

EXTRAVAGANZA

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Korea Advertising Guidelines & Marketing Plan.

Herbalife Korea Opening Date → November 18th, 1996

Marketing Plan in Korea

- ⬇ Distributors purchase products at 33%.discount.
- ⬇ Success Builder purchase products at 33% discount.
- ⬇ Supervisor purchase products at 33% discount and earn a 7% rebate.
- ⬇ No Field orders are allowed.
- ⬇ Distributors that do not have Korea as their Processing Country can only purchase products for personal use (1,000 Volume Points per Month).



Current US Marketing Plan	Current Korea Marketing Plan
<p><u>DS Distributor</u></p> <ul style="list-style-type: none"> ⬇ 25% Distributor on Orders to 400 VP <p><u>SC Senior Consultant</u></p> <ul style="list-style-type: none"> ⬇ (30-40% Discount on Orders) <p><u>SB Success Builder</u></p> <ul style="list-style-type: none"> ⬇ (1,000 VP at 42% in one order) <p><u>SP Supervisor</u></p> <ul style="list-style-type: none"> ⬇ 50% Discount ⬇ FQS (Fully Qualified Supervisor) ⬇ QS (Qualifying Supervisor) <p><u>WT World Team</u></p> <ul style="list-style-type: none"> ⬇ 10,000 TVP in one month <p><u>Top Achiever's Business Team (TAB Team)</u></p> <ul style="list-style-type: none"> ⬇ GET Team: 1,000 R/O in 3 consecutive months ⬇ Millionaire Team: 4,000 R/O in 3 consecutive months ⬇ President's Team: 10,000 R/O in 3 consecutive months 	<p><u>DS Distributor</u></p> <ul style="list-style-type: none"> ⬇ 33% Distributor on orders <p><u>SC Senior Consultant</u></p> <ul style="list-style-type: none"> ⬇ Not applicable in Korea – 33% Discount <p><u>SB Success Builder</u></p> <ul style="list-style-type: none"> ⬇ 1,000 VP at 33% in one order or accumulates 2,000 VPs in one month. ⬇ Qualification lasts 3months. ⬇ 7% commission applicable for DS's order <p><u>SP Supervisor</u></p> <ul style="list-style-type: none"> ⬇ 4,000 TVP in one month ⬇ 2,500 TVP in two consecutive months ⬇ 33% Discount ⬇ Earn a 7% rebate ⬇ 7% commission applicable for DS's order ⬇ FQS-Fully Qualified Supervisor ⬇ QS / QV – Qualifying Supervisor <p><u>WT World Team</u></p> <ul style="list-style-type: none"> ⬇ 10,000 TVP in 1 month ⬇ 500 R/O Points ⬇ 2,500 TVP in 4 consecutive months <p><u>Top Achiever's Business Team (TAB Team)</u></p> <ul style="list-style-type: none"> ⬇ GET Team: 1,000 R/O in 3 consecutive months ⬇ Millionaire Team: 4,000 R/O in 3 consecutive months ⬇ President's Team: 10,000 R/O in 3 consecutive months

Note: The volume rebate and discount are based on full retail prices and the production bonus is paid at 95% of retail prices.



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Do's and Don'ts

- ⬇ Only products that are approved by the Korea FDA can be sold.
- ⬇ Distributors can only use fixed phrases that are approved by the company in advertisements and flyers.
- ⬇ There are free Distributor applications and other forms supplied to Distributors by Corporate in Korea.
- ⬇ The company has to refund Distributors if they request this within 3 months after purchasing. Conditions (1 month = full refund, 1-2 months = 5%, 2-3 months = 7%).
- ⬇ Distributors are encouraged to advertise products as nutritional supplements rather than diet food.
- ⬇ Advertisements must always be true and accurate
- ⬇ The rules and regulations of advertising in the IBO Manual must be followed at all times.
- ⬇ Advertisements must not make therapeutic or medical claims about any products.
- ⬇ Tickets for Trainings and Events can not be sold by Distributors.
- ⬇ No person under the age of 20 can become a Distributor.
- ⬇ Government officers and teachers cannot become Herbalife Distributors.
- ⬇ Non-Korean residents who have a Korean background can do the Herbalife business after a residence registration procedure.
- ⬇ The importing and exporting of any Herbalife products is not allowed from country to country.
- ⬇ Distributors must not exaggerate their earnings or imply that anyone can make money without working for it.
- ⬇ Distributors must be clear that there is no requirement to maintain any minimum stock levels of products.
- ⬇ No field orders are allowed.
- ⬇ A 10-customer form is not needed in Korea.

NOTE: International Distributors can recruit new Distributors by obtaining a free application form at the Korea Distribution Center. International Distributors purchase 1,000 volume point Herbalife products at Walk in area for their own consumption during their stay in Korea. (Buybacks are not allowed)

Distributor Services → 1,2,3 Fl. I-castle Bud. #86-8 Nonhyun dong Gangnam gu, Seoul, Korea
Telephone: +82 2 508 8004

<http://www.herbalifeextravaganza.com>



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