



**STATEMENT OF TYPICAL COMPENSATION
OF CANADIAN SUPERVISORS - 2010**

Herbalife offers its Distributors an opportunity to achieve a lifetime of better health through its scientifically advanced weight management and nutrition products. While many of our Distributors join the Herbalife family simply to enjoy our life-changing products, others want to share their results and take advantage of the many income benefits our business opportunity provides. With Herbalife, you can work part-time and earn a supplemental income, or focus solely on your Herbalife Distributorship and increase your financial potential. It's completely up to the individual how much he or she wants to achieve! A Distributor earns profits by buying Herbalife products at wholesale and reselling them at retail. If the Distributor wants to increase his or her involvement in the business and enjoy the possibility of higher levels of income, he or she may sponsor others into the business and develop an organization.

Over 25% of Distributors reach the rank of Supervisor and above ("Leader"), qualifying them for additional compensation which is paid by Herbalife based upon the sales production of those they have sponsored directly and indirectly. A typical participant in the Herbalife plan earns approximately \$836 based on the year 2010. The annual gross compensation paid by Herbalife to all Leaders during 2010 averaged \$4,000. Over 35% of Leaders are "Active" (defined as those Supervisors who have been a Supervisor for at least one year and generated at least 1 volume point in 2010). The annual gross compensation paid by Herbalife to Active Leaders during 2010 averaged approximately \$11,000.

Active Leaders			
<u>Earning Level</u>	<u>% of Total Leaders</u>	<u>% of Active Leaders</u>	<u>Average Earnings (CAD)</u>
President's Team	0.3%	1.0%	\$ 362,515
Millionaire Team	0.9%	2.5%	\$ 134,138
GET	3.4%	9.7%	\$ 28,980
World Team	2.8%	7.8%	\$ 7,724
Supervisor	27.8%	79.1%	\$ 836
Total	35.1%	100.0%	\$ 10,886

The amounts above do not include the income Distributors can earn from their retail or wholesale income, so the actual compensation may be somewhat higher, depending upon each Distributor's personal-selling efforts.

The figures stated above are not a guarantee nor are they a projection of a typical Distributor's earnings or profits. Like any other independent business, the achievement or failure of a Distributor depends upon his or her skill set, commitment and desire to succeed. These figures also do not include these Distributors who have been in the business for 12 months or less. At Herbalife, the opportunity to earn more is always available to each and every Distributor.