Monthly Business Report

Your Success in One Simple Document

It's been proven time and time again: when performance is *measured*, performance improves. When performance is *measured* and *reported*, the rate of improvement accelerates. And when performance is *measured*, *reported*, and *rewarded*, the improvement is optimized.

That's why you have this report. At your fingertips is detailed information about the status and activity of the customers and Marketing Executives in your organization. Understanding the information in your report empowers you to recognize your Marketing Executives and direct your business towards success.

For additional information, please refer to the Melaleuca Compensation Plan.

1 Personal Information Summary

Bill or Lucy Cameron
250 Harris Blvd
Blaine, ND 58230
(701) 425-1234
Cust# 720885463

Enrollers Name	Linda Or Troy Britain
Preferred Customer Renewal Date	08/31/2006
Preferred Customer	Yes 75
Personal Melaleuca Product Points	2
Personal Vitality/Sei Bella Product Points	74
Date Last Purchased	7/31/2011
Active Enrollees	28 (1a)
Active Personal Directors	4
Active Directors	16
Status	Senior Director (1b)
Commission Rate	Senior Director (1c)
Melaleuca Marketing Executive	Yes
Cumulative Product Points	124,042 (1d)

1a The number of your personally enrolled customers who purchased their minimum Product Points within the month.

1b The highest status you have achieved.

1c Your current commission rate.

1d The total Product Point volume generated in your organization during the last 12 months.

2 Support Team Marketing Executives

CTY	Gen	Name	Address	City	St	Zip	Phone	Status
USA	7	Jamie S Williams	2187 Smith Dr	Eustis	FL	32726	(352) 245-1234	Executive Director III
USA	6	Jessie Franklin	134 East 6th Ave	Blanding	UT	84511	(801) 678-1234	Executive Director
USA	5	Joshua Calvin	PO Box 251	Pinewood	CA	90274	(310) 227-1234	Executive Director V
USA	4	Sue S Pearson	639 Dover Pl	Columbus	OH	43230	(614) 854-1234	Executive Director
USA	3	Theo C Bird	4214 Davey Dr	Yorkshire	NJ	07840	(908) 816-1234	Executive Director II
USA	2	Linda or Tim Johnson	85 Taft Rd Apt 4	Lexington	MA	02420	(718) 365-1234	Executive Director VIII
USA	1	Stephen Jensen	1333 49th Ave	San Francisco	CA	91232	(318) 432-1234	Senior Director V

3 Active Enrollees

CTY	PC (3a)	V (3b)	CR (3c)	S (3e)	VS (3f)	G (3h)	EP (3g)	PD (3g)	NE (3g)	RC	Name	Address	City	St	Phone	Mths Enrld (3l)	Prod Pts Mel (3i)	Prod Pts Vit/SB (3j)	Org Prod Pts (3k)	PEG/Org (3m)
USA	O		C	C							Edward R Rodriquez	3589 E 8th Ave	Annapolis	MD	(201) 736-1234	56		79	79	1.1
USA	35	1	M3+	D (3d)		2	2		2		Jason Belnap	128 Walnut Cr	Beserock	FL	(352) 939-1234	65	10	65	1865	1.06
USA	75	3	D2* (3d)	D2		3	9	1	4		Melissa Mitchell	4715 Elsie St	Bernard	IN	(284) 435-1234	65	70	6	2857	.51

PEG Volume 2,777

3a A number in this column indicates the number of Product Points included in the Backup Order authorized by the customer on his/her Customer Agreement form. An "O" in this column indicates that Preferred Customer privileges are suspended for the customer and the customer should call Melaleuca Business Development at (208) 522-0870.

3b This number indicates how many services the Preferred Customer has.

3c This column contains the commission rate of your customers as follows:

C - Customer
M - Marketing Executive
E–E9 - Executive Director–Executive Director IX
CD - Corporate Director
S–S9 - Senior Director–Senior Director IX
D–D9 - Director–Director IX

3d " + " Indicates an advancement in status compared to the preceding month.
" - " Indicates a drop in status compared to the preceding month.
" * " Indicates advancement(s) to a new high status.

3e The "S" column is the highest status achieved by this Marketing Executive.

3f The "VS" column indicates volume status (derived solely by group volume).

3g The "EP" column is the Marketing Executive's total number of personally enrolled Preferred Customers. "PD" is the Marketing Executive's total number of personally enrolled Directors. "NE" is the total number of this Marketing Executive's new enrollments for that month.

3h A number 1–3 indicates the goal set by the Marketing Executive, which corresponds with the level of participation indicated on his/her Independent Marketing Executive Agreement.

3i Melaleuca Product Points purchased by your personally enrolled customer within the month.

3j The total number of Product Points purchased by your personally enrolled customer's organization.

3k Your Personal Enrollee Group Volume (PEG) or the sum of all your personal enrollees' Organization Volumes.

3l The number of months your personally enrolled customer has been an active customer.

3m The ratio of PEG volume to Organization Volume.

4 Inactive Enrollees

CTY	PC	V	CR	G	NE	Name	Address	City	St	Zip	Phone	Mths Enrld	Prod Pts Mel	Prod Pts Vit/SB	Org Prod Pts	PEG/Org
USA			C	3		Lee Wilson	9857 Summerfield Ln	Des Moines	IA	51101	(604) 420-1234	16*		0		
USA			C	1		Terry A Jones	671 Huntsman Highway	Framingham	MA	02499	(604) 521-1234	6*		0		

1 How to use: PERSONAL INFORMATION

- Take full advantage of Melaleuca's compensation plan by being preferred at 35 or 75 Product Points.
- Use this section to find your status, number of personal enrollees, number of personal directors, and the Product Points you ordered last month.

2 SUPPORT TEAM

- This provides the addresses and phone numbers of your support team.

3 How to use: ACTIVE ENROLLEES

- An active enrollee is any customer who orders 29 Product Points or more in any given month.
- If a personal enrollee has an asterisk next to their status (3c), call them and celebrate their success in reaching a new high status.

4 INACTIVE ENROLLEES

- If you see that a personal enrollee is not active, call him/her immediately and help them resolve their concerns. You may answer their questions or see how you can help them save money when they place their order.

NOTE: All currency shown in U.S. Dollars.

5 Product Introduction Commission

CTY	Name	Phone	Manager Name	All Prod	VFL.com	PTS		% (5a)	Commission (5b)
CAN	Paul Owens	(604) 421-1234	Bill Cameron	100	0	100	X	27%	27.00
CAN	Willard Casey	(604) 521-1234	Cecille L Davison	35	0	35	X	0% B	0.00
				Total Product Introduction Commission					27.00

5a Product Introduction Commission you earned from new customers (20% is paid to the enroller and 7% is paid to the Marketing Executive).

5b No Product Introduction Commission will be paid on a customer who receives a Backup Order or Select Pack.

5 How to use: PRODUCT INTRODUCTION

- Help your new personal enrollee place his/her first order so that you can take advantage of the Product Introduction Commission.

6 Organization Commission

CTY	GEN (6a)	PC	V	CR	S	G (6b)	EP (6c)	PD (6d)	NE (6e)	Customer Name	St	Phone	Enroller	Phone	Nbr Cust (6f)	Mths Enr (6g)	CB (6i)	All Prod (6j)	VFL.com (6k)	% (6l)	Commis Amt (6m)
USA	1....	35	1	D	D	3	9	1	2	Kenny Nelson	ID	(208) 555-1234	B. Cameron	(604) 421-1234	46	13		46	6	20	15.00
CAN	2...	35	1	M	M	2	0			Rudy Masters	BC	(604) 464-1234	K. Davis	(604) 552-1234	4	13		32		7	2.73
CAN	3..	35		M2	D	2	2		1	Elmo A Smart	BC	(604) 987-1234	K. Davis	(604) 552-1234	2	12		29		7	3.01
CAN	4.	35	1	M	M	1	0			Teresa Millet	BC	(604) 987-1234	E. Davis	(604) 987-1234	1	6	2P	15		7	2.52
CAN	2...	35	2	M	M	3	0			Millie or Joe Dole	BC	(604) 464-1234	K. Davis	(604) 552-1234	1	13*				0	0.00
USA	2...	75		D	D2	3	11		4	Carmen Wells	FL	(407) 941-1234	K. Davis	(604) 552-1234	22	12		77	6	7	5.95
USA	3..	35	2	M	M	1	0			Catherine Jones	FL	(407) 944-1234	C. Greene	(407) 941-1234	11	11 *		64	6	7	4.97
USA	4.	35	1	M	M	2	0			Rosanna Van Franken	FL	(407) 552-1234	C. Greene	(407) 941-1234	1	11		10	6	7	2.73
CAN	4.	35		M	M	1	0			Keith or Sandy Walker	BC	(604) 942-1234	C. Greene	(407) 941-1234	2	11		26		7	2.03
USA	2...			M	M3	2	0			Al Brown	VA	(757) 942-1234	C. Greene	(407) 941-1234	1	11**			6	0	0.00
USA	3..	35		C		1	0			Warren Franklin	MN	(218) 941-1234	C. Greene	(407) 941-1234	0	1			6	0	**.**

(6h)

(6n)

6a The number in this column indicates the generation for the customer in relation to you.

6b A number (1–3) indicates the goal set by the Marketing Executive, which corresponds with the level of participation indicated on his/her Independent Marketing Executive Agreement.

6c The Marketing Executive's total number of personally enrolled Preferred Customers.

6d The Marketing Executive's number of personally enrolled customers who have achieved the commission rate of Director.

6e The number of new enrollments by that Marketing Executive this month.

6f The total number of customers in the named Marketing Executive's organization.

6g The number of months the customer has been active.

6h " * " One star immediately following the number indicates that the customer is inactive for the month being reported.

" * " One star separated from the number by a space indicates that the customer was inactive for the previous month, but is active for the current month.

" * * " Two stars immediately following the number indicate that the customer has been inactive for two consecutive months.

6i The number preceding either "B", "P", or "C" indicates the number of consecutive months the customer has received a Backup Order, Select Pack, or Convenience Certificate.

6j The customer's total personal Product Points in Melaleuca for the month.

6k VFL.com product points and commissions are totaled at the end of Schedule II.

6l The commission percentages (7%–20%) for which you qualified.

6m The amount of commission in dollars and cents for which you qualified.

6n " * * * * " - Indicates the Product Introduction Commission was paid to the Enroller and/or Marketing Executive.

6 How to use: ORGANIZATION COMMISSION

- Teach the 7 Critical Business Building Activities to every customer that has a 2 or 3 as their goal (6b).
- 6c shows you which Business Builders are enrolling. Leverage your business activities with leaders that are enrolling each month.
- Encourage your personally enrolled Marketing Executive to strive for a minimum of four enrollments every month (6e).
- You want your customers to experience all of Melaleuca's products. If you see customers in 6i that have received multiple Backup Orders, you should invite this customer to try a product that they are not familiar with. This will help educate your customers about Melaleuca products.

7 Pacesetter Schedule

Status	Senior Director (7a)
Commission Rate	Senior Director
Preferred Customer	Yes
Career or Value Pack Purchased	Yes

Leadership Development Bonus

	D2	D3	D4	D5	D6	D7	D8	D9	S
Active Personal Enrollees Required (7b)	10	11	12	13	14	15	16	18	20
Date to Achieve Status	03/31/12	04/30/12	05/31/12	06/30/12	07/31/12	08/31/12	09/30/12	10/31/12	12/31/12
Potential Pacesetter Bonus	$0	$0	$0	$0	$0	$0	$0	$0	$2000
Potential One-Time Leadership Bonus	$200	$300	$400	$500	$600	$700	$800	$1000	$2000
Pacesetter Bonus Earned	$0	$0	$0	$500	$0	$0	$0	$0	$0

Total Pacesetter Bonus $1500.00

7a Indicates the customer's Pacesetter eligibility, including status, activity, and whether they have purchased a *Career* or *Value Pack*.

7b This indicates the Pacesetter timeline and advancement requirements for the Marketing Executive, including the potential Pacesetter Bonus and the actual bonus paid.

7 How to use: PACESETTER

NEW CUSTOMERS

- Qualify your customer for Pacesetter Bonuses by:
  1. Purchasing a *Career* or *Value Pack*.
  2. Becoming a Preferred Customer.
  3. Reaching required status within Pacesetter time frame.

ENROLLER

- You will qualify for Pacesetter Bonuses by:
  1. Purchasing a *Career* or *Value Pack*.
  2. Enrolling at least four customers every month. This will help you maintain momentum as you build your Melaleuca Business.

8 Leadership Development Bonus

Next Status Eligible	Personal Enrollee	Enroll Date	C/V	Comm Rate	Achieved Date	Has Status => than Enrollee (8a)	Potential Advancement Amount (8b)	Potential Pacesetter Amount (8c)	Leadership Development Paid
Director	Jim Ore	05/06/2010	Yes	D2	7/2010	Yes	50.00	50.00	100.00
Director II	Sally Mead	05/06/2010	Yes	D2	7/2010	Yes	100.00	100.00	0.00 (8d)
	Linda Jones	05/12/2010	Yes	D4	5/2010	Yes	100.00	100.00	66.67 (8e)
Director III	Jason Williams	02/27/2010	Yes	D3	5/2010	No	150.00	150.00	0.00
	Max Evans	05/12/2010	Yes	D4	6/2010	Yes	150.00	150.00	0.00
						Total Leadership Development Bonus			$166.67

8a Enroller's commission rate must be equal to or greater than the enrollees in order to earn the Leadership Bonus.

8b Indicates the potential amount (50% of what your personal will earn) that can be earned with the personals first time advancement to a new status.

8c Indicates the potential amount (50% of what your personal will earn) that can be earned when the personal advances in pacesetter timeframe.

8d If your personal's retention rate is not 90% or better they must hold the status for 3 consecutive months then you will both be paid. 0.00 will show until the 3rd month.

8e Indicates the amount you are paid on your personal. If they have a retention rate of 90% or better and get paid in 3rds you will too. EX. $66.67 is 1/3 of $200 the Pacesetter advancement for D2.

8 How to use:

LEADERSHIP DEVELOPMENT BONUS

- Melaleuca rewards you for helping your personal enrollees reach their goals by paying you a one-time Leadership Development Bonus when your Personal Enrollee advances.

9 Pool

Preferred Customer Activity	Apr	May	Jun	Jul
Total Organization Preferred Customers	0	42	128	152
Less Apr Rollups	0	0	0	0
Less May Rollups		0	0	0
Less Jun Rollups			0	0
Less Jul Rollups				0
Preferred Customers Less Rollups	0	42	128	152
Net Growth in Preferred Customers		42	86	24 (9a)

Apr to May Net Growth	42	
May to Jun Net Growth	86	
Jun to Jul Net Growth	+ 24	24
3 Month Total Net Growth	152	24
Months	/ 3	3
Organization Growth Factor	50.67	8.00 (9b)

Leadership Points Earned Calculation	May	Jun	Jul
Leads, Appointments and Presentations For Your Personal Enrollees	31	52	40 (Maximum 40) (9c)
Other Appointments and Presentations	0	47	4
Other Leadership Points	0	5	20
Leadership Points Earned	31	92	64

May Leadership Points Earned	31
Jun Leadership Points Earned	92
Jul Leadership Points Earned	+ 64
Total Leadership Points	187
Months	/ 3
Average Leadership Points	62.33 (Maximum 100)
Leadership Point Multiplier	X 2 (9d)
Average Leadership Points after Multiplier	124.66

Retention Factor Index	Mar	Apr	May	Jun	Jul
5 Month Ari	0.00	0.00	100.00	94.45	85.81

Month (9f)	Total Enrollment	Preferred In Jul	Preferred
Mar	0	0	0.00
Apr	0	0	0.00
May	36	27	75.00 (9e)
Jun	91	75	82.42 (9g)
Jul	45	45	100.00

5 Month Ari	85.81 (9h)
Your Retention Factor For The Leadership Pools:	3 (9i)
Top 1/3 Cut Off	84.10
Mid 1/3 Cut Off	5.00

Leadership Bonus Calculation		
Commission Rate Factor (Director IV)		1.40
Leadership Pool Retention Factor	X	3.00
Average Organization Preferred Customer Growth	X	50.67
Average Leadership Points	+	124.66
Leadership Bonus Points		355.47
Leadership Pool Bonus		426.56*

9a This section of your report shows your net Preferred Customers. Rollups into your organization are excluded.

9b Shows growth for the last three months vs. the current month divided by 3.

9c This section shows your Leadership Points and how you earned those points.

9d Any Marketing Executive who earns a three month average of 50-100 Leadership Points will receive two times the Leadership credit earned.

9e Number of new enrollments.

9f Number of customers still remaining from first month.

9g Percentage of customers still preferred.

9h Average Retention Index: average of above percentages. This determines if you get a Retention Factor of 1, 2, or 3.

9i Top 1/3 = Retention Factor of 3.
Mid 1/3 = Retention Factor of 2.
Bottom 1/3 = Retention Factor of 1.

9 How to use:

LEADERSHIP POOLS

- Growth in Preferred Customers (9a) is a great way to measure how your organization is doing. Melaleuca Leadership Pools reward you for growing your business.
- 9c shows you how your Leadership Points were earned. It is important that you help other Marketing Executives by doing presentations for their new enrollees. Remember, only 40 Leadership Points can come from your own personal enrollments.
- You earn Leadership Points by:
  1. Enrolling a personal customer = 3 Leadership Points
  2. Doing a presentation = 2 Leadership Points
  3. Selling a *Career* or *Value Pack* = 1 Leadership Point
- You can also earn 10 Leadership Points by helping a Personal Enrollee reach Director status in their first month of enrollment (see commissions plan for details).

* Total Points by share value—not shown.

10 Quality Customer Score Calculation

Month	5 Month Preferred Enrollees	5 Month Still Preferred	QCS - 0.71429
March	4	4	
April	1	0	
May	4	3	
June	3	1	
July	2	2	
Total	14	10	

10d

10c

JULY	Name	Preferred	Placed Order	Business Kit	Earned	Potential after 3 Months
	Johnny Marks	Y	Y	Y	First	0.00
	Oke Wells	Y	Y	Y	0.00	25.00
	Total	0.00				

10b

JUNE	Name	Preferred	Placed Order	Business Kit	Earned	Potential after 3 Months
	Marcia Brady	Y	Y	Y	First	0.00
	Sandy Shades	N	N	Y	0.00	0.00
	Tom Adams	N	N	Y	0.00	0.00
10a	Total	0.00				

MAY	Name	Preferred	Placed Order	Business Kit	Earned	Potential after 3 Months
	Van Martin	Y	Y	Y	First	0.00
	Robert Skinner	Y	Y	Y	25.00	0.00
	Daniel Jones	Y	Y	Y	25.00	0.00
	Kari Sonar	N	Y	Y	0.00	0.00
	Total	50.00				

10a Total paid for the listed month.

10b Indicates your first quality enrollment for the month. You earn $25 for each quality enrollment after the first.

10c Your QCS must be .75 or higher to get paid the Quality Customer Bonus in the month of enrollment. Otherwise the bonus will be paid after 3 consecutive months of enrollment.

10d Quality Customer Score reflects the percentage of new personally enrolled customers from the last 5 months that are still preferred.

NOTE: Please refer to the Weekly Commission Schedule on your business report for weekly bonuses paid.

10 How to use:

QUALITY CUSTOMER SCORE

- If you are a Commission Rate Director and above or a Marketing Executive in your month of enrollment and the two months following, you can use the Quality Customer Score to qualify for the Quality Customer Bonus.
- Quality Customer Enrollments are essential to improve your Quality Customer Score. A quality-enrolled customer will have a Membership Kit on file. All necessary paperwork must be received by Melaleuca, and they will have fulfilled their monthly Product Point commitment by placing an order in their first month. (Receiving a Backup Order or Select Pack will not qualify them as a quality customer.)

11 Organization Returns

Name	Ref. #	Prod Pts. Returned	Amount retracted
Jean M Akinson	R 9999999	35	$ 2.73
George Roberts	R 8888888	35	$ 2.73
			$ 5.46

11a 11b 11c 11d

11a Name of your customer who returned product.

11b Reference number for the return.

11c Number of Product Points returned.

11d Amount being deducted from current month's commissions.

11 How to use:

ORGANIZATION RETURNS

- If your customers have returned products to Melaleuca, call them and find out why. Resolve their concerns.

12 & 13 BONUS & COMMISSIONS SUMMARY / DATA PROCESSING FEE

- This section summarizes all commissions and bonuses that were paid to you in the month. The data processing fee is the fee charged to calculate, process and send your monthly Business Report.

If you have any questions about this report, please call Business Development at (208) 522-0870.

12 Bonus & Commissions Summary

	Earned
Product Introduction Commission	27.00
Organization Commission	1880.55
Pacesetter Bonus	1600.00
One-Time Advancement Bonus	1500.00
Leadership Development Bonus	600.00
Senior Director Car Bonus	400.00
Senior Director Leadership Bonus	2435.00
Services Bonus	6.04
VFL.com	2.52
Career/Value Pack Commission	50.00
Organizational Returns	-5.46
Total	8,495.65

13 Data Processing Fee

July Commission Check
12 Aug 2011

Regular Commission	8,495.65
Data Processing Fee	-48.80
Total Check Amount:	$8,446.85

12 The summary of all commissions and bonuses found throughout your business report.

Some sections of your Business Report are not highlighted in this document. The sections not included are Leadership Point Detail, Organization Totals, Personal Enrollee Group Volume Information, One-Time Advancement Bonus, Career & Value Pack Commissions, and Leadership Point Calculation. For more information on these sections, please call Business Development at (208) 522-0870.

© Copyright 2011, Melaleuca, Inc. Printed in the USA Rev 09/11N