

Orion Research, LLC

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President's Team Member Mette Hyldagaard Misleads Distributors, Telling Them "Expect \$1,000 in Residual Income for Each Person You Bring," While Burying Disclaimer

In this video posted to Facebook by Herbalife Ltd. President's Team member Mette Hyldagaard tells distributors in Minnesota how important it is to attend the June 2017 Success Training Seminar (STS).



Mette Hyldagaard on STS.mp4
or <https://vimeo.com/225769605>

Hyldagaard states that for every person a distributor brings to an event, he or she can expect \$1,000 a month in residual income: "My sponsor said something really, really important to me: For every person you bring, you can expect \$1,000 in residual income a year from now."

“So, if you bring 10 people you are going to have \$10,000 residual income.”

Hyldagaard states that this is monthly residual income (see below), which means a distributor bringing 10 people to events could expect to earn \$10,000 in monthly residual income or \$120,000 a year.

Hyldagaard’s statements violate a Federal Trade Commission Consent Order imposed on Herbalife’s business in July 2016. The Order restrains Herbalife and its agents from making claims or even implying “that participants will or are likely to earn substantial income” or mispresenting “the amount of revenue, income, or profit a participant actually earned or can likely earn.”

In addition, the video provides a good example of how a distributor can direct others to the Herbalife’s Statement of Average Compensation while still misleading them about their prospects of earning a substantial income:

“Let me say that again - and yes it’s not typical but it’s possible - please see Herbalife’s disclaimer – but for each person you bring you’re going to earn \$1,000 monthly residual income.”

This low-key disclaimer is slipped in once in the midst of an otherwise enthusiastic thirty-minute sales pitch suggesting that this \$1000 residual income per person is something “you’re going to earn.” (See video starting at 4 minutes 23 seconds)