

BUILDING YOUR BUSINESS ONLINE

Guidelines for Using the Internet, Social Media, and Electronic Communications

Relationships

Social media is a wonderful way to connect with and stay in contact with friends and family. While there are many philosophies about how to use social media to build a business or to help promote a product, we believe the most important thing you can do as a Melaleuca Marketing Executive on social media is build relationships.

Melaleuca thrives on **relationships!** Activities that build relationships are likely to be good for your business. At the same time, those things that harm your relationships will also be bad for your business.

Melaleuca is a company built on genuine personal relationships. Your long-term success as a Marketing Executive is maximized—and our mission of enhancing lives is well served—when you use your electronic communications to develop true friends, many of whom will naturally become interested in Melaleuca as they get to know you. On the other hand, intrusive communications to a cold market (such as promotions of a business opportunity to a social media group organized for other purposes) have the opposite effect: the person making such communications is often shunned, the reputation of the company is harmed, and the group members become less willing to listen to others who may try to reintroduce the products or the opportunity in the future.

In the same vein, all electronic communications related to Melaleuca in any way must be conservative, professional, and product oriented. Communications should never contain hype, as hype is inconsistent with Melaleuca's mission and culture and tends to scare off the best and most professional potential business builders. You should ensure that all of your communications are in good taste, recognizing that every public communication you make impacts all Marketing Executives and their reputation as a whole.





When it comes to building your business, there are ways to use social media correctly and there are certainly ways to use social media incorrectly. Constructive use of the internet (including social media sites) and other means of electronic communication to identify and work with potential Melaleuca customers and Marketing Executives can be a rewarding way to build your Melaleuca business. Unhealthy online practices, however, risk causing significant damage to your and others' Melaleuca businesses. These guidelines are designed to help you get the most out of the best practices in this area, while protecting all Melaleuca businesses against the dangers. Melaleuca has established several policies to give guidance on how to use social media to promote your Melaleuca businesses.

Much of Melaleuca's social media policy is based on the premise that we do not want to "burn the fields." "Burning the fields" means injecting Melaleuca's name or the Melaleuca opportunity into a public forum to such a degree that people (1) assume—incorrectly—that they have learned all they need to know about Melaleuca from this brief exposure or (2) grow tired of hearing about Melaleuca. For the last 34 years, Melaleuca has been careful to make sure that overzealous Marketing Executives do not "burn the fields." That is why the message of Melaleuca is as fresh today as it was in 1985. Indeed, because Melaleuca has avoided "burning the fields," it is much more intriguing today than it was in the beginning.

We want Melaleuca's message and the Melaleuca story to remain fresh and vibrant. Once a person has heard any story for the tenth time or even the second time, the story is no longer fresh. Therefore, when someone learns of the Melaleuca story, they deserve to hear it in its entirety, delivered by the most professional and compelling presenter possible. Hearing the word "Melaleuca" several times a day or even several times a week serves to distort the message and prejudices people into believing that they already know all about it. The ideal situation would be for someone to be approached for the first time about Melaleuca in a person-to-person setting. And the

ideal response upon asking someone if they would entertain seeing a Melaleuca Overview would be, "Melawhat? I've never heard of that company!"

Melaleuca's Statement of Policies (accessible at Melaleuca.com > Business Center > Reports & Tools) governs everything you do in your role as a Marketing Executive, including your online activities. These guidelines supplement those Policies and cover electronic communications relating to Melaleuca by a Marketing Executive to a person or group of people who are not Marketing Executives or Preferred Members. That includes, but is not limited to, communications via emails; texts; social networking sites (LinkedIn, Facebook, Instagram); microblogging sites (Twitter, Pinterest); video and photosharing websites (YouTube, Flickr, Periscope); blogs (including company and personal blogs); and online encyclopedias (Wikipedia).

Practices consistent with these Guidelines can provide you with many opportunities to share a Melaleuca Overview and have the personal contact required under Policy 22 before enrolling a Marketing Executive or Preferred Member.

You can divide Melaleuca's social media policy into three types of communications: (1) posts in private/closed groups, (2) private messages, and (3) posts in public forums.

Private/Closed Group Posts

The rules for what can be posted in private groups are different from what can be posted in a public forum.

If all members of a private/closed group are Melaleuca customers or Melaleuca Marketing Executives, you do not have to worry about "burning the fields" because everyone already knows about Melaleuca. Therefore, messages containing the company name, business information¹, etc. are allowed. We assume such sites are for purposes of either training, celebrating, or networking with other Melaleuca customers/Marketing Executives. As with any post, all information posted should be truthful and in good taste.





Private Messages

Compared to a private message, a phone call is a much more effective way of making a personal contact. Your success rate will be much higher with a phone call. However, if it is impossible to reach someone you know by phone, you can send them a private message to arrange a time to speak. Likewise, when someone expresses interest in something relating to Melaleuca that you have shared publicly online, you can contact that person privately to follow up.

Your private messages can reference Melaleuca by name, reference Melaleuca's business opportunity, or extend an invitation to talk in person, over the telephone, or via other live means of communication that is face-to-face or vocal (per Policy 22).

Your private messages should mirror your real-world relationships. Be genuine. Strive to develop real relationships through your private messages. And just as you wouldn't approach a stranger on the street and immediately start introducing Melaleuca products or the business opportunity, your **first private message** to someone cannot include a call to action, an invitation, or anything about a business opportunity. Rather, use your first message to develop a genuine relationship. As the recipient responds and engages in the conversation, you can begin to foster the relationship, and then when appropriate, you can extend an invitation.

In all cases, private messages should be one at a time. Sending a dozen private messages in a single day to 12 different individuals, for example, has close to the same effect as a public post. You can't give that many individuals the personal attention that they deserve.

Public Forum Posts

Melaleuca has fundamentally different policies for public forum sites, such as Facebook, Instagram, Twitter, etc., than it does for closed sites.

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We have watched carefully what has happened in some companies that run rampant without any policies regarding posting on public social media forums. Frankly, it's distasteful to many people who simply want to use social media to have relationships with others and don't want to be continually pestered with product or business opportunity advertisements. We fully realize that multilevel marketing (MLM) companies

use social media to advertise products and pitch their business opportunity all the time. But Melaleuca is not an MLM company. And the kinds of social media tactics engaged in by many MLM companies have never been proven to be an effective way to build a business. Those who engage in such tactics are often unfriended or at least unfollowed by even their best friends. People who incessantly post or reference their business opportunity on social media pages not only do damage to relationships but do damage to the company as well—i.e., they "burn the fields."

We believe that social media should be used to build honest, worthwhile, and meaningful relationships. Regardless of the many gurus who tout social media as "the only way to build," we have seen very few companies or individuals be successful with this methodology. And we have seen many companies ruined by the same process.

We do not believe that using social media is a good way to build a business. But we do believe that social media is a wonderful way to build true, meaningful relationships that can later turn into business relationships. Our policies are built around these concepts.

Best Practices

Over the years, some have sought shortcuts in building their businesses. They take a passive approach and pass out business cards, post flyers, buy ads, distribute audio recordings, and then sit back and wait for the phone to ring. But the phone doesn't ring and the fields burn! The same principle applies to social media. The only effective way to build a business is to proactively build relationships and approach people one-on-one.

For example, when someone posts a picture at a T-ball game and says, "I'm so thankful to our company that allows me to work from home so I never miss these magic moments," the reader feels like the post is promoting a business—especially if there are multiple posts on your feed that reference "my business" or "our company."

A more effective post in the same scenario would be to simply say you are enjoying another T-ball game and appreciating the magic moments, with no reference to the business or company. Then, when you privately approach your friends and contacts, they'll be curious. They've seen how you're enjoying life and are probably already wondering how you do it. But if you've already posted about your company or business, as soon as you approach them they'll think you're trying to sell them something.

To help you put the principles described above into practice, we have developed a list of things you can do and a list of things you cannot do.



What You Can Do

- You can join online groups, clubs, and organizations in which you are truly interested to enlarge your circle of friends and make contact with people who have interests similar to your own and thereby expand your sphere of influence.
- 2. On any social media site, group, or other website that specifically identifies its purpose as promoting or advertising business, financial, or work-from-home opportunities (and only on such sites), where everyone in the group has voluntarily opted into the group, you can make posts regarding Melaleuca's business opportunity and that have a call to action, but you cannot mention Melaleuca's name specifically. It's important to note that although permitted, these posts are not encouraged and have not proven to be effective.
- 3. You can publicly share, endorse, or tell a product experience about any one product individually. You may also make a single endorsement about a product line or group of products. These stories should be brief, concise, and include your own or another customers' actual, personal experiences with Melaleuca products that are positive and typical of the experiences of others with the products. You can do so through written words, photos, or videos less than one minute long, and you can mention the specific brand names of Melaleuca products such as Renew® or Access®. Keep in mind that any experiences you share must be consistent with Policy 33.

Examples:

- Show a group of Melaleuca products under your kitchen sink and say, "My home has never been safer!"
- "I just had a great workout! Thank goodness for the Access Bar!"
- If the topic of dry skin comes up in a public forum, you could post a comment based on personal experience: "Renew is the best product we have ever used for our kids with severely dry skin."
- 4. We encourage you to talk about your quality of life in a tasteful way that will make friends as well as do everything that people on social media do to build meaningful relationships. You should do this without explicitly tying your experiences to Melaleuca.

Examples:

- Tastefully show the ways you are enjoying life.
- Share pictures of you spending time with your family.
- Show how much you enjoy working from home.
- Talk about how much it means to you that you can attend your kids' soccer games and other activities.
- Talk about sending your kids to college: "It's been a lifelong goal to help my kids go to college. I just wrote the check for Johnny's first semester at BSU. I'm so excited for him!"
- Talk about getting out of debt, show a picture of you cutting up the cards or paying the final bill, and say, "No more credit card debt!"





 You can post pictures of you and your car, or you in your home, or you on vacation as long as you don't exaggerate and those pictures are in good taste and don't give the appearance that you are promising someone else a lavish lifestyle. For example, your car, house, etc. should appear only incidentally, not as the focus of the post.

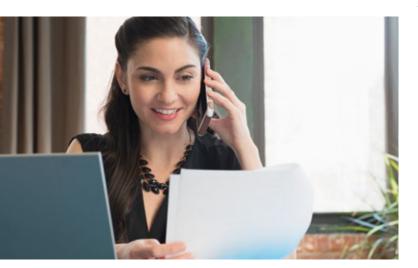
(There are ways to demonstrate that you are doing well financially in a manner that will cause healthy curiosity as to what you do for a living. But when you flaunt it, you will turn many people off.)

- 5. Talk about and show pictures of a **Melaleuca event** like Convention to celebrate the recognition received by members of your team—as long as:
 - You do not show anyone presenting to a group.
 - Any images of the name Melaleuca or other copyrighted materials appear only incidentally in the background and are not the focal point.
 - You do not share slides or training materials.

Example:

- "Spent an amazing weekend at Convention, meeting amazing people and learning from the best."
- 6. You can **defend Melaleuca** when it is criticized or attacked online—and, in doing so, feel free to mention the name Melaleuca when (and only when) responding to statements that already mention Melaleuca.

We encourage you to quickly post a response correcting the record whenever you encounter any negative statements about Melaleuca, our people, or our products anywhere on the internet—including blogs, social networking sites such as Facebook and LinkedIn, and



microblogging sites such as Twitter. This can be done by offsetting the negative comments with positive personal experiences regarding our products, our business model, or Melaleuca in general.

What You Can't Do

- We don't want social media sites to be plastered with the name "Melaleuca" or messages about Melaleuca. Therefore, we have a strict requirement that Marketing Executives not mention the name "Melaleuca" (except as described in point 6 of "What You Can Do"). That might seem a little strict, but without such a policy it would be easy to "burn the fields" in a short amount of time.
- 2. Do not share any posts from Melaleuca's social media platforms because they feature the name "Melaleuca." NOTE: From time to time there will be posts on Melaleuca's social media feeds that will be appropriate to share. In these instances you'll see an indication in the post—e.g. "OK to share" or "Shareable"—that gives you the green light to share the post with the public.
- 3. Do not post content that is identifiable through any search engine by using the search term or keyword "Melaleuca" or any derivation thereof (including "mela") or any other of Melaleuca's trademarked words or phrases. Do not share multiple points that describe Melaleuca.
- 4. Consistent with our teaching to avoid "burning the fields," do not post multiple times per day. Sometimes a post by itself may be within guidelines but may not be okay when seen in context with other posts.
- 5. Do not mention or describe Melaleuca's **business**opportunity or its business (a) publicly online (except on a Melaleuca-approved website specifically devoted to the purpose of identifying such opportunities),

 (b) on websites or in groups that facilitate the sharing of parenting ideas, safe household products, or anything else besides business opportunities—even if others sometimes use the forum for sharing business opportunities, or (c) in unsolicited communications to people you do not already know personally (including emails, text messages, private messages, etc.).



Do not:

- Make any public statements or claims about Melaleuca's Compensation Plan, statuses, services, awards, track record, management, affiliations, history, retention rate, or reorder rate.
- Make any public mention or post copies of checks from Melaleuca.
- Do not send mass invitations. All invitations must be sent individually, one at a time, and only to contacts you personally know or have built a relationship with.
 See "Private Messages" on page 3.

Examples:

- Do not extend any public invitation to a Melaleuca Overview using social media, a public website, microblog, etc.
- Do not send out group invitations to meetings, websites, Overview presentations, etc. to those who are not yet Melaleuca Preferred Members or Marketing Executives.
- 7. Do not make any public post or comment that includes a direct, indirect, or implied "call to action."

Examples:

- Call me! Ask me how! Comment below.
- Private message me!
- I'm here to help! I can solve your financial problems!
- Click below for more information...
- Come join our training at 8 p.m. tomorrow!
- 8. When sharing accounts of your own and other customers' actual personal experiences with Melaleuca products, do not:
 - Make any claims that Melaleuca's products prevent or treat medical conditions or diseases (except for any claims specifically asserted by Melaleuca in its official publications), per Policy 33.
 - Embellish any experience.
 - Give information about more than one product at a time; otherwise it is a product training.
- 9. Do not have public product trainings. All **product trainings** must be password protected, hosted by a Melaleuca-

- approved website provider, accessible only to active Melaleuca customers and/or Marketing Executives, or in a closed Facebook group comprised completely of active Melaleuca customers or Marketing Executives (i.e., no prospective customers).
- 10. Do not give too much information in any post. Otherwise, it can appear to be a brief Melaleuca Overview or product training. For the same reasons, do not post any video directly or indirectly related to Melaleuca that is more than one minute long.
- 11. Do not publicly state your **income**, as it relates to how much money you earn from Melaleuca. This can be done in private only if accompanied by Melaleuca's annual income statistics. Most people consider it extremely poor taste to share income in public.
- 12. Do not show or talk about having a **lavish lifestyle** (e.g., refer to big houses, expensive boats, luxury cars, exotic vacations, etc.) such that it appears that you are either touting or promising that kind of lifestyle. This is not appropriate in any setting.

The Federal Trade Commission has made it clear that they consider making these kinds of references as exaggerated income claims. Doing so would rightfully make you a target for an FTC investigation.

13. You should never suggest that anyone should **quit their job** to start a Melaleuca business. Stating or suggesting that people quit their jobs to join a business opportunity is a red flag to the Federal Trade Commission that you are operating a pyramid scheme. Since our beginning over 34 years ago, Melaleuca has been adamant about never suggesting that someone quit their job to build a Melaleuca business. To do so would be irresponsible, even in private.

You should never make references to "firing your boss," etc. Doing so might imply that you're suggesting that someone quit their job. It has always been Melaleuca's policy that no one should ever consider quitting their job to build a Melaleuca business until their residual income from Melaleuca is at least three times what they are making with their current full-time job. Until then, it only makes sense to add the Melaleuca income to the regular income. Most people with a Melaleuca business use their Melaleuca business to supplement their income. Even for those who put serious time and effort into building a Melaleuca business, it normally takes years to build the business to the point that anyone should ever consider leaving their full-time job to live only on their Melaleuca income.



- 14. Do not "like" or share any post that is out of compliance with Melaleuca's social media policies. If you see any violation, you must report it to compliance@melaleuca.com.
- 15. Do not post any material containing Melaleuca's copyrighted Leaf and Drop logo or its other copyrighted materials (unless the copyrighted material is contained [a] only incidentally in a picture or video or [b] in a closed group).
- 16. Do not share photos or videos from **Melaleuca events** that show anyone presenting to a group. Do not share slides or any trainings from the event.
- 17. Do not offer for a fee any services, trainings, lead-generation, systems, apps, or any other training materials. Melaleuca discourages the implementation of websites. Fees collected by approved website vendors for any service cannot be shared with any Marketing Executive.
- 18. Do not refer to any prerecorded phone message, video recording, or other type of communication that violates any of these guidelines or any other Melaleuca policy. All recordings must also be password protected.
- 19. Do not violate any state or federal law, applicable internet service provider or website policies, or any Melaleuca policy.

Prerecorded Overviews or Appointment-Setting Videos

Every potential customer must receive a proper and complete introduction to Melaleuca, the products, and the Preferred Member program before they are invited to enroll. Quality face-to-face communication is always preferred, but where that is not feasible, **prerecorded Overviews** may be used only via the QuickShare webpage Melaleuca.com/QuickShare.

- The invitation to the Overview must happen through a personal (one-on-one) contact (phone call, text, or private message). No invitations are allowed through group or mass texts, emails, social media posts, or group messaging.
- The Melaleuca videos found at Melaleuca.com/QuickShare may only be used through QuickShare and in accordance with the terms of use found there. Copying and posting Melaleuca videos is not permitted.

- Melaleuca may authorize prerecorded videos outside of the QuickShare program only when the videos are hosted on a password-protected, Melaleucaapproved website. The videos must be registered and approved by Melaleuca before being used. Additional requirements may apply; please contact compliance@melaleuca.com to learn more.
- When using an approved prerecorded video, the Presentation Points are awarded to the individual who does all of the following: introduces and starts the video, is available to answer questions throughout, and makes closing remarks after the video—this must all be done in person or by two-way voice communication.

All materials used as part of the **approach** and **appointment-setting** process (videos, slides, memes, posts, etc.) must comply with all of Melaleuca's policies, must not use Melaleuca's name, and must be followed up with a complete Melaleuca Overview that includes (1) a thorough description of Melaleuca's products and (2) a complete description of the Melaleuca Preferred Member program (including the associated benefits, monthly order commitment, and Backup Order) prior to enrollment.

Melaleuca has an approved appointment-setting video that can be used as long as all guidelines are followed. Please contact **compliance@melaleuca.com** for access to this video and a copy of the guidelines.

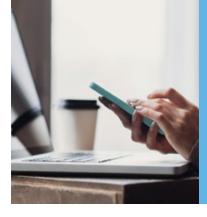
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Violations

Melaleuca may audit Marketing Executives' online and electronic communications to ensure compliance with these guidelines. A Marketing Executive's violation of the guidelines may result in the forfeiture of commissions and bonuses, fines, or termination of the Marketing Executive's Independent Marketing Executive Agreement.

Melaleuca reserves the right to withhold Advancement Bonuses or other commissions from any business where it is perceived that a violation helped cause the advancement, even if the violations are from others in the organization. You have the responsibility to monitor social media activity, report violations, and ensure correct principles and policies are taught and understood throughout your entire organization.





The Before-You-Post Checklist



Remember, social media should only be used to build meaningful relationships. It's okay to create curiosity, but it's important to be subtle. If your goal with a post is to have someone message you or comment wanting to know more, then it's the wrong approach. If your plan is to create genuine curiosity, foster relationships, and proactively approach your contacts when the time is right, then you're on the right track. Those who have effective social media strategies understand the importance of nuance—what you don't say and how you don't say it.

Before you post, ask yourself...

- 1. Is the post tasteful and consistent with what friends would normally post?
- 2. Is what you post truthful and free of any exaggerated claims?
- 3. Will the post help create genuine curiosity and support building relationships to expand your warm market?

Yes No

00	Is there any way for a person to tell you are with Melaleuca? (including references to the Compensation Plan, reorder rate, services, awards, track record, etc.)
00	Are you representing a lavish lifestyle? (big houses, cars, boats, luxury travel, etc.)
00	Is there any reference to your income or how much others can make—including any suggestion about quitting a job?
00	Does your post have a direct or implied request for a response? (e.g., "Message me," "Click here," or "I'm here to help")
00	Does your post reference more than one Melaleuca product?
00	Is there a video longer than one minute?
00	If you're posting from an event, does the post show anyone presenting to a group?

If you've answered "no" to each question on the checklist:

Your post may be within the guidelines and principles taught in this document.

If in doubt, don't post.

If you have any questions, don't hesitate to email us at **socialmedia@melaleuca.com**. We will get back to you right away.

Have you already posted today?