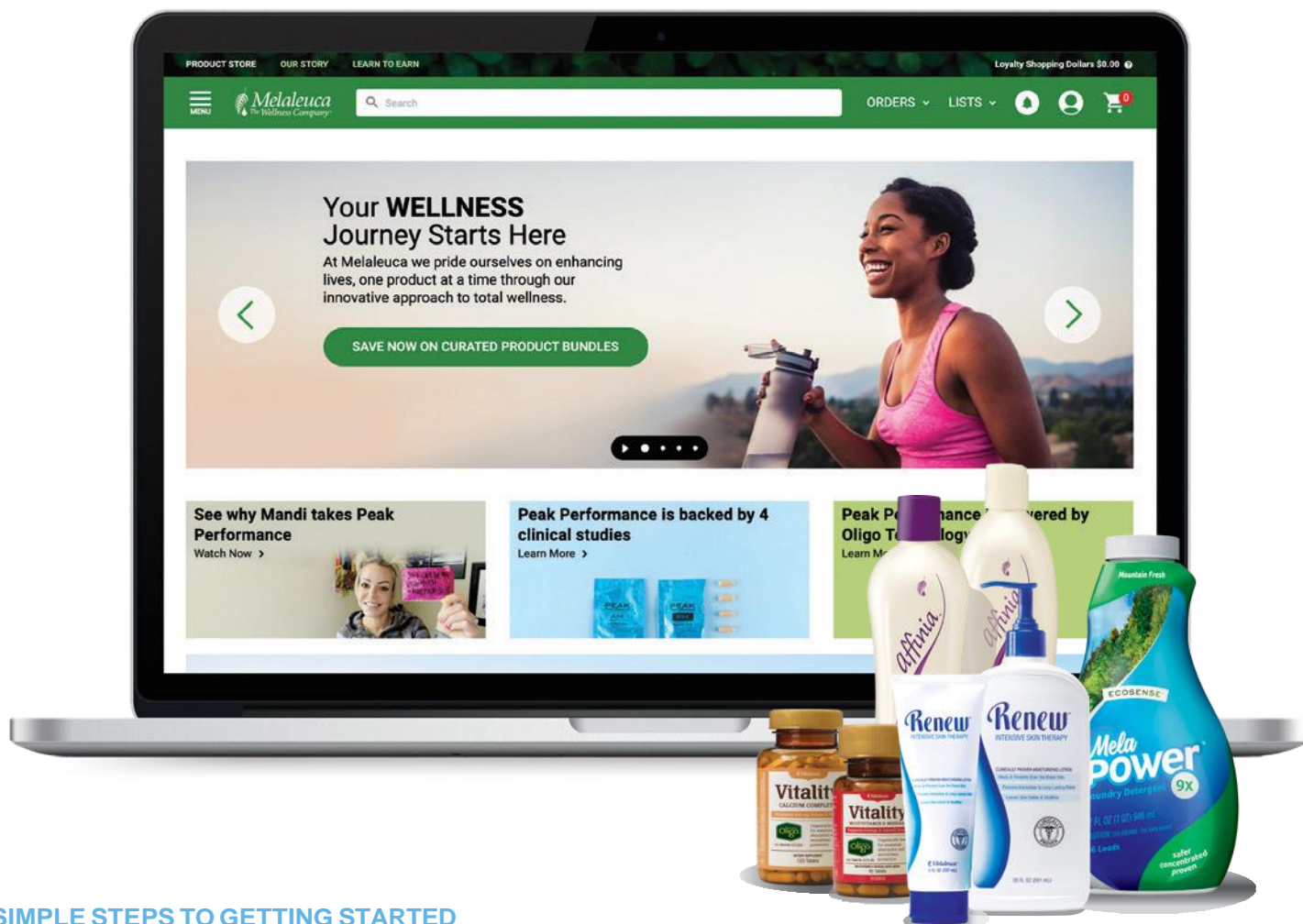




SIMPLE STEPS TO SUCCESS

Keys to Building Your Melaleuca Business



SIMPLE STEPS TO GETTING STARTED

- **Go online to Melaleuca.com/GettingStarted.** Get the training and tips you need to succeed with your Melaleuca business. Today's top Marketing Executives—who were once new business builders like you—share their stories, why they made the decision to build a Melaleuca business, and how it has changed their lives.
- **Read the Member Benefits booklet located online under My Account.**
- **Set up your online shopping account.** When you enrolled as a new Member, Melaleuca sent you an email with your customer number and username. The email also includes a direct link that allows you to sign in and start shopping. Or you can always go to Melaleuca.com and select "Create Your Online Account."
- **Check out Melaleuca.com/LearnToEarn** and begin watching Learn to Earn videos. These fun, informative videos introduce you to the science and innovation behind many of Melaleuca's most popular products. By watching these short videos and answering a few questions, you'll not only become better acquainted with Melaleuca products but also earn up to \$100 US/\$120 CDN to spend on the products of your choice!

IT ALL STARTS NOW

Your Melaleuca journey has just begun! Luckily, you're not left to explore on your own. Your enroller, the person who introduced you to Melaleuca, will arrange a Strategy Session with you to answer questions and help you every step along the way. Together with your support team, success is just over the horizon.

-
- Purchase a **HCP** [Home Conversion] or Value Pack. Now that you've found the safest, most effective wellness products on the planet, don't hesitate to replace the grocery store brands you may have been using before! To help make the conversion, Melaleuca offers new Members the opportunity to purchase a Home Conversion Pack or Value Pack, saving up to 34% on the Non-Member price! (See page 4.)
 - Identify your **WHY**. A strong business starts with a solid sense of purpose. So take some time to identify your *why*. What is your goal with your Melaleuca business? What will achieving that goal do for you and your family? Will it bring financial freedom? Will it give you an opportunity to live life on your own terms? Or will it improve your children's future? Write down your goal and your *why*, share them with your enroller or mentor, and remind yourself of them frequently as you build your business.
 - Start your **Contact List**. Write down 100 names—without prejudging how interested you think the individuals may be—to get your contact list started. Then identify the 10 you think could most readily benefit from Melaleuca's life-changing wellness products.
 - Connect with us on social media. Like us on Facebook and follow us on Instagram and Twitter!

BEGIN WITH A BANG

Exclusively available for new customers!
Home Conversion and Value Packs are
the easiest and most affordable way to
replace the products you use every day
with healthier, safer, smarter alternatives.

During your first two months as a new Member, you can purchase the Home Conversion Pack or Value Pack. These limited-time packs feature dozens of Melaleuca's most popular products at additional savings compared to the already-discounted Member prices. You'll discover the Melaleuca difference in virtually every area of your home: from nutritional supplements, dental care, and personal care products to safer-for-your-home cleaning and laundry systems.

While purchasing a pack is not required, it is the best way to become familiar with a wide range of Melaleuca products. These packs also help you jump-start your business by giving you firsthand product knowledge. The more you experience the Melaleuca difference in your own home, the easier it is for you to confidently share it with family and friends.

Home Conversion Pack

Non-Member Price: \$725.47 US / \$917.99 CDN

Member Price: \$473.91 US / \$604.42 CDN

Member Savings: \$251.56 (34%) US / \$313.57 (34%) CDN

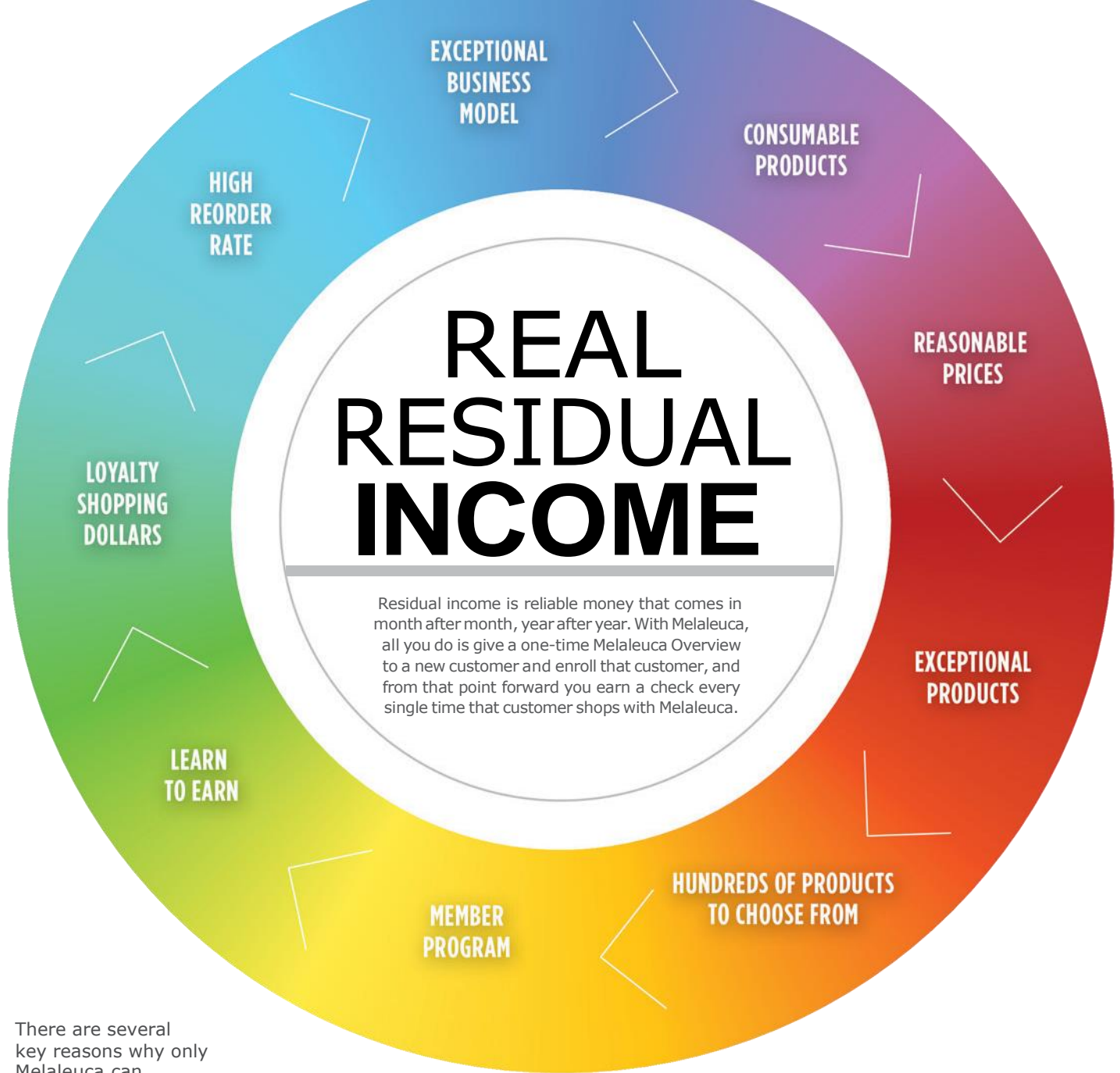
New-Member-Only Pack Price: **\$299.00!**

Additional "NEW-Member" **Savings:**

\$174.91 (36%) US / \$305.42 (50%) CDN







There are several key reasons why only Melaleuca can provide reliable residual income:

Member Program

In exchange for a commitment to shop monthly at Melaleuca, Members get a big discount on Melaleuca products, savings on retail purchases at *Melaleuca Marketplace*, additional services, and much more! This customer loyalty program rewards ongoing purchases and creates true residual income for you.

Reasonable Prices

Your customers find value at Melaleuca. That brings them back month after month—even in a tough economy. Whether they shop for *Affinia® Shampoo* or *MelaPower® Laundry Detergent*, they can simply switch stores and find tremendous value every time they shop.

Monthly Shopping

Instead of selling one-time-purchase items like jewelry or appliances, Melaleuca sells consumable wellness products, like bars, shakes, and personal care products that customers use and replace every month. As a result, your income from their ongoing purchases is residual and recurs every month.

Customers Love Our Products

It takes unique products to create ongoing residual income. The *Peak Performance Pack*, *Access™ Bars*, *Renew™ Lotion*, and *Diamond Brite™ Automatic Dishwasher Detergent* are just a few examples of products developed by Melaleuca and our scientific partners—products our customers can't live without and purchase again and again.

Once you've introduced a customer to Melaleuca and helped them set up their account, Melaleuca goes to work for you. Melaleuca provides world-class products, catalogs, and a shopping website. Melaleuca takes your customer's orders, ships them, and collects sales tax—all at no cost to you. Your residual income continues as that customer shops month after month.



Loyalty Shopping and Learn to Earn

Melaleuca offers Loyalty Shopping Dollars as a reward for being a loyal Member and for learning more about Melaleuca and its products. New customers can earn up to \$100 US/\$120 CDN in free products during their first five months. They earn \$20 US/\$24 CDN when they place their first order within two days of enrolling. Customers earn an additional \$20 US/\$24 CDN when they shop for their second minimum monthly product order. In their third, fourth, and fifth months, customers can earn up to an additional \$60 US/\$72 CDN by watching educational videos and answering a few questions. The more customers know about the quality of Melaleuca products, the science that goes into them, and how they're made, the more likely they will be lifelong Melaleuca shoppers.

400+

PRODUCTS TO CHOOSE FROM

If a customer bought only 35 Product Points a month, it would take them over three years to buy every single product in Melaleuca's product line. That's because customers have a huge variety of products—400+ and growing—to choose from. They can shop this month for products they may not have purchased last month. As a result, customers come back to Melaleuca to shop again and again.

High Reorder Rate

It's well documented that at least 96% of customers who shop with Melaleuca this month will shop again next month. That means that as you build your Melaleuca business, your customers will shop month after month. This exceptionally high reorder rate results in true residual income.

Unique Business Model

Melaleuca is the world's only Consumer Direct MarketingSM company, and Melaleuca.com is the largest online wellness shopping club in North America. Consumer Direct Marketing was designed to create and reward customer loyalty. You simply introduce customers to Melaleuca and help them set up their accounts, and they shop directly from Melaleuca.com. You don't have to worry about handling inventory, making a big investment, or giving repeat sales presentations. And since anybody can build a successful Melaleuca business, your organization can be full of everyday, average customers who refer a customer from time to time. Those referrals continually fuel your residual income.



A MARKETING REVOLUTION!

The Melaleuca Compensation Plan is designed to simplify the way you earn residual income. As you build your Melaleuca business, the following commissions and bonuses will be available.

Commissions

Product Introduction Commission: Earn a 50% commission on your new personal customers' first 150 Product Points purchased during their first three months.

Personal Customer Commission: Earn up to 20% of the Product Points that your personal customers order each month after the third month.

Organization Commissions: Earn 7% of the Product Points ordered by customers who were enrolled by someone else in your organization.

Bonuses

You receive bonuses whenever:

- A** You advance your business.
Each time you advance to a new status of Director or above, you will receive a one-time Advancement Bonus.
- B** Others in your organization advance.
The Mentoring Bonus is paid each time a personal customer, someone you've personally enrolled, advances to a new status of Director or above. Directors 3 and above can qualify for the Expanded Mentoring Bonus when a personal's personal customer advances.
- C** Plus earn other bonuses.
As your business grows, you can earn more bonuses. Senior Directors and above earn Car Bonuses ranging from \$500 to \$1,500 per month and can qualify for a lucrative Leadership Growth Bonus and a Leadership Development Pool Bonus.

PLAN ON THE 20/20 CLUB

Achieving Melaleuca's 20/20 Club should be one of your first goals. Why? It's simple. When you personally enroll 20 customers in your first 90 days, you begin earning the 20% Personal Customer Commission on all of their product purchases.

And by the time you have 20 personal customers, you will have already advanced to Director 2 or even Director 3 if you helped just one of your personal customers also reach Director.

Plus, you'll have done it all within the Pacesetter time frame, which means your Advancement Bonuses will be DOUBLED! That's \$1,000 when you reach Director 3!

Need a plan? Try this!

Month 1: Personally enroll 10 new customers.

Month 2: Personally enroll 5 new customers and help one of your personal customers reach Director.

Month 3: Repeat what you did in month 2.

When you do this in your first 90 days, your business will be unstoppable and you'll be well on your way to Senior Director!

See Melaleuca's Compensation Plan for details: [Melaleuca.com/CompensationPlan](https://melaleuca.com/CompensationPlan).



WHY ARE YOU BUILDING A MELALEUCA BUSINESS?

1. WHAT IS YOUR GOAL?

DATE TO REACH STATUS GOAL:

2. WHY IS YOUR GOAL IMPORTANT TO YOU?

WHAT I NEED TO ACCOMPLISH MY GOAL:

Directors

Enrollments

Overviews

Appointments

Calls/approaches

Number of days to achieve my goal

3. HOW WILL YOU GET THERE? WHAT DAILY ACTIONS WILL YOU DO TO REACH YOUR GOAL?

MY NUMBER OF DAILY CALLS/APPROACHES:

MY ACCOUNTABILITY PARTNER:

PACESETTER BONUSES— **2X** PAYOUTS FOR SPEED

As you enroll more customers and help some of them do the same, your business grows. When you grow a little faster, the bonuses **double**!

| STATUS | ADVANCEMENT BONUS | ON PACESETTER 2X BONUS | TIME FRAME (MONTHS) |
|-----------------|----------------------|---------------------------|------------------------|
| Director | \$100 | \$200 | 1–2 |
| Director 2 | \$200 | \$400 | 3 |
| Director 3 | \$500 | \$1,000 | 4 |
| Director 4 | \$500 | \$1,000 | 5 |
| Director 5 | \$500 | \$1,000 | 6 |
| Director 6 | \$600 | \$1,200 | 7 |
| Director 7 | \$700 | \$1,400 | 8 |
| Director 8 | \$800 | \$1,600 | 9 |
| Director 9 | \$1,000 | \$2,000 | 10 |
| Senior Director | \$2,000 | \$4,000 | 11–12 |
| | \$6,900 | \$13,800 | |

All commission amounts shown in US dollars.



YOUR CRITICAL BUSINESS- BUILDING ACTIVITIES

As you enroll new customers, some activities are more critical to success than others. Focus your time and energy on what has been proven to work.



BUILD YOUR CONTACT LIST

What Is a Contact List?

A contact list is simply a list of people you know. You don't need to be highly successful or wildly popular to have a contact list. Between your friends, family, neighbors, classmates, business associates, and the people you interact with on a daily basis, chances are you could quickly list at least 100 people.

Why Do I Need a Contact List?

Think of your Melaleuca business as a vehicle you're trying to drive from point A to point B. But before you can even get out of the driveway, you first have to fill your vehicle with fuel. Your contact list is the fuel you use to power your business. As you enroll customers from your contact list and earn commissions from their purchases, you move your business

forward. Then you have to refill your tank with new contacts and potential customers—otherwise your business will come to a standstill.

There's a reason why Melaleuca encourages you to build a contact list rather than just approach random people on the street. People do business with and refer friends to people they know, like, and trust. It's natural for you to tell a friend about a great new restaurant or a laundry detergent that saved your favorite shirt. We trust our friends' opinions. We know they understand our needs and goals. Your warm market (or the people you know) is like premium fuel for your business. They are always going to be more receptive to hearing about Melaleuca simply because they know you and value your opinion.



How Do I Build a Contact List?

First, you write down everyone you know. And we mean everyone. Think about the people you see when you go about your daily routine. Who are your friends on Facebook? Who do you talk to at the gym? Don't leave someone off just because you think they won't be interested. Avoid the temptation to prejudge. Use the memory jogger on page 15 to help you.

Social media is an excellent source to help you build your contact list. Hopefully you've already added all the people that you're friends with on social media to your contact list. But what about all the suggested contacts? Facebook, LinkedIn, Twitter, and many other social programs provide suggested contacts. These are often people you already know or people with whom you share a common connection. Use these resources to reach out and get to know someone new or reconnect with an old acquaintance.

The goal isn't to approach over social media but to simply begin building a relationship.

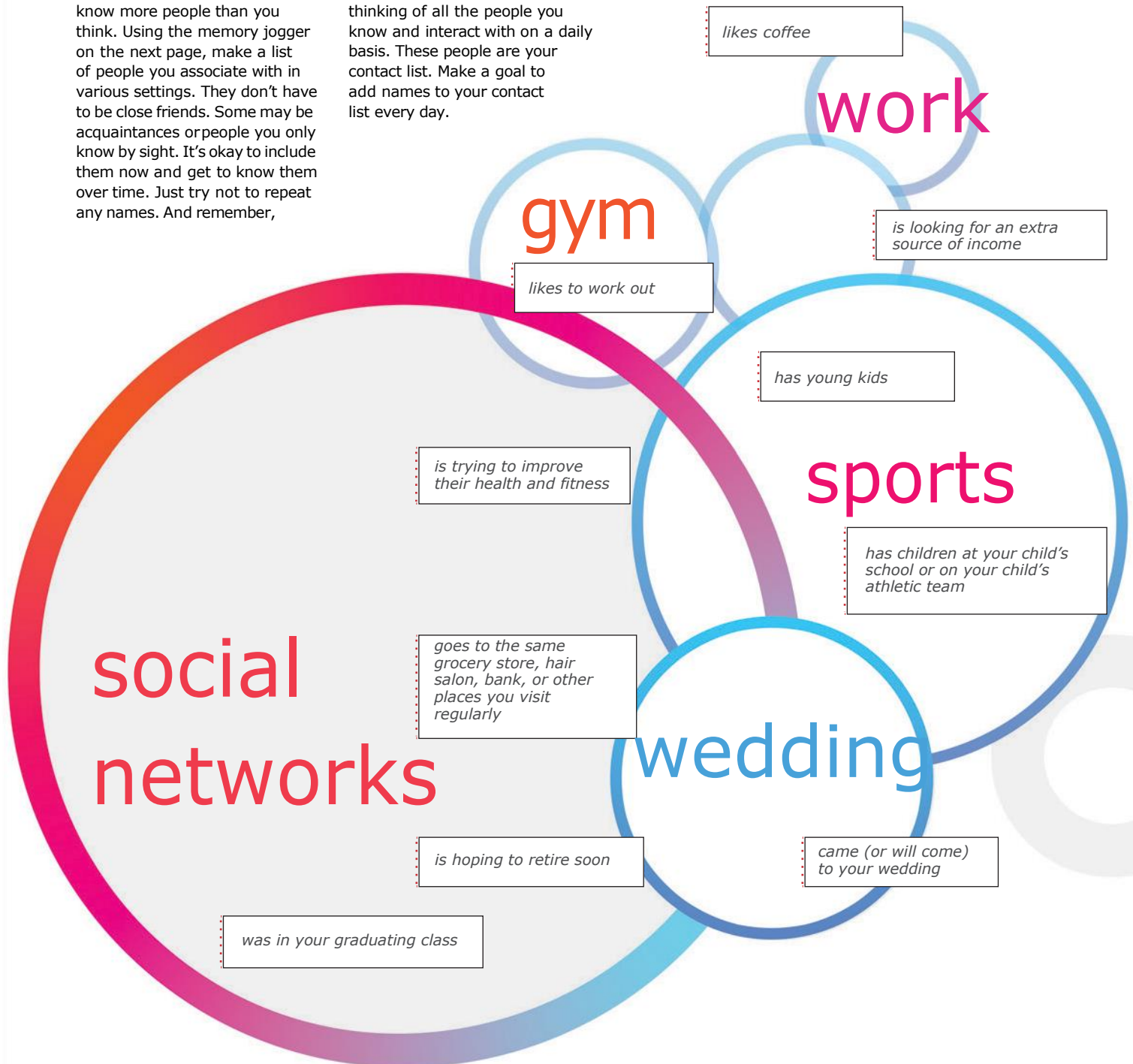
When you first meet or reconnect with someone, the focus should be on them and their life. Ask about their family, what they do for work, their hobbies, and what goals they are trying to achieve. As you follow up and learn more about their life, you will learn how Melaleuca's products and business opportunity can help meet their needs. Your purpose is to assist them. Set a goal to add names to your contact list each day (see below) – OR ...

E-X-P-A-N-D your List => [See HERE](#)

WHO DO YOU KNOW WHO...?

It's estimated that the average person has met 10 thousand people by the time they reach middle age. Chances are you know more people than you think. Using the memory jogger on the next page, make a list of people you associate with in various settings. They don't have to be close friends. Some may be acquaintances or people you only know by sight. It's okay to include them now and get to know them over time. Just try not to repeat any names. And remember,

you're just making a list of people you know, so resist the urge to prejudge or leave anyone off. Hopefully these ideas get you thinking of all the people you know and interact with on a daily basis. These people are your contact list. Make a goal to add names to your contact list every day.



Memory Jogger

FAMILY, FRIENDS & NEIGHBORS

1. Parents, siblings, etc.
2. Friends
3. Cousins, uncles, aunts
4. Neighbors
5. Car pool
6. Child's friends' parents
7. Friends' parents
8. Spouse's best friend
9. Babysitters
10. In-laws
11. High school friends
12. College roommates

SCHOOL/EXTRACURRICULAR ACTIVITIES

13. Teachers
14. Principal
15. Guidance counselors
16. Coaches
17. Music teachers
18. Dance teachers
19. Tutors

SHOPPING/STORES

20. Grocery
21. Convenience
22. Department
23. Hardware
24. Auto supply
25. Electronics
26. Tires
27. Office supplies
28. Health food shop owner or employees

WORKERS

29. Truck drivers
30. Cab drivers
31. Bus drivers
32. Bakers
33. Car salespeople
34. Hostesses/hosts
35. Servers
36. Chefs
37. Cashiers
38. Dishwashers
39. Office supply salespeople
40. Department store salespeople
41. Appliance repairmen
42. Flight attendants
43. Travel agents
44. Locksmiths
45. Painters
46. Roofers
47. Landscapers
48. Decorators
49. Inspectors
50. Carpet layers
51. Electricians
52. Contractors
53. Carpenters
54. Upholsterers
55. Cabinet makers
56. Plumbers

CHURCH & VOLUNTEER

57. Minister
58. Sundayschool teacher
59. Youth director
60. Church members

PROFESSIONAL

61. Work colleagues
62. Administrative assistants
63. Union members
64. Engineers
65. Realtors
66. Lawyers
67. Professors
68. Architects
69. Veterinarians
70. Writers
71. Publishers
72. Social workers
73. Printers
74. Surveyors
75. Bank tellers
76. Accountants

SERVICES

77. Caterers
78. Couriers
79. Barbers
80. Hairstylists
81. Postal workers
82. Repairmen
83. Cable TV installers
84. Auto mechanics
85. Auto body repairmen
86. Photographers
87. Satellite TV installers
88. Salespeople
89. Parking attendants
90. Dry cleaners
91. Flower shop employees

MEDICAL/HEALTH

92. Nurses
93. Dentists
94. Doctors
95. Chiropractors
96. Pharmacists
97. Therapists
98. Health spas
99. Opticians
100. Orthodontists

COMMUNITY

101. Police officers
102. Chamber of commerce
103. Firefighters
104. Alumni association workers

SPORTS/CLUBS

105. Kiwanis club
106. Lions club
107. Rotarians
108. Bowling team
109. Hunting partners
110. Tennis partners
111. Ski lift riders
112. Golf partners
113. Bridge club
114. Swim teammates
115. Jogging partners
116. Scrapbooking friends
117. Cycling group
118. Weightlifting partners
119. Fitness instructors

CONTACT SUGGESTION LIST AND CATEGORIES

There are more potential shoppers in your circle of influence than you might think. Use the list above to jog your memory for more possible contacts.



CRITICAL BUSINESS-BUILDING ACTIVITIES

2

SET APPOINTMENTS

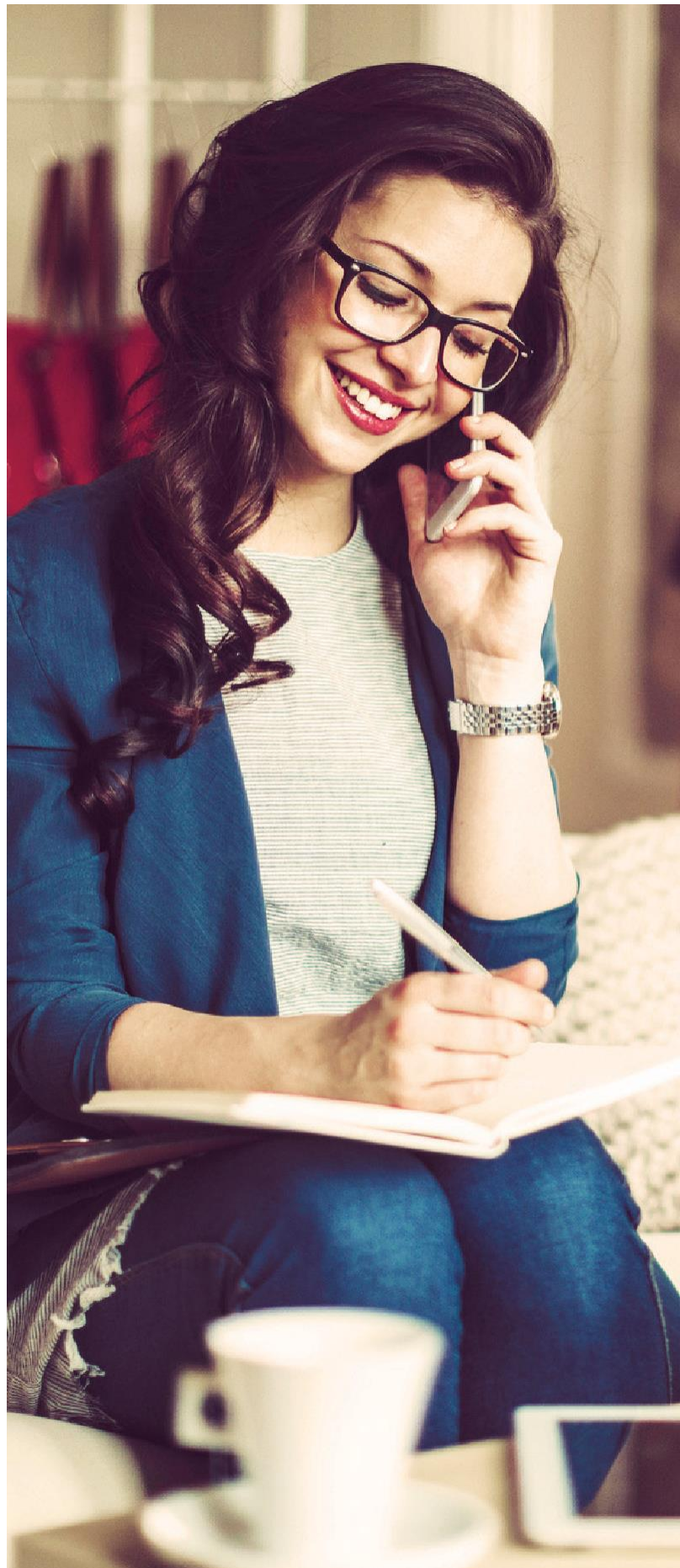
Corporate Director 4 Mark Atha says that before he makes appointment-setting calls, he does a quick exercise to get into the right mindset.

“Before I make a call, I remind myself that this person is already some other company’s customer, so I’m really not imposing on them or asking them to buy something they don’t currently buy elsewhere. In other words, they really need Melaleuca products and, in many cases, a Melaleuca business as well. In fact, they’ll be healthier with our products and better off financially should they build a business. Then I tell myself that if I don’t talk to them first, someone else will.”

Your purpose is simply to set an appointment—nothing more and nothing less. Keep your call quick and casual: “Hey, can I have 45 minutes of your time so I can show you what I’m doing? Do you have time tomorrow at lunch or would Thursday night be better?”

When you make an invitation, you’ve just aroused their curiosity, but you don’t want to get stuck trying to explain everything about Melaleuca over the phone. So instead, immediately shift the focus over to when they can meet: “I don’t have time to talk about it right now, but I’ll tell you all about it when we get together. What time will work for you?”

Becoming a pro at setting appointments takes practice, but you don’t have to practice alone. You can get the tips and coaching you need by teaming up with your enroller and your support team. And check out Melaleuca.com/GettingStarted for specific training on making approaches.



SAMPLE APPROACHES

Focused on Peak Performance

"Once I've gotten to know them, I'll ask, 'What supplements do you use that complement your nutrition?' or 'What supplements do you use to increase your strength in the gym?' They might say, 'Well, I don't really take any' or 'I'm not seeing much results from the ones I'm taking.' Then I can say, 'Well, I'd love to show you what can help you see better results. I'd like to show you the science behind some really good nutritionals that can improve your fitness level in the gym' or 'aid in your ability to lose weight.' Then show them the *Melagram*, and that usually opens up the door to a full presentation."

—**BROOKE PAULIN** NATIONAL DIRECTOR 9

"After taking the *Peak Performance Pack* 90-day challenge and getting the results back on your own blood work: 'Deanne, I am so excited! I just had some lab work done. My numbers have really improved in the last 90 days, and I have more energy. I would really love to share my results with you and tell you a little bit about what I am doing to improve my health as well as share some of the science behind it. Could we meet for lunch this week?'"

—**JENNIFER BECKER** EXECUTIVE DIRECTOR 4

Health-Focused Approaches

"I don't know if you know, but I've partnered with a company that specializes in helping people get the chemical irritants out of their homes. I think our company could really help your whole family. Would you be open to sitting down with me and having me share the benefits of our products? What might be a good time to connect for about an hour? I can come to your house or you can come on over to mine."

—**MICHELLE SMITH** CORPORATE DIRECTOR 4

"I have partnered with the largest online wellness shopping club in North America, and we manufacture an entire line of products addressing today's health needs such as metabolic health, heart health, weight loss, and more. We'll have to get together so I can share more."

—**STACY BODNAR** EXECUTIVE DIRECTOR 9



General Approaches

"Hey, John, I'm excited about a new business that my wife and I recently started. We love it because we get to work from home. We're looking for some people to partner with, and I'd love to show you what we're doing to see if it might make sense for you."

—**MARK ATHA** CORPORATE DIRECTOR 4

"Have you heard of Melaleuca.com? No? It's a fabulous online shopping club that offers exclusive wellness products shipped to your door at huge savings. I've been a customer for years and wouldn't live without it! Only customers can refer customers, so why don't we grab a coffee and I'll show it to you."

—**SANDI SULLIVAN** EXECUTIVE DIRECTOR 4

CRITICAL BUSINESS-BUILDING ACTIVITIES

3

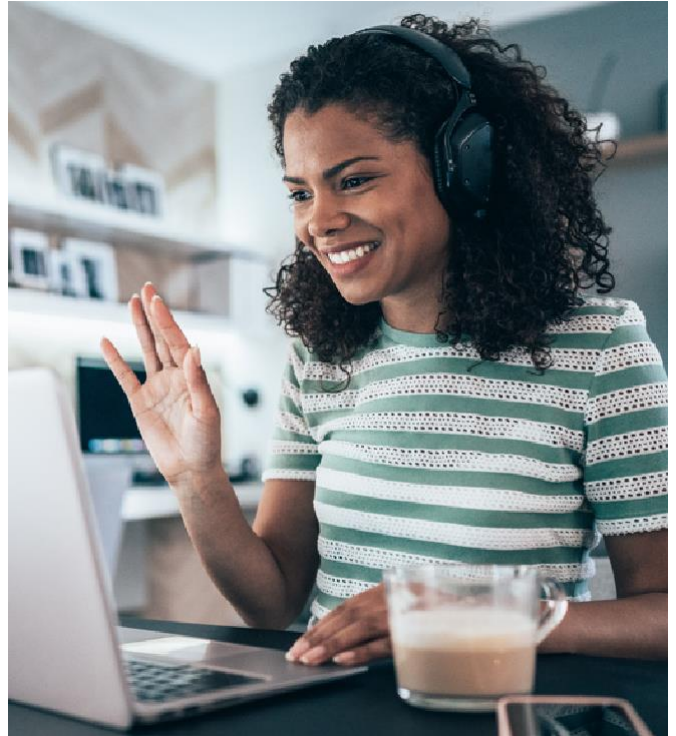
SHARE *MELALEUCA: AN OVERVIEW*

Successful Melaleuca business builders use *Melaleuca: An Overview* because it's simple and can be easily duplicated.

Remember, what you do duplicates. If you use only a portion of the Melaleuca Overview or your own version of it, your team will not be able to duplicate it. So do what you would like your new Marketing Executives to do. This is an important and powerful principle. The most successful Melaleuca organizations always present *Melaleuca: An Overview* the same way every time. Why? Because they know others will follow their examples.

“What *Melaleuca: An Overview* does is instill belief in a brand-new business builder. They believe they can do it, and because they believe they can, they can. There are a lot of people who love what they see and leave the room saying, ‘Well, I can do that.’”

— John Dufner, Corporate Director 3



Start by Teaming Up

When you first begin building your Melaleuca business, giving Overviews will be a somewhat unfamiliar experience. That's perfectly all right. Your enroller and members of your support team will be there to help and to give Overviews for you until you're ready. We strongly recommend that you begin by watching them give Overviews to your customers. Once you see them do it a few times, you'll become more comfortable with the process and can take over as the presenter—usually about the time you advance to Director 3.

Know Your Audience

As you begin your presentation, try to learn as much as you can about your audience.

Ask questions about the following topics:

- What do they do for a living?
- Do they like their current job?
- Are they satisfied with their income?

- Have they ever tried a home-based business before?
- Are they married?
- Do they have children?
- What do they do for fun?
- Would an additional \$500 per month help them in a significant way?
- Does more time with their family mean anything to them?
- Are they concerned about their finances?

Use the answers you get from these questions to show each new customer how a Melaleuca business can help them achieve what they really want in life.

Confirm Attendance

The day before the *Melaleuca: An Overview* presentation, call those you have invited to confirm the time and location. You're actually confirming their attendance, so call to confirm—not question—attendance.



Share the Complete

Melaleuca: An Overview Presentation

Regardless of whether you anticipate that your customer will become a business builder, share the business portion of *Melaleuca: An Overview* in every presentation. Often, the only reason some individuals don't build a Melaleuca business is because they don't know the opportunity exists. Just as the business is important to share, every other element of *Melaleuca: An Overview* serves a purpose for your prospective customers.

A Format for Every Situation

Melaleuca: An Overview is available in the following media formats, giving you the option to choose what will work best for you and your audience:

- The online version can be found at Melaleuca.com/BusinessCenter.
- The Melaleuca App allows you to download and share the Overview on any iPad or tablet. It's perfect for sharing Overviews on the go.
- Do a webcast or webinar using Zoom or a similar service to share the Overview with contacts all across the country.
- The booklet is available to purchase and is perfect for one-on-ones, and you should always keep it on hand as a backup.

QuickShare PRO

Multiparty Online Overview

With QuickShare PRO, you'll find several videos that all cover the essential points of *Melaleuca: An Overview*, but each one highlights specific benefits or points of view, so you can better match your presentation to the person you're introducing to Melaleuca.

Go to Melaleuca.com/QuickShare for more information.



CRITICAL BUSINESS-BUILDING ACTIVITIES

THE FUN PART: SETTING UP ACCOUNTS

After sharing *Melaleuca: An Overview*, your potential customer will be wondering what to do next. This is when you ask which type of customer they'd like to be.

Gain Commitment by Asking the Customer to Choose a Category
As you come to the close of the *Melaleuca: An Overview* presentation, introduce and explain the three categories of participation and ask your attendees which category they fit into: Member, supplemental income, or significant income.



MEMBER

Shop and save:
30%–50% discount



SUPPLEMENTAL INCOME

Earn a few hundred to
a few thousand dollars
per month

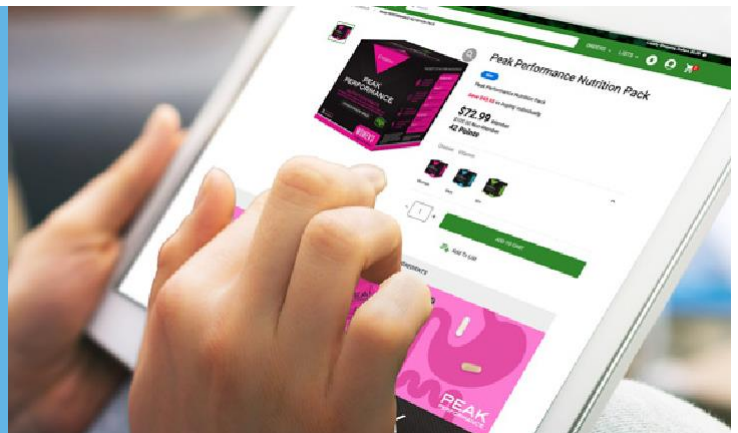


SIGNIFICANT INCOME

Earn several thousand
dollars per month

HELP YOUR CUSTOMER START SHOPPING

Go through the Melaleuca catalog or product price list and help your new customer pick out the first products they would like to try. Call Melaleuca at 1-800-282-3000 or go to Melaleuca.com to help them start shopping right away. You can show them how easy it is and speed up their shopping experience. Another best practice is to have a Value Pack or Home Conversion Pack on hand at the time of enrollment so your new customer can take advantage of the additional 36% US/50% CDN savings.





IT'S ALL ABOUT TIMING

When should you schedule the Strategy Session? As soon as you can. The longest you should wait is 48 hours after the Melaleuca Overview, especially when your new enrollee told you they're excited about Melaleuca and want to build a business. A timely Strategy Session is the perfect way to take advantage of that excitement and convert it into action.

4

STRATEGY SESSION

During the *Melaleuca: An Overview* presentation, you will discuss how some customers choose to be Members while others choose to take advantage of our unique business opportunity—in addition to purchasing our products. Determining which category your new enrollee belongs in will also determine your next step.

A Strategy Session is when you follow up with your new customer to answer questions, determine the next steps, and schedule action. The decisions your new enrollee makes will determine your next steps. At the end of your Overview, be sure to schedule a Strategy Session within 48 hours if at all possible. During the Strategy Session, if they chose Category 1 (Member), you'll want to do the following:

- Show them the Learn to Earn program right away and watch their first Learn to Earn video with them. Customers who watch the Learn to Earn videos stay customers longer, purchase the products they learn about in the videos, and become dedicated fans of our better, safer products for life.
- Help them place their first order and answer any questions they may have.
- Follow up with them after two weeks. Which Learn to Earn videos have they watched? What questions do they have? Which product is their favorite so far?

If they tell you they want to earn supplemental or significant income and are willing to commit to working five or more hours each week, they belong in Category 2 or Category 3.

- So during the Strategy Session, in addition to introducing them to Learn to Earn, you'll want to share the importance of getting started with either a Home Conversion Pack or Value Pack.

One of the best activities guaranteed to bring results is holding a Strategy Session within 48 hours. This activity is proven to create quality enrollments and sustained growth. Businesses that consistently hold Strategy Sessions have higher average commissions, higher average growth rates, and lower attrition.

CRITICAL BUSINESS-BUILDING ACTIVITIES

When a Category 2 or 3 enrollee agrees to work five or more hours each week and to have their contact list ready, that's a clear indication that they are willing to put forth the effort to build a Melaleuca business. To get these folks off to the right start, follow these simple steps for your Strategy Session:

1 Help Them Identify Their *Why*

Help your new enrollee reconnect with why they are building a Melaleuca business. As with any new endeavor, when they remain focused on the end outcome, they can step outside their comfort zone and see past temporary challenges. Perhaps they want to get out of debt, be home with their children, prepare for retirement, or improve their quality of life. You may ask them, "What amount of monthly income would allow you to reach this goal?" That way, they are clear about their end goal.

2 Leverage the Power of Pacesetter

Commit them to the Pacesetter Program. Pacesetter is a set time frame with incentives and deadlines for performance. A goal without a deadline is only a wish. Help them see that if they stay on Pacesetter schedule, they can earn double the one-time Advancement Bonuses.

3 Identify the Contacts to Approach First

Review their contact list and identify the key people with whom they will team up. This is the time for you to set clear expectations for the first step in their Melaleuca business. One clear expectation is to personally refer 20 customers in their first few months. Another is to identify two of those customers to team up with and build a business. Remember—the expectations set will be the expectations met.

As you review the contact list, ask them, "Who are the people on this list who are most likely to team up with you and build a business? Who needs a plan B or a little extra income? Who is hardworking?" Questions like these will help them evaluate key members of their team who may want to build a business. Once you have identified two or three people, discuss how you might team up to approach them and do an Overview with each as soon as possible.

If your new enrollee has others working alongside them, they are more apt to be successful. In any worthy goal, teaming up is a key to success. If your new enrollee personally refers 20 customers and helps two others get to Director by doing the same, your enrollee will likely be a Director 3 in the first 90 days. That's the right way to get started!

4 Schedule Action

The next step is to create your calendar for the first few weeks. Identify the days and times when you will team up to hold Melaleuca Overviews. Schedule time for following up. Schedule the dates and times of Melaleuca meetings and leadership celebrations.

Let's say your enrollee has a goal to personally refer 10 customers in the first two weeks. That means you'll set five to six Overview times. Once those Overviews are on the calendar, your enrollee can approach more confidently: "On Thursday, I'm having an Overview at 1 p.m. Why don't we get together then?" If the Overviews are on the calendar, your enrollee is more likely to get to work quickly on inviting people to attend.

5 Set Appointments

Practice approaches and setting appointments. Some people have never set an appointment. They need coaching. They need you to demonstrate how to set an appointment. Remember EDPE. E stands for explain, D for demonstrate, P for practice, and E for evaluate. Be sure to use all four tools when helping others make appointments.

Imagine how encouraged your new enrollee will be if they leave the Strategy Session with three or four appointments scheduled. They will have confidence that they can build the business and will look forward to the scheduled Overviews. Without Overviews scheduled, they may not follow through once other pressing priorities in life arise.

6 Commit to Scheduled Times and Ways to Communicate

Establish clear times to communicate and report back. You will likely be talking on the phone several times a day as you begin. In the Strategy Session, you can talk about the best times and methods for touching base.

GET PLUGGED IN

Attending all company meetings and events is key to your success. You'll meet other team members, set goals, and schedule action.



- **JANUARY LAUNCH**
Start the year off on a high note with an engaging combination of live and video presentations. It's the perfect venue to invite a friend and share the benefits of Melaleuca. And you won't have to travel far. With several locations, it's easy to find a January Launch near you.
- **ROAD TO EXECUTIVE DIRECTOR**
Twice a year, first-time Senior Directors gather for three days of world-class business training, inspiration, and fun. They're joined by Melaleuca CEO Frank VanderSloot, members of Melaleuca's management team, and select business builders.
- **CONVENTION**
Nothing fuels momentum for your team and business like Convention. Each day is packed with hands-on business training, new-product announcements, powerful speakers, and up-close moments with Melaleuca's most successful leaders. Leave prepared to advance your business to the next level.

- **STANDING ELC**
Once a year, Executive, National, Presidential, and Corporate Directors gather at destination resorts for insightful business training, in-depth discussions, and fun group activities as part of Melaleuca's Standing Executive Leadership Council (SELC).
- **REGIONAL CONFERENCES**
This is the most significant meeting in your region, featuring training from some of Melaleuca's most successful Corporate, Presidential, National, and Executive Directors. You'll also get a chance to shine in the spotlight and celebrate the accomplishments of your team.

In addition to your own team meetings, Melaleuca publishes other meetings and events happening in your area and around the country on our website.

Go to Melaleuca.com/Meetings for what's happening in your area and to Melaleuca.com/Events for our calendar of events.

.....

"Melaleuca events are powerful, emotive, and life changing. They're the perfect place for you to learn, celebrate accomplishments, and make memories with leaders and like-minded Marketing Executives!"

You deserve to be there front and center!"
—Darrin Johnson, Senior Vice President of Sales

.....

5

CELEBRATE SUCCESS

Celebrating success is a way to inspire people to set goals and achieve more than they ever thought possible. The mission of Melaleuca is to help people reach their goals. To inspire and motivate people to that end, you must celebrate their accomplishments. Melaleuca thrives on celebration! From the smallest of achievements to the largest ones, from enrolling one customer to achieving Corporate Director, leaders need to feel good about what they're doing. When that happens, motivation increases, excitement grows, and abilities expand.

Make Your Celebration Effective

How you celebrate should be wholly determined by who it is you're celebrating. It takes only a few minutes to figure out what people like, what parts of the business they may struggle with, and where they need encouragement. Once you've done that, celebrate with them in a serious manner. Tell them what they did that was successful. Be specific. Tell others about the hard work you've witnessed. Let them know that you noticed their efforts. Your words and encouragement will likely mean more than any reward you can come up with. Attach a suitable reward on top of that and you'll create a moment in that person's life they will treasure for a long time.





Recognition Is a Proven Motivator

We all love to be recognized for our accomplishments. Whether it's a pat on the back, a high five, or a note saying, "Job well done," all forms of recognition create positive reinforcement. Often, when someone else notices what we've done, we're more likely to keep striving and pushing harder than ever. Rewards, whether material or emotional, promote hope and belief and make all the hard work worthwhile.

Sharing Success Builds Team Loyalty

As a business builder, your goal is to build a cohesive team. A big part of that process is celebrating your team's success. Through celebration, you experience a strengthening of relationships, you feed off one another's energy, and you create a synergy that helps each of you work more effectively together than you would alone.

Visit the Recognition Center at Melaleuca.com/Recognition for more information.

A Melaleuca Fast Track is a results-driven program designed to help your organization grow. A series of meetings lasting four weeks, Fast Track helps participants set goals, create action plans, implement those plans, report results, and celebrate success. Team leaders provide motivation, support, and training, and facilitators organize the schedule and the recognition awards.



"Fast Track helps you stay focused week after week. If you ask our leaders about the 'secret' to their success, many will tell you that the answer is Fast Track—not only for themselves but for their entire organization. No one works harder than these leaders."

—Melaleuca CEO Frank L. VanderSloot

FIVE ESSENTIAL ACTIVITIES MAKE UP THE CORE OF EVERY FAST TRACK EVENT

- 1. Assess the business and set goals.** Fast Track participants determine where they would like to be by the end of the Fast Track period. Specific goals include number of enrollments, status achieved, number of Home Conversion and Value Packs sold, number of appointments set, and in-home presentations.
- 2. Create an action plan.** With the help of the team leader, each participant creates a detailed action plan for how they are going to achieve their goals. Using a calendar, they determine what days and times they are going to set appointments, share *Melaleuca: An Overview*, report to their team leader, and more.
- 3. Implement the plan.** After the Fast Track meeting, the participants follow through on their action plan, tallying their results and reporting to their team leader on schedule.
- 4. Report and celebrate success.** Meeting together as a team each day to report, celebrate, and plan can drastically impact business results. Most often, the results involve enrolling customers and developing new Directors.
- 5. Train and develop leaders.** Take 10–15 minutes of each Fast Track meeting to conduct training on the Seven Critical Business-Building Activities. When conducting your training, remember to briefly explain, demonstrate, practice, and evaluate.

THE BASICS OF A SUCCESSFUL FAST TRACK

Time: Fast Track is designed to run during the calendar month and should be scheduled on the same day and at the same time each week (always start on time). Consistency is vital to success.

Who: Include committed Marketing Executives who work closely with one another in their businesses (e.g., your personally enrolled customers).

Leaders: As a general guideline, team leaders should be Directors 3 or above, as they need to have experience at personally enrolling customers and developing Directors. These leaders should also be organized, accountable, and willing to put in extra energy and effort to keep the team focused on goals.

Teams: Teams usually consist of 8–10 members. There is no limit to the number of teams as long as you can manage the group size.

Product Experiences: You should start every meeting with a positive product experience.

Goals: Goals should be set the first week and revised or added to each of the following weeks.

Action Plans: After participants set goals, they should put an action plan into place to help reach those goals.

Celebration: Personal accountability and reporting happen on a weekly basis. The facilitator establishes a recognition system and rewards everyone's accomplishments. Celebration of success is a key part of each weekly meeting.

Participation: Once the last week is concluded, participants should be encouraged to attend the next Fast Track.

Fees: You may need to charge a fee for participation. This money helps provide recognition prizes and offsets any other related costs. These fees should not exceed \$20 per business.

7

LEAD BY EXAMPLE

Melaleuca business leaders lead by example because they know their actions are usually duplicated by those in their organizations. Are leaders professional, product-centered, and positive? If so, others will duplicate their actions. Are they disorganized, demanding, and late to meetings? If so, others will observe and duplicate those actions as well.

As a Melaleuca leader, you should set the example by attending Convention and all other Melaleuca meetings. Not only do these meetings offer you inspiration, ideas, and the training you need to grow your Melaleuca business but they also give you the opportunity to develop a reputation as a supportive, involved Melaleuca leader whom others will want to emulate.

Your first two months as a Melaleuca Marketing Executive are critical. You get only one chance to create the beginning of your story—so make it as great as you can! Later, when you're referring new customers and trying to encourage them to build quickly, they'll want to know how you did it.

You'll be telling your "getting started" story over and over again, so it's important to set your sights on reaching Director within your first month and Director 3 within 90 days.

Convert Your Home to Melaleuca Products and Services

What would you think if the CEO of Ford Motor Company drove a Toyota? If your favorite Mexican restaurant cook chose Taco Bell for lunch? Wouldn't you have a difficult time purchasing the products they represent?

After joining Melaleuca, immediately convert your home to Melaleuca products and services. Learn everything you can about them, gain your own product experiences, and get in the habit of consistently sharing product and service information with others. The people in your organization will follow your example and convert their own homes, spreading a powerful belief in the products and the services and building a strong business foundation.



According to actor Will Rogers, "People's minds are changed through observation and not through argument." As you go forward in all your Melaleuca activities, remember that your team members are watching you. Set a good example!

How Do You Convert Your Own Home? It's Simple.

Dispose of all the products you currently use.

Replace those products with Melaleuca products, and let others know you only use safe and effective products in your home now.

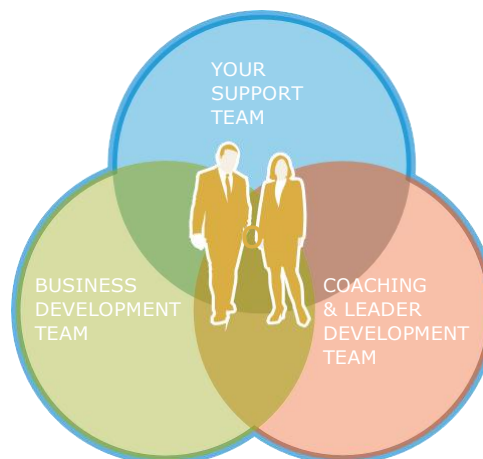


MELALEUCA: TEAMING UP LIKE NO OTHER COMPANY

Nobody succeeds alone. That's why, in addition to your support team, Melaleuca provides you with a dedicated Business Development team to answer all your specific questions. But we don't stop there. As you lead your organization, especially in the beginning, you'll need personal guidance and professional development.

So to help you advance your business, we have a highly trained group of leadership coaches who are excited about getting to know and serve you. Discover how you can begin earning commissions and bonuses by referring others to shop at Melaleuca. It's simple, fun, and lucrative!

See *A Marketing Revolution! The Melaleuca Compensation Plan* for complete details. Melaleuca.com/CompensationPlan.



Whenever you have a specific business-related question, whether it's related to paperwork you submitted or your Business Report, we're here when you need us!

Reach us Monday–Friday,
6 a.m.–6 p.m. MT
1-208-522-0870

FREQUENTLY ASKED QUESTIONS

Melaleuca's Business Development department has compiled answers to the questions most frequently asked by customers. Talk to your enroller or call Business Development at 1-208-522-0870 for answers to other questions you may have.

Enrolling a Member

How do I enroll a new customer?

Use Melaleuca's Online Enrollment tools located in the Business Center portion of Melaleuca.com. Fill out the Customer Membership Agreement completely, including correct numbers, shipping and mailing addresses, and phone numbers. Include account information and the required signatures. Call the toll-free enrollment line (1-800-262-0600), then mail, fax, or use the Quick Send mobile app to send the completed paperwork to Melaleuca.

What is the best way to confirm that my customer's paperwork has been received?

Melaleuca's Online Enrollment tool tracks for you whether the enrollment is complete or not. Fax the completed paperwork to 1-888-528-2090 (North America only). After 15 minutes, log on to the Business Center at Melaleuca.com and click on FaxFinder. Enter the fax number you used or enter the confirmation from your fax confirmation page. If any duplicate faxes are received, Melaleuca will charge \$1 per duplicate page.

Is it possible for someone else to be set up on my credit card or checking account as a Member?

No. Each customer or Marketing Executive must have an account of which they are the owner and from which they are authorized to withdraw funds. Using your own checking account, savings account, or credit card to enroll someone may be cause for termination.

If I do not have a credit card, checking account, or savings account, can I enroll as a Member?

No. A credit card, checking account, or savings account is necessary.

I want my new customers to receive the Member discount. Can they shop if their paperwork has not yet been received by Melaleuca?

They can place an order with a credit card or a checking account before their paperwork is received. We give all customers the Member price on their first order. After that, we need to receive the paperwork for the Member discount to continue and for them to use a checking account.

May I enroll a charitable organization?

Yes. Certain types of charitable organizations are eligible for enrollment. Please go to Melaleuca.com/Charitable or contact Business Development at 1-208-522-0870 for further instructions.

Do I need to pay a Customer Membership Fee?

Yes. The Membership Fee is the key that unlocks your Melaleuca Membership and enables you to save 30%–50% off Non-Member price and enjoy many other benefits of membership.

Building Your Organization

How do I place new personal customers in my organization?

You are allowed to "manage" five customers or Marketing Executives on your first generation. You can place customers in those positions or in the organizations of customers in your organization. We do not tell you how to structure your organization; we recommend discussing all business-building strategies with your enroller and support team.

Who is my Marketing Executive?

The first person in your support team. Your Marketing Executive and your enroller are your primary resources in building your business.

Whom do I put down as Enroller on the Customer Membership Agreement?

The enroller must be the person who introduced the new customer to Melaleuca and helped them become a customer or who played an active role in the presentation of Melaleuca products or business opportunity to the new customer.

May I have an interest in more than one Melaleuca business?

No. You may only have ownership or ownership affiliation in one independent Melaleuca business.

Changes in Your Business

How do I change my Member information on my Customer Membership Agreement form?

Simply call Business Development at 1-208-522-0870. Some items do require the submission of a new Customer Membership Agreement form. A Business Development specialist can give you more details at the time of your call.

If someone's Social Security number is incorrect on file, how can it be corrected?

Send a letter and a new Customer Membership Agreement and Independent Marketing Executive Agreement signed by the enrollee authorizing the company to correct the number on file and a copy of their Social Security card (US only). Enrollment Support will not "correct" a Social Security number without a copy of the Social Security card.

Can I "move" a new personal enrollee?

Yes. An enroller can move a personal enrollee to a different position within the month of enrollment by going online to Melaleuca.com and clicking on the New Enrollee Change (NEC) tool. This online tool will allow enrollers to move a customer during the customer's month of enrollment. An enroller can also move a personal enrollee within their business organization up to two months following the month of enrollment by using the New Enrollee Change online tool. In the two months following the month of enrollment, a customer may be moved two times. Every business or customer below the customer or Marketing Executive being moved will follow the enrollee. The requested move is limited to 20 customers. There is an \$8 fee for each customer or Marketing Executive moved in the organization.

May I move someone within my organization?

Melaleuca discourages organization changes. Melaleuca will review organization change requests with written consent of all seven support team customers above the customer or Marketing Executive who would like to be moved. An Organization Change Form with original signatures is required. Both the person being moved and the enroller need to sign the form. There is a fee of \$35 for the original move and \$12 for any related moves. An Organization Change Form must be completed for each person being moved. To have changes done for \$12, all related forms must arrive together. We suggest you work closely with your enroller and/or support team when undertaking this type of request for change. (See Statement of Policies, #19, "Transfer from Original Organization.")

What happens to the structure of my organization if a customer is not active?

A customer is "inactive" if they did not purchase a minimum of 29 Product Points. If a customer goes inactive for two consecutive months, they automatically lose their position in the organization. (See Statement of Policies online, #39, "Roll-Up Policy.")

A Marketing Executive in my organization has not personally produced the required Product Points for the past two months. Is there any way to keep them from losing their his marketing organization?

Two months without producing their Product Point minimum means automatic loss of their marketing organization.

What will happen to a customer who was inactive for two consecutive months and places an order for 35 Product Points in the third month?

Because they purchased in the third month, they will reactivate back into the original organization in the first available position under their original enroller.

How can I change my electronic checking account information?

Fill out and sign a new Customer Membership Agreement form, Section 2, and send it in with a new voided check.

Someone in my organization discontinued their Membership. Can they still purchase products?

They can still purchase directly from the company as a Non-Member and have their products delivered to them. Non-Members pay the Non-Member price instead of the 30%–50% discounted Member price. Non-Members will not maintain an organizational spot in your marketing organization unless they produce the minimum Product Point requirement.

Is my Melaleuca business inheritable?

Yes, you can will your business (see Policy #17). These transfers must be approved by Melaleuca.

Monthly Business Reports

For what time period are commission and bonus checks paid?

Commissions and bonuses are calculated on product sales from the first through the last day of each calendar month.

Who receives a Monthly Business Report?

All Marketing Executives who have submitted an Independent Marketing Executive Agreement and have earned a commission and bonus check pursuant to *A Marketing Revolution! The Melaleuca Compensation Plan* will receive a Monthly Business Report Summary and access to a complete online report that details the activity within their organization. This is an extremely valuable document for building and reviewing business activity.

When can I view my Monthly Business Report?

Monthly Business Reports are available to view online at Melaleuca.com on the twelfth of each month.

Will I receive a Monthly Business Report every month?

If you do not earn a commission in a given month, you will not receive a report.

Tax Issues

Will Melaleuca provide an earnings report for tax purposes to the IRS or Revenue Canada?

Melaleuca provides a Form 1099, Miscellaneous Income—an earnings statement—to all US Marketing Executives who earn \$600 or more annually. If you earned less than \$600, the total earnings for the year will be listed at the bottom of your November Monthly Business Report, and you should contact a tax professional for information regarding taxes on this income. Melaleuca does not provide T4 forms. Each Marketing Executive is personally responsible for keeping track of this information, which can be found at the bottom of the Monthly Business Report. Canadian Marketing Executives do not receive a Form 1099 or T4 form.

What information is contained in a Form 1099?

A Form 1099 includes all earnings paid to you for the previous year, including your December (received in January) through November (received in December) commission and bonus checks, as well as any special commissions and bonuses.

When will I receive a Form 1099?

Form 1099s are processed and mailed by January 31. (If that date falls on a Sunday, they will be mailed no later than February 1.)


How does Melaleuca handle sales tax?

Melaleuca customers must pay state and local or PST and GST sales tax on all the products they buy (either Member price or Non-Member price). Melaleuca understands that most of our Marketing Executives do not want to be burdened with the reconciling and reporting of sales tax. Therefore, Melaleuca collects and remits to your state and local or PST and GST government's tax on the price of Melaleuca products purchased by Marketing Executives.

May I collect and pay my own sales tax?

Yes, but you need to have a Sales/Use Tax Permit from your state and local or PST and GST tax commission and send a copy of your permit to Melaleuca, Inc.

MELALEUCA IS NOT AN **MLM**—
HERE’S WHERE WE DRAW THE LINE

| MULTI-LEVEL MARKETING COMPANIES | |  | |
|--|---|---|--|
| MLMs often require or encourage “business builders” to “invest” in substantial amounts of inventory each month to qualify for bonuses. | 1 | With Melaleuca there is no “investment.” Melaleuca’s customers purchase only what they will use up on a monthly basis. | |
| MLMs often sell products no one really uses—like cases of magical fruit juice, magnets, or green algae—causing increased strains on family budgets. | 2 | Melaleuca markets products already used in households on a daily basis—except that Melaleuca’s products are higher quality, more effective, and often safer to use than grocery store or drugstore brands. This means it doesn’t cost anything more to be a Melaleuca customer than it does to shop at a grocery store. | |
| MLMs often back up phenomenal product claims with folklore and testimonials rather than science and laboratory studies. | 3 | Melaleuca’s products and product claims are backed by science, with scientific studies comparing Melaleuca’s brands with its competitors’ brands. | |
| MLMs often require their distributors to resell products to their customers. | 4 | Melaleuca does not require any of its products to be resold to someone else. In fact, policy prohibits reselling. Everyone purchases directly from the company. | |
| MLMs usually charge several times what the product is actually worth, such as \$40 for a bottle of juice that you would pay less than \$5 for at the store. | 5 | Melaleuca offers “exceptional products at reasonable prices.” That means that Melaleuca’s products are competitively priced with grocery store brands on a per-use basis, even though they are usually substantially higher quality than those brands. | |
| MLM distributors usually tout big checks to entice others to get involved. Rarely will an MLM reveal what its distributors actually make. Most MLMs will also never reveal their actual annual sales. | 6 | Each year, Melaleuca publishes how much all Marketing Executives make at which status, complete with the high, the low, and the average in each status. We’ve been doing it for years! Such a policy would easily expose most MLMs! | |

MLMs almost always tout a “ground floor opportunity,” implying major advantages if you hurry and get in on the “ground floor.”

7

Rather than deteriorating over time, a viable business opportunity gets better every year. As products improve through more scientific discoveries each year, it gets easier and easier to outdistance the competition.

MLMs often operate a “volume line” that a distributor can use to call the company before midnight on the last day of the month to determine how close the distributor is to reaching a particular “volume” qualification. This incentivizes a distributor to make an even greater “investment” in inventory.

8

With Melaleuca there is no “investment” to build a business. Melaleuca’s customers purchase only what they will use up on a monthly basis. Since customers purchase directly from the factory, Marketing Executives need to purchase absolutely no inventory. Therefore, this creates absolutely no risk of financial loss for Marketing Executives.

The attrition rate of customers and distributors is extremely high in most **MLMs**.

9

The retention rate of Melaleuca customers is extremely high. Ninety-six percent of all customers who ordered last month will order again next month.

Many **MLMs** often suggest that people “fake it till they make it” by appearing to be wealthy; driving fancy cars; purchasing expensive homes; buying motor homes, boats, and motorcycles; and wearing fur coats, diamond rings, and expensive jewelry. This activity has driven thousands of multilevel marketing distributors into bankruptcy, destroyed lives, and even broken homes—all while giving a distorted impression of the company’s actual success.

10

Melaleuca advocates that Marketing Executives keep their full-time jobs, become the best employees that they can be for their current employers, and use their Melaleuca incomes to add to their full-time incomes. Melaleuca counsels Marketing Executives to not consider leaving their full-time jobs until they are making several times their salary with their Melaleuca businesses. Melaleuca also advocates for them to stay out of debt, pay off their homes and cars, and live within their means.

Most **MLMs** do not have product return policies unless the distributor cancels their distributorship. Only then will a typical MLM honor the Direct Selling Association’s code of ethics, which requires such companies to purchase back 90% of a distributor’s resalable products.

11

Melaleuca gives an absolute, no-questions-asked, 100% customer satisfaction guarantee. Melaleuca will give your money back even if you have used up all of a product and decided you didn’t like it after you used it. Grocery stores don’t offer such a guarantee. And MLMs certainly don’t offer such a guarantee.

MELALEUCA 2020 ANNUAL INCOME STATISTICS

Customers

The majority (82%) of those who buy Melaleuca products each month are strictly customers. They're not interested in pursuing the Melaleuca financial opportunity. They just love Melaleuca products. Only a few of them will ever decide to build a Melaleuca business.



Product Advocates

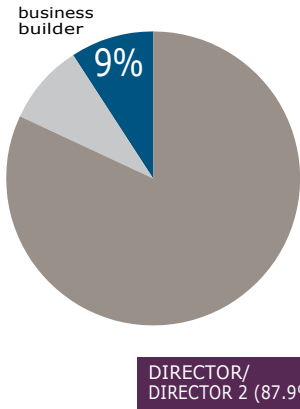
9% of all Melaleuca customers have referred at least one customer but fewer than eight customers. As those customers purchase products directly from Melaleuca, those who referred them receive a small commission. These households are not necessarily interested in the financial opportunity. Their relationship with Melaleuca is primarily because they love Melaleuca products. Their "status" is determined by how many customers they have referred. A Product Advocate has at least one customer. A Product Advocate 2 has referred at least two customers, and a Product Advocate 3 has referred at least four customers. While these individuals may not be considered serious business builders, their customers (like the vast majority of Melaleuca customers) come from word-of-mouth referrals. Therefore, the overall contribution of these individuals is significant.

PRODUCT ADVOCATE

PRODUCT ADVOCATE 2

PRODUCT ADVOCATE 3

| ANNUAL INCOME | | | PERSONAL CUSTOMERS | | TOTAL ACTIVE CUSTOMERS | | TIME TO ACHIEVE STATUS | |
|---------------|------|---------|--------------------|---------|------------------------|---------|------------------------|---------|
| high | low | average | minimum | average | minimum | average | shortest | longest |
| \$2,437 | \$14 | \$115 | 0 | 1 | 1 | 4 | 1 Mo. | 341 Mo. |
| \$4,790 | \$28 | \$246 | 2 | 2 | 2 | 9 | 1 Mo. | 379 Mo. |
| \$5,349 | \$57 | \$551 | 4 | 5 | 4 | 19 | 1 Mo. | 344 Mo. |



Beginning a Business

About one out of eleven customers (9%) decide to start their own Melaleuca business and eventually achieve Director status, which is considered the first step to becoming a business builder. Directors have made a significant effort (probably spent 50 hours or more) in developing at least eight Melaleuca customers. Those estimated 50 hours could have been spent in a single week or could have been spent over several years. But at some point in their lives, Directors have invested enough time to develop (and maintain) at least eight Melaleuca customers.

| ANNUAL INCOME | | | PERSONAL CUSTOMERS | | TOTAL ACTIVE CUSTOMERS | | TIME TO ACHIEVE STATUS | |
|---------------|-------|---------|--------------------|---------|------------------------|---------|------------------------|---------|
| high | low | average | minimum | average | minimum | average | shortest | longest |
| \$30,159 | \$274 | \$2,119 | 8 | 15 | 8 | 67 | 1 Mo. | 328 Mo. |



Initial Leadership Status

Leaders at these statuses have made a more serious effort to build a Melaleuca business. Those who have reached these leadership statuses not only have invested enough time to refer several customers but also have helped some of those customers start a business and become Marketing Executives. Those Marketing Executives have, in turn, referred additional customers who purchase Melaleuca products each month. Commissions are paid based on the development of customers and the development of leaders who help others reach their goals.

| | ANNUAL INCOME | | | PERSONAL CUSTOMERS | | TOTAL ACTIVE CUSTOMERS | | TIME TO ACHIEVE STATUS | |
|---------------------|---------------|----------|----------|--------------------|---------|------------------------|---------|------------------------|---------|
| | high | low | average | minimum | average | minimum | average | shortest | longest |
| DIRECTOR 3 (3.9%) | \$37,577 | \$2,732 | \$8,199 | 9 | 33 | 34 | 153 | 1 Mo. | 352 Mo. |
| DIRECTOR 4/5 (2.3%) | \$62,050 | \$5,724 | \$13,903 | 12 | 43 | 82 | 273 | 1 Mo. | 339 Mo. |
| DIRECTOR 6/7 (1.2%) | \$78,700 | \$9,882 | \$22,448 | 16 | 56 | 177 | 368 | 1 Mo. | 362 Mo. |
| DIRECTOR 8/9 (0.8%) | \$84,649 | \$18,765 | \$32,202 | 18 | 68 | 261 | 510 | 1 Mo. | 300 Mo. |

Advanced Leadership Status

Those Marketing Executives who reach Senior Director or above have shown substantial interest and dedication in building a Melaleuca business. While they may not work their businesses full time, it is essential that they invest some time each month nurturing, training, and helping those in their marketing organizations. Melaleuca advocates that Marketing Executives keep their full-time jobs and work their Melaleuca businesses in their spare time. However, some Executive Directors at the higher income statuses do work their businesses close to full time. Melaleuca strongly advocates that Marketing Executives do not quit their full-time jobs until their Melaleuca incomes far surpass the incomes they receive from their full-time employers. Rather, they should add their Melaleuca incomes to their regular incomes, thereby making a substantial difference in their family finances.

| | ANNUAL INCOME | | | PERSONAL CUSTOMERS | | TOTAL ACTIVE CUSTOMERS | | TIME TO ACHIEVE STATUS | |
|--|---------------|-----------|-------------|--------------------|---------|------------------------|---------|------------------------|---------|
| | high | low | average | minimum | average | minimum | average | shortest | longest |
| SENIOR DIRECTOR 1-9 (2.0%) | \$197,591 | \$24,108 | \$68,269 | 21 | 87 | 362 | 896 | 1 Mo. | 267 Mo. |
| EXECUTIVE DIRECTOR 1-9 (1.5%) | \$822,921 | \$66,475 | \$180,641 | 28 | 123 | 946 | 2,557 | 2 Mo. | 353 Mo. |
| NATIONAL DIRECTOR 1-9 (0.2%) | \$1,518,930 | \$155,355 | \$466,879 | 52 | 158 | 3,158 | 5,748 | 5 Mo. | 277 Mo. |
| CORPORATE-PRESIDENTIAL DIRECTOR (LESS THAN 0.1%) | \$2,919,188 | \$370,445 | \$1,223,345 | 97 | 284 | 6,567 | 14,231 | 10 Mo. | 251 Mo. |

The above annual income statistics include all US and Canadian Melaleuca Marketing Executives who were active during all 12 months of the period ending December 2020 and performed the minimum activity required at each status. The incomes stated include all commissions, incentives, and bonuses earned during the period.

For the purpose of these statistics, a Marketing Executive's leadership or developmental status was calculated by taking the highest status achieved and maintained for at least seven consecutive months. The information on this page is not necessarily representative of what any individual Marketing Executive will earn with this program. Any representation or guarantee of specific earnings would be misleading. Success with any business takes hard work, diligence, perseverance, and leadership. Success with Melaleuca will depend on how effectively a Marketing Executive exercises those qualities.



HOURS IN MOUNTAIN TIME (MT)
CLOSED SUNDAYS AND MAJOR US NATIONAL HOLIDAYS

To Place Orders: 1-800-282-3000
Monday-Friday 6 a.m.-10 p.m.
Saturday 8 a.m.-5 p.m.

Web Assistance: 1-800-742-2444
Monday-Friday 6 a.m.-10 p.m.
Saturday 8 a.m.-5 p.m.

Website: Melaleuca.com
Email: info@melaleuca.com

To Enroll Customers: 1-800-262-0600
Monday-Friday 6 a.m.-10 p.m.
Saturday 8 a.m.-5 p.m.

General Questions: 1-800-282-3000
Monday-Friday 6 a.m.-10 p.m.
Saturday 7 a.m.-8 p.m.

BUSINESS DEVELOPMENT

US & Canadian English: 1-208-522-0870
Monday-Friday 6 a.m.-6 p.m.
Saturday Closed

Customer Service (Spanish): 1-208-528-2037
Monday-Friday 7 a.m.-6 p.m.
Saturday Closed

Customer Service (French): 1-208-535-2305
Monday-Friday 7 a.m.-5 p.m.
Saturday Closed

ORDERS & ENROLLMENTS

Toll-Free Fax: 1-888-528-2090
24 hours a day, 7 days a week