

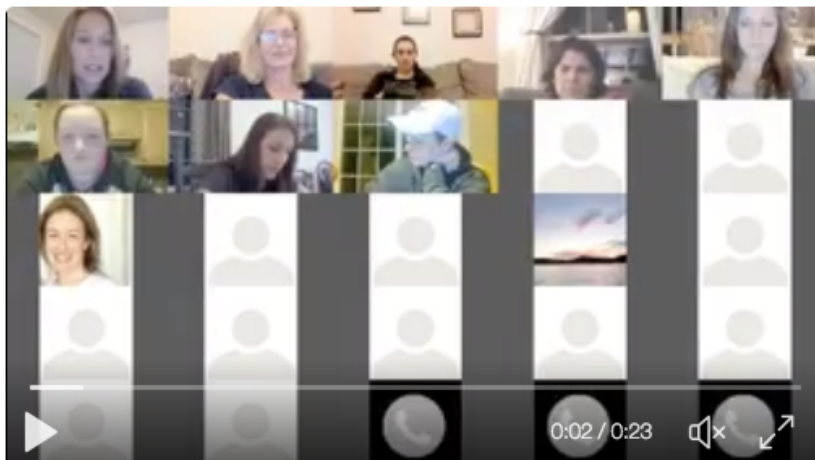
## Orion Research, LLC

August 7, 2017

### **In Webcast Organized by President's Team Member Lori Baker, Distributors Told Business Failure is a Personal Failing, a Violation of FTC Order**

In an online webcast on January 18, 2017 organized by Herbalife Ltd. President's Team Member Lori Baker, distributors in Baker's downline organization are told: "Your business problems are often your personal problems in disguise" and "We have to learn to look in the mirror if our business isn't growing. It is always something within each one of us that has to change in order to push forward."

In the following clips, Baker can be seen in the second box from the left, at the top of the screen.



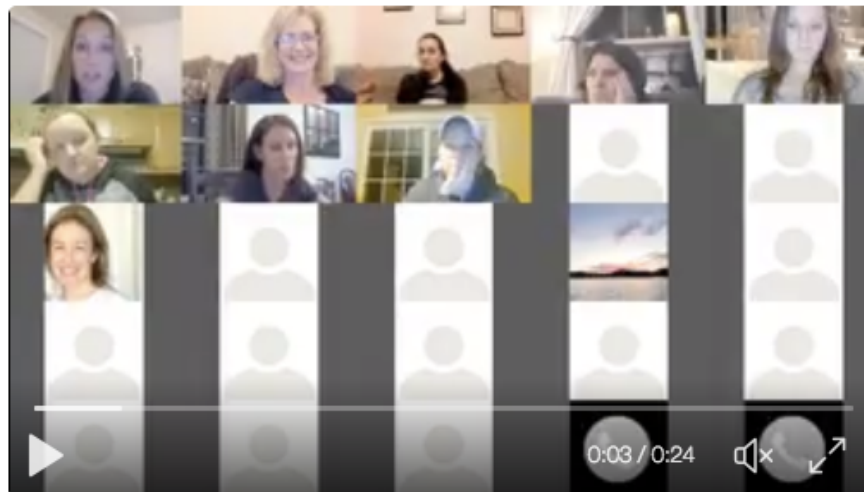
Clip1.Personal failure.m4v or <https://vimeo.com/225757087>

Such statements violate the Federal Trade Commission Consent Order that permanently restrains Herbalife and its agents from stating: "The reasons participants do not earn significant income, including but not limited to representations that participants fail to devote substantial or sufficient effort."

In a Complaint for Permanent Injunction and Other Equitable Relief, which was made public on the same day as the Consent Order, July 15, 2016, the FTC stated that the problem with the Herbalife business is: "Defendants' program does not offer participants a viable retail-based business opportunity."

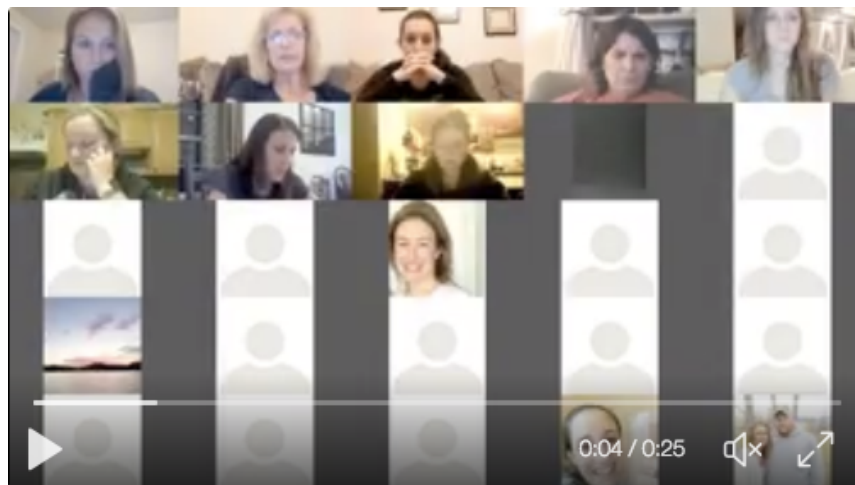
Yet top distributors continue to encourage the message that recruits are the problem, and that they can overcome these personal shortcomings by attending training events.

In this clip, a distributor tells the group “you are in fact limitless. The only limits that exist are those in our minds.”



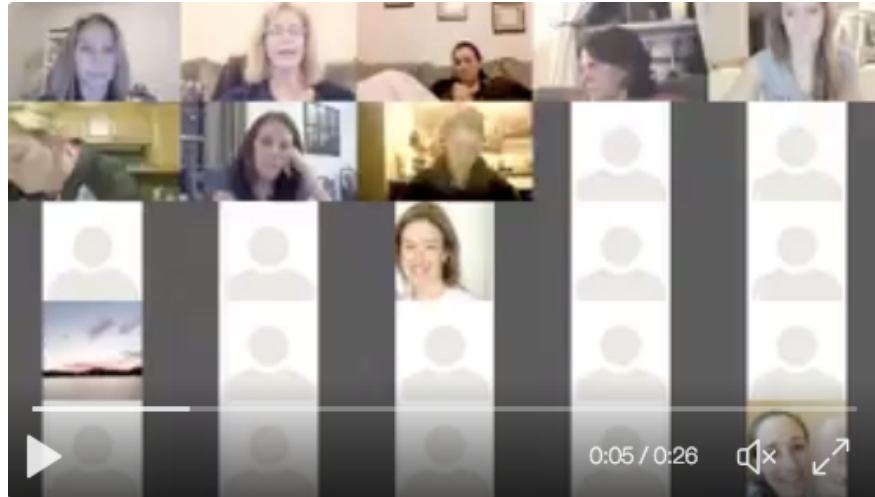
Clip2 Limitless.m4v or <https://vimeo.com/225757093>

In this clip, Baker insists: “I really loved all the points that Bethany made about overcoming yourself because quite honestly the whole business is about what’s between your two ears.”



Clip3 Two ears.m4v of <https://vimeo.com/225757099>

In this clip, Baker describes how if a distributor changes his or her attitude “the whole universe will align with you.”



Clip4 Universe align.m4v or <https://vimeo.com/225757109>

Full video of Lori Baker on Personal Failure.mp4 or <https://vimeo.com/224942240>