Introduction and Fundamentals
Introduction and Fundamentals

Potential Earnings

The Herbalife Independent Distributor compensation plan, which we refer to as Herbalife Marketing Plan, pays out up to 73% of product revenues to Distributors!

As an Herbalife Independent Distributor, you can become eligible to earn from six areas of potential income and incentives

- Retail Profit
- Wholesale Profit
- Royalty Overrides
- Monthly Production Bonus
- Annual Bonus (Mark Hughes Bonus)
- Promotions
Introduction and Fundamentals

Herbalife Marketing Plan

The more volume you and your downline sell, the more opportunities you may have to increase your earning potential.

**Royalty Overrides (RO)**

3 Ways to Qualify

- **10,000 RO Points** in 3 consecutive months
- **1,000 RO Points** in 3 consecutive months
- **4,000 RO Points** in 3 consecutive months

**Qualifying Supervisor**

50% Discount

**Qualified Producer**

42% Discount

**Senior Consultant**

35% or 42% Discount

**Distributor**

25% Discount

**Recognitions and Advanced Training**

Eligible to Earn up to 4% production bonus on downline volume

Eligible to Earn up to 7% production bonus on downline volume

Eligible to Earn 2% production bonus on downline volume

5 Fully Qualified Supervisors achieving 2,500 VP a month

3 Fully Qualified Supervisors achieving 2,500 VP a month

2 Fully Qualified Supervisors achieving 2,500 VP a month

Who each retain

VP = Volume Point

GET

Millionaire Team

President’s Team

Achieve 1,000 RO Points in 3 consecutive months

Achieve 4,000 RO Points in 3 consecutive months

Achieve 10,000 RO Points in 3 consecutive months

Eligible to Earn 2% Production Bonus on Downline Volume

Eligible to Earn Up to 4% Production Bonus on Downline Volume

Eligible to Earn Up to 7% Production Bonus on Downline Volume

Who each retain

Who each retain

Who each retain

2 Fully Qualified Supervisors achieving 2,500 VP a month

3 Fully Qualified Supervisors achieving 2,500 VP a month

5 Fully Qualified Supervisors achieving 2,500 VP a month
Introduction and Fundamentals

Achieving Volume

Move up the Marketing Plan by accumulating volume in two ways:

- **PPV** = Personally Purchased Volume
  
  *Volume purchased by a Distributor directly from Herbalife*

- **DLV** = Downline Volume
  
  *Volume placed by your non-Supervisor downline Distributors ordering between 25% to 42% discount*
Introduction and Fundamentals

Tracking Volume

PPV and DLV can be tracked on MyHerbalife.com and BizWorks.
Introduction and Fundamentals
Retail Profit

As a Distributor, you can earn Retail Profit by purchasing products with your Distributor discount and selling them to customers at their full retail value.

- A Distributor can purchase $100 of product with a 25% discount and pay $75
- The Distributor can sell that product at $100 full retail value and earn $25 from the sale
- 25% discount = potential $25 Retail Profit

Note: Be sure to consider your additional selling expenses when determining your retail price, including shipping costs and sales taxes!
Introduction and Fundamentals

Wholesale Profit

- As Distributors move up the Marketing Plan, their discount increases. If they recruit and retain other Distributors, they can potentially earn Wholesale Profit on orders by their downline Distributors.

- Wholesale Profit is based on the difference between your higher level discount and your downline Distributor’s lower level discount.

- By moving up the Marketing Plan and sponsoring and training new Distributors, you can earn between 8% and 25% Wholesale Profit on whatever they purchase and sell.