

Herbalife Products Malaysia Sdn Bhd (282141-M)

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Member Services: 603-2687 6333
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This form must be signed, dated, and returned to Herbalife to process your Membership Application and Agreement. A simple click in the check box next to each policy listed provides confirmation that you have read and understand these important protections.

Gold Standard Guarantees Acknowledgments

Herbalife takes pride in the policies we have in place to protect all of our Members. Please review the Gold Standard Guarantees and check each box to acknowledge that you have read and understood each item.

1. There are no minimum purchases required and start-up costs are low.

The only required purchase to become an Herbalife Member or engage in the Herbalife business is the Herbalife Member Pack. No product purchases are required. If I choose to purchase products, I understand my purchases should not exceed my own needs or amounts I am confident I can resell in a reasonable amount of time.

I have read and understood this message

2. There is a fully refundable, 90-day money-back guarantee for the cost of the Herbalife Member Pack, if Membership is canceled for any reason.

If I choose to cancel my Membership within 90 days I have the right to a full refund of the purchase price of the Herbalife Member Pack.

I have read and understood this message

3. There is a 100% refund guarantee on product, purchased in the prior 12 months if Membership is cancelled for any reason.

If my Membership is canceled for any reason, I may return to the company unused and resalable products or sales materials that I purchased within the last 12 months for a full refund of the purchase price. Simply follow the directions in the "Sample Forms" section of Book 4 of the Member Pack or online at myen.MyHerbalife.com.

I have read and understood this message

4. There is no requirement to purchase any sales and business tools to start up or succeed in your Herbalife Membership.

I am not required to purchase any business tools, and can use the promotional literature and sales tools that Herbalife makes available for free or at minimal cost. Prior to opening a Nutrition Club, including any Club with fitness activities; I must be a Member for at least 90 days and complete the Company's mandatory Nutrition Club Registration process and any training required at that time.

I have read and understood this message

5. We clearly define the benefit of each product and appropriate method of use directly on the product label – we want to make absolutely sure that the right products are taken the right way to achieve realistic results. We provide realistic expectations of the business opportunity and the effort required to succeed at all levels.

We clearly define the benefit of each product and appropriate method of use directly on the product label or in the Herbalife Product Catalogue – we want to make absolutely sure that the right products are taken the right way and that Members have the correct information to talk about the products to their customers. Similarly, we provide accurate information about the financial results that Herbalife Members have achieved so that it may be shared with those being introduced to the Herbalife business opportunity. Any claims I make about Herbalife's® products or about the Herbalife business opportunity must be lawful, true, not misleading, substantiated in writing in advance and consistent with claims made in the current materials published by Herbalife. I may not make any written, therapeutic or curative claims about Herbalife® products (whether or not they are about my own personal experience), except those stated in materials published by Herbalife, or use the name of the Ministry of Health (MOH) or any other regulatory agency when representing Herbalife® products.

I have read and understood this message

6. We provide clear, accurate, and timely disclosures to prospective Members regarding potential income.

People join the Herbalife Team for many reasons. Many simply want to purchase Herbalife® products at wholesale prices. Others want to build a business of their own. If my goal is to build an Herbalife business, I understand that it takes hard work and dedication to make it successful. I understand that the Statement of Average Gross Compensation that follows is available on myen.MyHerbalife.com, and is the only authorized information about the financial results that Herbalife Members have achieved. I confirm I am not relying on any other information.

To see all of your rights and obligations as an Herbalife Member, please review Herbalife's Rules of Conduct in your Member Pack or visit myen.MyHerbalife.com.

I have read and understood this message

To see all of your rights and obligations as an Herbalife Member, please review Herbalife's Rules of Conduct in your Member Pack or visit myen.MyHerbalife.com.

By my signature, I acknowledge and agree to the above.

(Name - Please Print)

(Herbalife Identification Number)

(Signature)

(Date)

STATEMENT OF AVERAGE GROSS COMPENSATION PAID BY HERBALIFE TO MALAYSIA MEMBERS IN 2013

People become Herbalife Members for a number of reasons. A substantial majority (73%)¹ join us primarily to receive a discounted price on products they and their families enjoy. Others wish to earn part-time money, wanting to give direct sales a try. They are encouraged by Herbalife's minimal start-up costs (an Herbalife Member Pack at RM 94.00,² plus applicable sales tax, and shipping) and money-back guarantee.³ There is no need to purchase large amounts of inventory or to purchase other materials. In fact, Herbalife's corporate policy discourages the purchase of sales aids, especially in the first few months of a Membership.

If you are someone who seeks to build a part-time or full-time income, we want you to have realistic expectations of the possible income you can earn. The Herbalife earnings opportunity is something like a gym membership: results vary with the time, energy and dedication you put into it. Anyone considering the Herbalife opportunity needs to understand the realities of direct selling. It is hard work. There is no shortcut to riches, no guarantee of success. However, for those who devote the time and energy to develop a stable base of customers and then mentor and train others to do the same, the opportunity for personal growth and an attractive part-time or full-time income exists.

PROFIT ON YOUR OWN SALES: One element of the income a Member can earn is the profit, after expenses, from the resale of Herbalife® products. Members decide for themselves the way they do the business, the number of days and hours they work, the expenses they incur and the prices they charge.

MULTI-LEVEL COMPENSATION: Some Members (23.9%) sponsor others to become Herbalife Members. In that way, they may seek to build and maintain their own downline sales organizations. They are not paid anything for sponsoring new Members. They are paid solely based on product sales to their downline Members for their own consumption or to sell to others. This multi-level compensation opportunity is detailed in Herbalife's Sales & Marketing Plan, which is available to all Members online at myen.MyHerbalife.com.

For the 10% of Herbalife Members who are Sales Leaders⁴ with a downline, the average compensation received from the Company in 2013 was RM 11,263. These amounts are before expenses incurred in the operation or promotion of their business.

In the chart below, we summarize the economic benefits available to Herbalife Members in 2013. For most people (92%), the economic benefits resulted exclusively from a discounted price on products they purchased for personal and family use or for resale to others, neither of which took the form of a payment from the Company.

The multi-level compensation paid to Members summarized below does not include expenses incurred by a Member in the operation or promotion of his or her business, which can vary widely and might include advertising or promotional expenses, product samples, training, rent, travel, telephone and Internet costs, and miscellaneous expenses. The compensation summarized below is not necessarily representative of the compensation, if any, that any particular Member will receive. These figures should not be considered as guarantees or projections of your actual compensation or profits. Success with Herbalife results only from successful product sales efforts, which require hard work, diligence and leadership. Your success will depend upon how effectively you exercise these qualities.

Single-Level Members (No Downline)						
Economic Opportunity	Members*		The economic rewards for single-level Members are the wholesale pricing received on products for consumption by the Member and his or her family as well as the opportunity to retail product to non-Members. Neither of these rewards are payments made by the company and therefore are excluded from this chart.			
	Number	%				
<ul style="list-style-type: none"> Wholesale price on product purchases Retail profit on sales to non-Members 	78,047	76.1%				
Non-Sales Leaders With a Downline						
Economic Opportunity	Members*		In addition to the economic rewards of the single-level Members above, which are not included in this chart, certain non-sales leaders with a downline may be eligible for payments from Herbalife for wholesale commissions on downline product purchases made directly with Herbalife. 645 of the 1,395 eligible Members earned such payments in 2013. The average total payments to the 645 Members was RM 417.			
	Number	%				
<ul style="list-style-type: none"> Wholesale price on product purchases Retail profit on sales to non-Members Wholesale profit on sales to another Member 	14,231	13.9%				
Sales Leaders With a Downline						
Economic Opportunity	Members*		All Sales Leaders with a Downline			
	Number	%	Average Payments From Herbalife (RM)	Number of Members	% of Total Grouping	Average Gross Payments (RM)
<ul style="list-style-type: none"> Wholesale price on product purchases Retail profit on sales to non-Members Wholesale profit on sales to another Member Multi-Level compensation on downline sales <ul style="list-style-type: none"> Royalties Bonuses 	10,226	10.0%	>250,000	73	0.7%	618,443
			100,001-250,000	146	1.4%	156,240
			50,001-100,000	156	1.5%	71,696
			25,001-50,000	320	3.1%	34,988
			10,001-25,000	719	7.0%	15,481
			2,501 - 10,000	1,990	19.5%	5,074
			1 - 2,500	4,048	39.6%	891
0	2,774	27.1%	0			
Total	10,226	100.0%		11,263	This chart includes all commissions, Royalties and Bonuses paid by Herbalife. It does not include amounts earned by Members on their sales of Herbalife® products directly to others.	

* 4,233 of the 78,047 single-level Members are sales leaders without a downline.

The majority of those Members who earned in excess of RM 250,000 from Herbalife in 2013 had reached the level of Herbalife's Presidents Team. During 2013, two Malaysian Members achieved the level of Presidents Team. They averaged five years as an Herbalife Member before reaching Presidents Team, with the longest duration being five years and the shortest being less than five years.

¹ 73% , based on a survey of former U.S. Members by Lieberman Research Worldwide, Inc. ("LRW") in January 2013, with a margin of error of +/- 3.7% .

² Prices quoted are for Malaysia as of April 2014, and are subject to change. For current prices, see myen.MyHerbalife.com.

³ If requested within 90 days for the return of the HMP and one year for the return of resalable inventory, upon leaving the business.

⁴ Sales Leaders are Members who achieved the level of Supervisor or higher. See details on Herbalife's Sales & Marketing Plan at myen.MyHerbalife.com. 43.7% of Sales Leaders as of February 1, 2013, requalified by January 31, 2014 (including 31.2% of first time Sales Leaders).