and Marketing Plan are the best in the industry. We also believe in our Distributors, and in supporting them by working together to uphold the highest possible ethical standards. We are committed to maintaining the integrity of Herbalife, its Sales and Marketing Plan and its global distribution network of independent Distributors.

What are the age requirements for becoming a Distributor?

An applicant must be at least 18 years of age to become an Herbalife Distributor and to conduct business in the United States. However, a minor who is above the age of 14 may submit an Application for a Minor Distributorship, under certain conditions. Please refer to Rule No. 3 in the "Rules of Conduct & Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual) for full details.

May my spouse and I have separate Distributorships?

Married couples may have only one Distributorship. Married couples wishing to become Distributors together, must complete and sign a single Distributor Application, thereby having only one Sponsor. It is very important for new Distributors to note that an individual may have only one Herbalife Distributorship, and should never sign more than one Distributor Application. Please see Rule No.'s 4 and 5 in the "Rules of Conduct & Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual) for full details.

May I submit my Distributor Application in the name of a Corporation or Partnership?

The long-term success of Herbalife's Sales and Marketing Plan has been based on the entrepreneurial spirit of individuals. In order to help protect the integrity of the Sales and Marketing Plan, Herbalife only accepts Distributor Applications in the name of individuals. Please refer to Rule No. 6 in the "Rules of Conduct & Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual) for full details.

What is the relationship with my Sponsor?

The relationship between a Distributor and his/her sponsor is the foundation of the Herbalife Sales and Marketing Plan. Many Sponsors spend a significant amount of time locating new Distributors, training and working with them over a period of time. Please refer to Rule No. 10 in the "Rules of Conduct & Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual) for details regarding responsibilities of Sponsors.





May I sell Herbalife products anywhere in the world?

Herbalife is officially open in 46 countries, and opening more every year. You may sponsor Distributors, train and build your downline business in any of these countries. However, Distributors may only sell products approved for a specific country within that country. They may not bring products from one Herbalife country to another unless approved for sale. Permissible Herbalife business activities vary in each country, depending on local laws. Please contact our Distributor Relations Department for detailed information on a specific country's rules. Officially opening a country is an involved and complicated process. All countries have rules and regulations regarding the manufacture, labeling and sale of our products and other regulations with which we must comply. Therefore, we cannot allow the sale of our products into a country in which we are not yet officially open. Additionally, country openings on which we are working will be delayed if government officials find that our products are being improperly imported into that country. For these reasons, we consider violations of our Export Policies to be extremely serious. Such violations could result in the immediate termination of a Distributorship. Please see Rule No. 8 in the "Rules of Conduct & Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual) for complete information.

What is Herbalife's Customer Refund Policy?

Herbalife products have a 30-day money back guarantee for the retail customer, from the time the product is received. Distributors must respond quickly and courteously when the retail customer requests this guarantee be honored. The Distributor may offer the retail customer a choice of a full refund of the purchase price or full credit for exchange of other Herbalife products, and the Distributor must honor the retail customer's choice. Please see page -14- of the "Sales and Marketing Plan" section and Rule No. 19 of the "Rules of

Conduct & Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual) for full details on these procedures, policies and rules.

Does Herbalife have specific policies and rules regarding advertising and promotion?

The integrity of Herbalife's Sales and Marketing Plan, and legalities make it necessary for us to enforce important rules and policies regarding advertising and promotion. We are confident that you will find these rules and policies protect you and your business as much as they protect Herbalife. You will find some guidelines plus some of our approved ads/flyers at the back of this guide. Distributors may produce their own ads/flyers, provided they follow all of Herbalife's rules of conduct for advertising. It is the Distributor's responsibility to ensure they are meeting these rules. If you have any questions regarding our advertising guidelines, please contact our Distributor Relations Department. Additionally, please refer to Rule No.'s 22,23,25 and 26 in the "Rules of Conduct & Distributor Policies" section of your Herbalife Career Book (International Business Opportunity Manual) for full details.





Advertising Guidelines USA



Rules For Creating Your Ads & Flyers

Advertising Guidelines:

Distributors are responsible for following Herbalife's advertising rules and guidelines contained in this guide and in your Distributor Career Book (International Business Opportunity Manual). If you have any questions regarding our advertising guidelines or would like copies of our sample approved ads and flyers, please contact our Distributor Relations Department.

Product Advertising:

- The advertisement should be true and not misleading.
- Statements in regard to therapeutical, medical or healing properties of the Herbalife products are not permitted.
- No references are to be made to "prevention," "improvement," "cure" or "alleviation" of illnesses.
- All references to "health" should be avoided and "well being" should be used instead.
- The use of statements such as "recommended by the medical field," "healthy," "rejuvenating," etc. are not permissible.
- The use of statements such as "natural", "natural origin," etc. are forbidden and, whenever possible, "herbal" or "herbal origin" should be used instead.

Recruiting Advertising:

- One may not imply that a job is being offered. It should always be quite clear that only an independent business opportunity is being offered.

Advertising In The Telephone Directory:

Distributors may advertise in the telephone directory by using only the following text without adding any other information, logo or slogan:

**Herbalife Independent Distributor
Call me for Products or Opportunity
(name and telephone number or e-mail address)**

Please refer to Rule 23-E in your Career Book for information on placing ads in the yellow pages.

Other Rules And Suggestions:

■ You may create your own promotional literature provided it is within the advertising guidelines. Preferably, use your own story. Make sure that your weight loss claim is truthful and accurate (have your before and after weight control/loss/gain photos on hand). Our suggestion is DO NOT use photographs or stories of people whom you do not know personally, unless you can support their story. In addition, you must obtain their permission to do so. Make sure that you have a good supply of Herbalife produced literature for the products and business opportunity. This will be the best source of true stories that will help you promote your business and show others the professionalism of the company and the quality of the products.

■ When you tell someone your results with the products, it is important you advise them that the results with the products may vary from one person to another as weight control depends on food habits, metabolism and the weight of each person.

■ Also, when you tell someone your results with the Herbalife business opportunity, it is important that you advise them that a job is not being offered, but an incredible independent business opportunity which success depends on the personal effort of each distributor.

■ Lastly, remember the key to success is happy and satisfied customers. Remember to offer the 30-day money back guarantee; if your customer is not satisfied with the results, offer to reimburse them for the product or exchange it for other products, and we'll replace it for you at the Distribution Center.

Unauthorized Advertising:

- The "Herbalife" name can only be used in your self-made ads when you indicate "Independent Distributor" in addition to your name and telephone number.
- Herbalife corporate logos or trademarks cannot be used in your advertising without Herbalife's authorization.
- Photos of the products or copies of product labels may not be used.
- You may not create your own audio or video material for product promotion without prior written approval.
- You may not advertise the American products in any publication distributed outside the USA.
- Herbalife Independent Distributors ARE NOT authorized UNDER ANY CIRCUMSTANCES to make any statements to the media on behalf of Herbalife.



