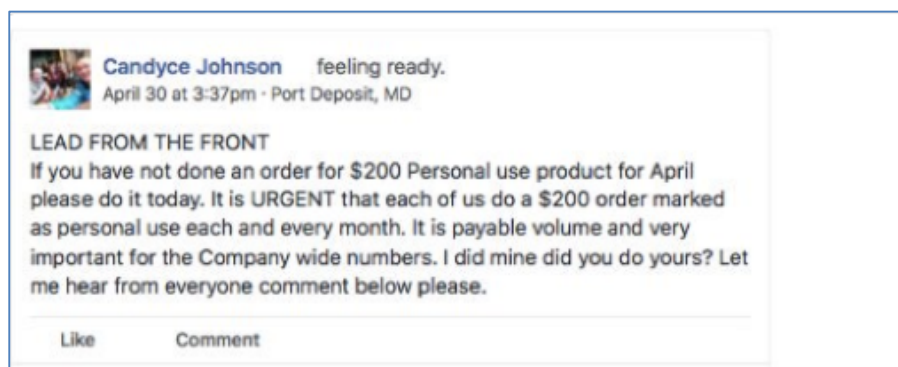


Orion Research, LLC

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President's Team Member Candyce Johnson Tells Distributors to Buy \$200 of Products a Month for Personal Consumption, in Violation of FTC Order Prohibiting the Requiring of Minimum Purchases

In a Facebook posting on April 30, 2017, Herbalife President's Team Member Candyce Johnson tells members of her group it is URGENT that they make \$200 of purchases for personal consumption.



While the Federal Trade Commission Order allows Herbalife to count as documented sales up to \$200 of purchases a month by distributors for personal consumption, Herbalife is banned from **requiring** its distributors to make minimum purchases.

An FTC Consent Order imposed on Herbalife in July 2016 specifically prohibits Herbalife from imposing minimum purchases requirements. Under "Limitations on Thresholds, Targets and Requirements," the Order states: "Business Opportunity participants shall not be required to purchase a minimum quantity of products, except that Defendants may require Business Opportunity Participants to purchase an initial start-up package or its equivalent, provided that no Multi-Level Compensation is generated or paid on the Purchase."

But, since the FTC order, top distributors have been insisting that members of their organizations make \$200 of purchases every month without fail in order to "protect the Golden Goose," a phrase used to describe Herbalife's marketing plan.

Johnson sends out essentially the same message again to her group at the end of May, 2017.



If Herbalife can show that documented sales are 80% of total sales, it will be allowed to pay commissions on all of its sales. This is the likely motivation for Johnson's attempt to impose a minimum purchase requirement on her downline members in contravention to the FTC Order.

Again: Requiring minimum purchases is a violation of the FTC Order.