



Working with 5K Supervisor Qualification



Results after 18 months:

- More than 50% of all DS keep moving
- Non-volume discounted products have disappeared from the market
- Supervisor personal volume is constantly growing
- Motivation for recruiting grows
- Relations between sponsor and DS improve
- People love it
- Less pressure
- Good for everyone



Case study:

- Supervisor
- Group working in the office (club)



MT members Oleg and Elena Savchenko

What they did:

- Stopped selling products to distributors and trained people to order directly from the Company
- Put together a plan of action with new distributor

Oleg Savchenko: 18 months statistics BEFORE cumulative qualification started

Month	New DS	Total DS	Qualifying SV	New SV	Total VP
July '06	1	1			5001
August	1	1			5058
September					5008
October	1	2			2514
November					5012
December					5102
January '07					5050
February				1	5004
March					5013
April	1	3		1	5014
May	2	5		2	10006
June	1	6			5109
July					5012
August	1	7			5009
September	2	9			5395
October	1	10		1	5536
November					5158
December	1	11			5329
Total		12		5	94330

*Incomes applicable to the individuals (or examples) depicted and not average. For average financial performance data, see the Statement of Average Gross Compensation for U.S. Supervisors at www.herbalife.com and www.myherbalife.com.

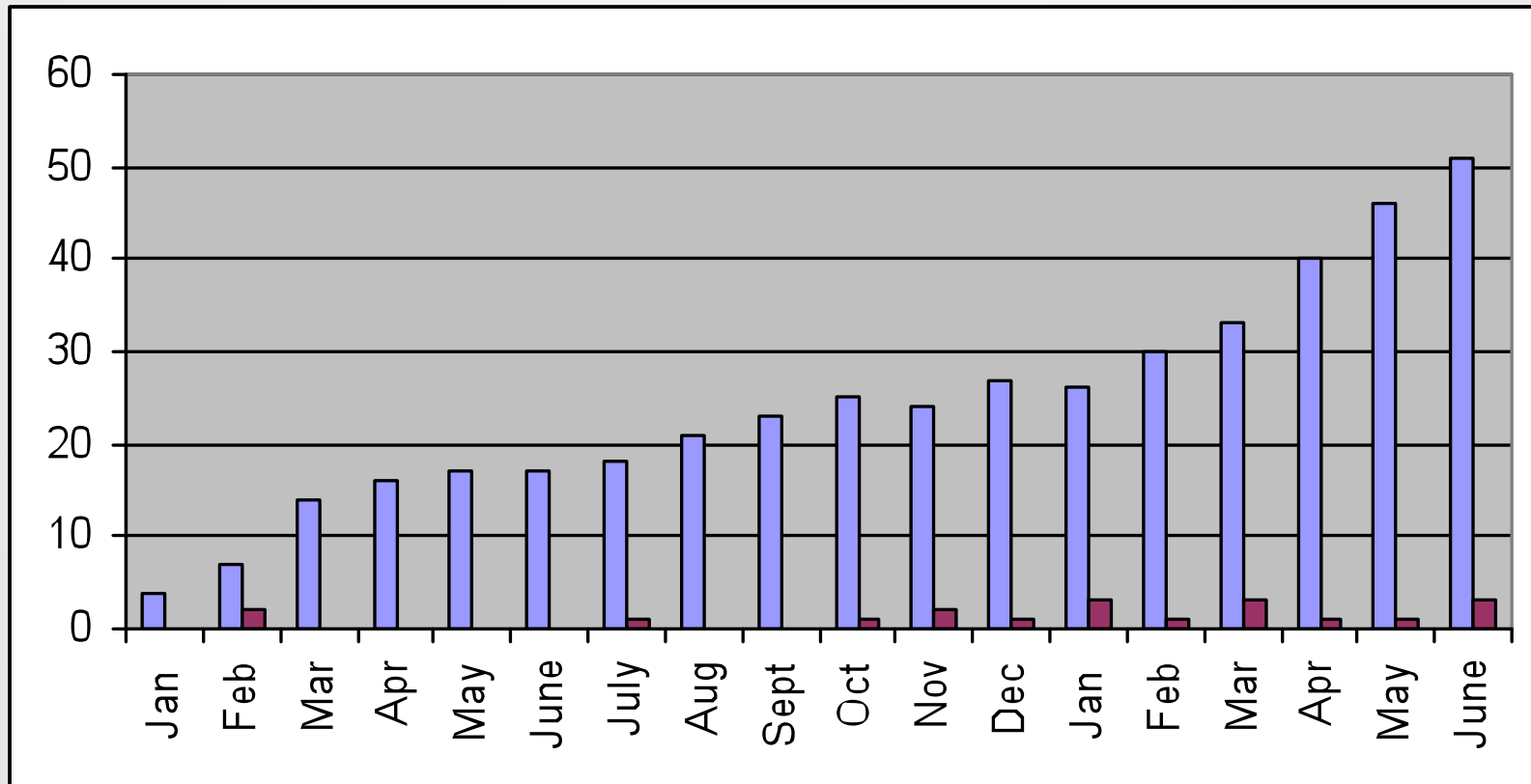
Oleg Savchenko: 18 months statistics AFTER cumulative qualification started

Month	New DS	Total DS	Qualifying SV	New SV	Total VP
January '08	7	7	4		5431
February	7	14	7	2	10008
March	7	21	14		11086
April	3	24	16		10472
May	2	26	17		10391
June	1	27	17		8179
July	3	30	18	1	8761
August	6	36	21		8135
September	3	39	23		12661
October	3	42	25	1	14976
November	3	45	24	2	8225
December	4	49	27	1	15716
January '09	2	51	26	3	7569
February	6	56	30	1	12475
March	8	65	33	3	13173
April	8	73	40	1	11564
May	7	80	46	1	13230
June	6	86	51	3	17299
Total		86	51	19	199351

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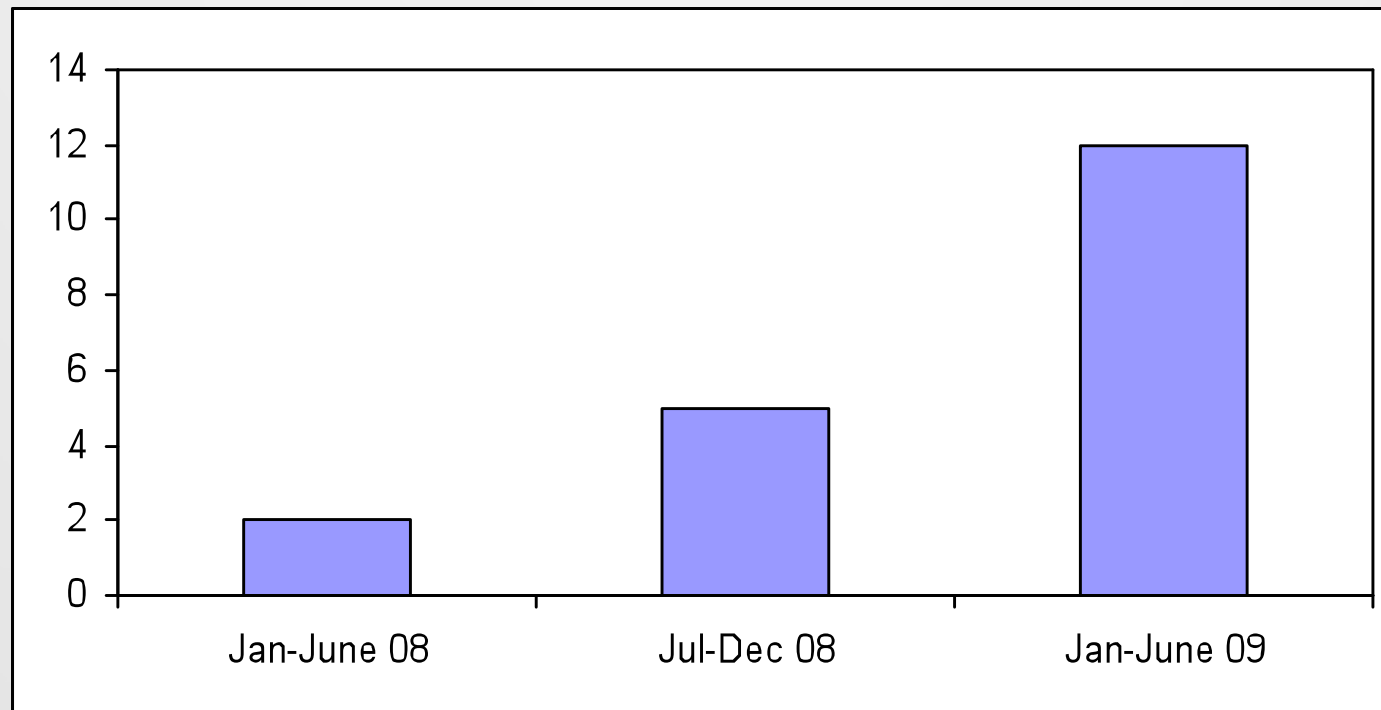
DS in qualification / new SV



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New SV





Total volume in 18 months - 199,351 v.p.

**Average monthly volume in 18
months - 11,100 v.p.**



Duplication inside the Club


Nadezhda Pirozhenko: 18 months statistics BEFORE cumulative qualification started

Month	New DS	Total DS	Qualifying SV	New SV	Total VP
July '06					2510
August	2	2			5070
September		2			235
October		2			665
November		2			3125
December	1	3			2501
January '07		3			2503
February		3			2506
March		3			2501
April	1	4			2501
May	1	5			4049
June				1	2595
July	1	6			2550
August					2506
September	1	7			2976
October					2502
November					2504
December					2503
Total		7		1	46302

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Nadezhda Pirozhenko: 18 months statistics AFTER cumulative qualification started

Month	New DS	Total DS	Qualifying SV	New SV	Total VP
January '08					2506
February	3	3	2		7802
March		3	2		2506
April	3	6	5		2503
May	3	9	8		2994
June		9	8		2728
July	1	10	9		2989
August	1	11	10		6790
September	1	12	11		2605
October	1	13	12		5659
November	2	15	13	1	3554
December	2	17	15		6750
January '09		17	14	1	2516
February	2	19	16		3280
March		19	16		5003
April	2	21	18		4226
May	2	23	20		2502
June		23	19	1	3355
Total		23	20	3	70268

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Tatyana Filippova: 18 months statistics BEFORE cumulative qualification started

Month	New DS	Total DS	Qualifying SV	New SV	Total VP
July '06					2840
August	1	1			2558
September		1			2508
October	2	3			1514
November		3			1244
December		3			2751
January '07	1	4			3505
February		4			2560
March	1	5			2513
April	1	6			2690
May		6		1	4548
June		6			3001
July	1	7			3388
August		7			3682
September		7			2509
October	1	8			2502
November		8		1	5024
December	1	9			2503
Total		9		2	51840

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Tatyana Filippova: 18 months statistics AFTER cumulative qualification started

Month	New DS	Total DS	Qualifying SV	New SV	Total VP
January '08	1	1	1		2507
February	2	3	3		5100
March	3	6	4		7068
April	1	7	4		5059
May	1	8	5		5002
June	3	11	5		5002
July	1	12	5		7509
August	2	14	5		5002
September	1	15	6		2513
October	5	20	6		10896
November	2	22	7	1	2506
December	1	23	7		5006
January '09	2	25	8		5286
February	1	26	8		2944
March	1	27	9		3005
April	3	30	10		3365
May	1	31	11	1	2534
June	4	35	12		3700
Total		35	12	2	84004

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Elena Holokhon: 18 months statistics BEFORE cumulative qualification started

Month13	New DS	Total DS	Qualifying SV	New SV	Total VP
July '06					289
August	2	2			1085
September	2	4			2824
October	1	5			3605
November		5			2620
December	1	5			2637
January '07	1	6			2569
February		6			2504
March		6			2526
April	1	7			2511
May		7			2505
June		7			570
July	1	8			1589
August		8		1	1551
September	1	9			2507
October	2	11			1510
November	2	13			2510
December	1	14			2509
Total		14		1	38421

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Elena Holokhon: 18 months statistics AFTER cumulative qualification started

Month	New DS	Total DS	Qualifying SV	New SV	Total VP
January '08	2	2	2		2574
February	3	5	5		5001
March	1	6	5	2	10243
April	7	13	8	1	2510
May	2	15	9		3123
June	1	16	9		2501
July		16	9		2776
August	1	17	10		3613
September	2	19	11		3130
October	4	23	14		6181
November	4	27	17		10016
December	3	30	19		9299
January '09	1	31	20	3	2510
February	2	33	21		4003
March	2	35	23	1	5702
April	3	38	26	1	3601
May	2	40	27		5018
June	3	43	27	1	2506
Total		43	27	9	84307

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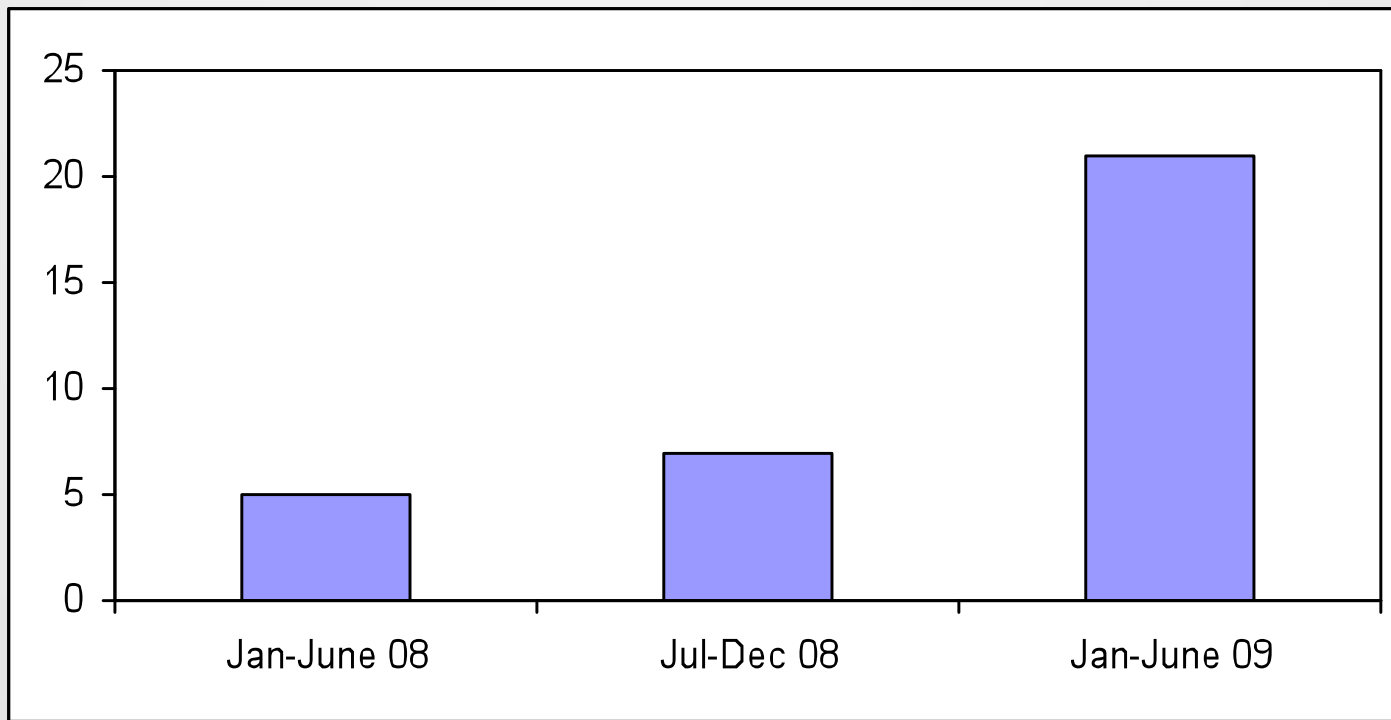
Butovo Central Club in Moscow

1.	Club Founding partners	4
2.	Total partners now	20
2.	Total Nutrition Club members	257
3.	In WLC Support Groups	231
Graduated 179. Attending currently 52. All 231 using the products		
4.	Total product users in the Club:	488
5.	New Distributors from the Club (1st, 2nd and 3rd lines)	137
6.	New Supervisors from the Club (1st, 2nd and 3rd lines):	40
7.	New World Team from the Club:	3
8.	Average monthly volume in the Club in the last 4 months	47106
9.	Participated in the Extravaganza '09 from the Club :	24

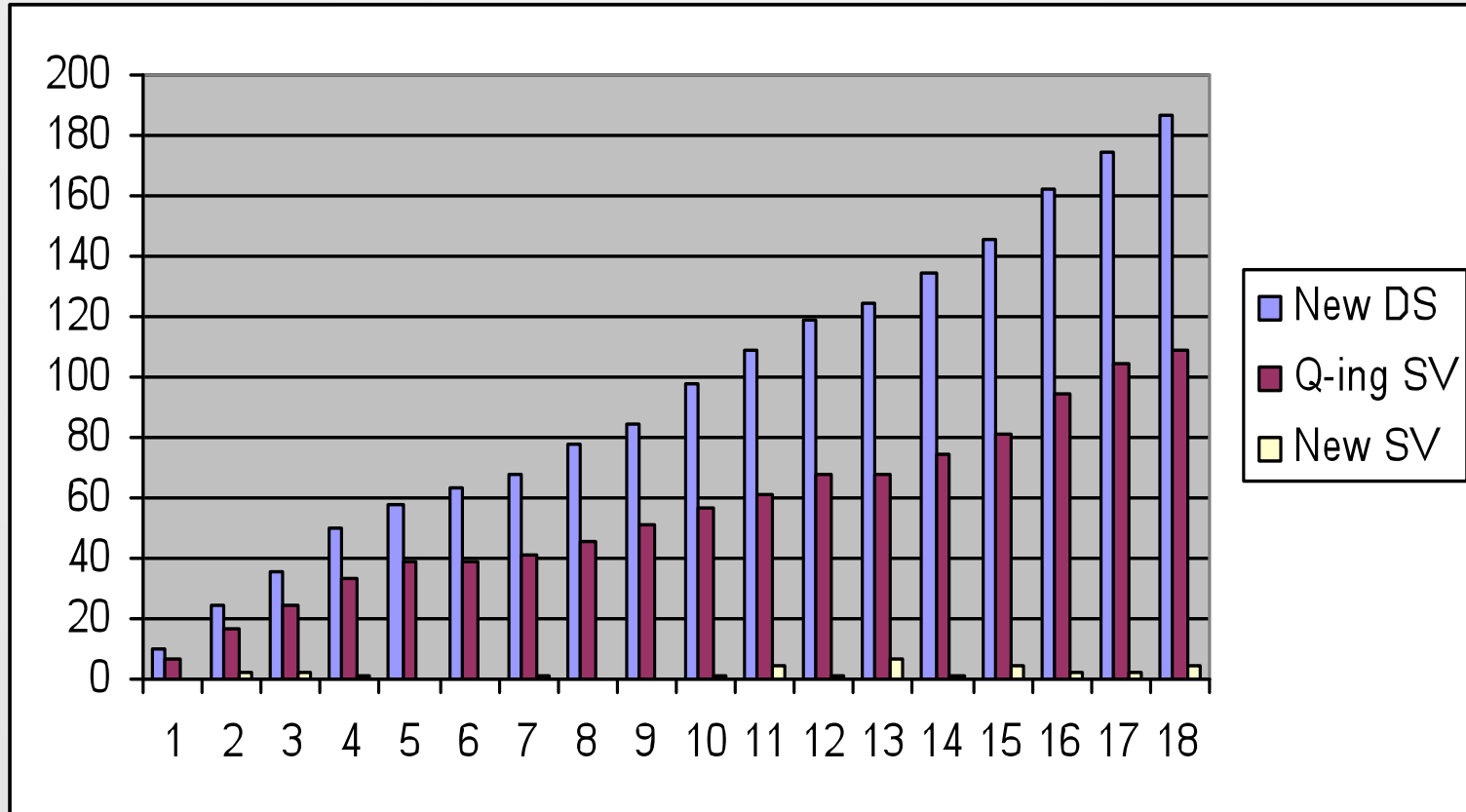
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Butovo Central Club in Moscow New Supervisors



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New SP Post Qualification - Russia

5K

Traditional

**Average Monthly %
of SP with Volume**

64%

38%

**Average Monthly
Volume Points**

616

321

Qualification Period: April 2008 – December 2008

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New SP Post Qualification - CIS

5K

Traditional

**Average Monthly %
of SP with Volume**

68%

34%

**Average Monthly
Volume Points**

491

267

Qualification Period: April 2008 – December 2008

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So what is the best way to use the
5K cumulative qualification for
best results?

There are two options:



Option 1:

- When recruiting new people, you promote the traditional 4K qualification. 20% of the new distributors will seize the opportunity of moving fast. To those 80% who are not ready to move fast, you promote the 5K cumulative qualification.



Option 2:

- You promote the 5K cumulative qualification to all new distributors. You then identify those 20% who would want to move fast and qualify with the traditional 4K qualification. The other 80% will accumulate volume at their own pace.



Conclusion

- After 18 months of working with the 5K cumulative qualification we have come to a simple conclusion that the second option is correct.



Plan of Action: 20 steps



Results:

- More than 50% of all DS keep moving
- Non-volume discounted products have disappeared from the market
- Supervisor personal volume is constantly growing
- Motivation for recruiting grows
- Relations between sponsor and DS improve
- People love it
- Less pressure
- Good for everyone



Advantages of the 5K Supervisor qualification:

- Before the 5K enhancement was introduced, only people accumulating 4,000 v.p. could become Supervisors, while the majority of distributors either used the products for some time and then stopped, or left immediately. Now every distributor who at least loves the product and wants to keep using it, can begin accumulating volume and sooner or later become Supervisor. Our statistics shows that over 50% of distributors qualify for supervisor after some time, while before only 20% did.
- There is no pressure to qualify - everybody moves at his/her own pace.
- 5K qualification significantly improves long term Sponsor - Distributor relations. Sponsors become more caring and patient.
- Among the Supervisors who started with 5K qualification, the number of active supervisors is twice as high as among those who qualify traditionally. Their average volume is also twice as big.



Advantages of the 5K Supervisor qualification:

- Supervisors who started with 5K qualification demonstrate much higher retention and requalification figures
- Supervisors who work closely with their distributors and use the 5K qualification, also experience substantial growth of distributor retention and, as a result, of personal volume.
- Thanks to the 5K cumulative qualification, no volume is lost anymore. Many distributors reach the Success Builder and Qualified Producer levels, and they constitute the basis for the growth of the future Supervisor organization.
- Everybody is excited: distributors as well as their sponsors. People love to accumulate miles, points, etc. to get better discounts, conditions, recognition, etc.



Advantages of the 5K Supervisor qualification:

- To make the most of the 5K qualification, we are using the "20 steps" distributor development program which allows to develop a new distributor step-by-step.
- 5K qualification doesn't undermine the traditional 4K qualification but allows more people to participate in the Marketing Plan and eventually reach the Supervisor level. Many of those who start as 5K, sooner or later discover the business opportunity and confidently qualify with 1-month 4,000 vp traditional qualification.
- It's strongly recommended to use "Distributor Volume Report" available at BizWorks and MyHerbalife.com under My Downline Reports. This report shows you all your distributors in 3 generations with their volume produced every month and total volume accumulated so far. Based on this report, you can contact your distributors and encourage them to move to the next levels.