

Announcement:	False or Misleading Earnings Claims and Lifestyle Claims Advisory
Date:	16/10/2018
To:	Eswatini Members
Effective Date	Immediately

It is important to recognize that the actions of each Member represent the Herbalife brand. As such, it is essential for Members, who promote their journey as an Independent Herbalife Member, to do so in a realistic and appropriate way, as required by the Rules of Conduct and the law.

Herbalife is committed to the highest standards of ethical behaviour, and our goal is to ensure that prospects and other Members have realistic expectations about the business and income opportunity. Members are expected to represent their experiences with accurate and truthful images and testimonials. The following is an important update setting forth standards in relation to sharing income and lifestyle experiences.

IMPORTANT UPDATE

1. Prohibited Claims

Herbalife's longstanding rules and government regulators in most countries have required Members' advertising claims to be truthful, substantiated, and not misleading. Claims that overpromise are misleading, and therefore prohibited, because they promise or guarantee results that are not typical to someone joining the business. The same can be true for those claims showing a false and/or misleading lifestyle. As a result, some specific lifestyle presentations are prohibited, even if they are true and contain a disclaimer, because they go so far beyond what is reasonably achievable (see list below). The good news is that Members can still make income and lifestyle claims that go beyond what is typically achievable by someone joining the business (as long as they adhere to the conditions described below).

A. Definition of Prohibited False and/or Misleading Lifestyle Claims

A false or misleading lifestyle claim is one depicting a style of living that is excessive, overly extravagant or ultra-luxurious. Examples of false or misleading lifestyle claims include:

- "Opulent Mansion" – meaning a large estate, an impressive home that is ritzy, classy, and, plush or abundant.
- "Exotic Automobile" – meaning a car that is strikingly unusual, and has stunning looks unlike common cars. For the current list of exotic automobiles, please contact Herbalife or see MyHerbalife.com.
- Private Yachts.
- Private Helicopters/Jets.



Images of private helicopters and yachts are expressly prohibited. However, it is possible to depict public helicopters and yachts used for commercial transportation **if** it is clear from the image or the caption that they are public or commercial transportation and are being rented for one-off or occasional use (e.g. "Love going on Mike's yacht tour to see dolphins" or "Took an hour's ride to see the waterfalls of Hawaii"). Even if the image or caption makes it clear that it is public or commercial transportation, a proper income disclaimer should always be added so as not to depict a false or misleading lifestyle claim.

B. Statements that Over Promise

The following claims (or substantially similar claims) are also prohibited:

- Participants can: "quit [their] job," "be set for life," "earn millions of dollars," "make more money than they ever have imagined or thought possible," "realize unlimited income," or "get rich."
- "Easy income"; "Earning without working"; or "Passive income."

2. Claims that are Allowed

A. Income and Lifestyle Claims Which Go Beyond What Is Typical (but which are not false or misleading), Are Allowed With The Right Disclaimer

Although false or misleading lifestyle claims and claims that overpromise are prohibited, you can still make income and lifestyle claims that go beyond what is typically achieved, provided these claims are truthful, non-excessive and do not mislead by implying that they can be accomplished overnight or with ease. For example, as long as the claim is truthful and not misleading, you can depict photos showing non-exotic automobiles, boats, homes that are not opulent mansions, non-exorbitant vacations, jewelry, and accessories, just to name a few items.

The key to making sure that these claims are not misleading is to:

- emphasize that the income and lifestyle depicted in these claims took consistent work, skill, and/or dedication to achieve,
- state the amount of time that it took to achieve them, and
- that these results are not typical or guaranteed.

Additionally, you must include an income disclaimer, which is required for these types of claims.

Finally, you need to avoid use of misleading words or hashtags that could create the impression that these earnings were easy to achieve or that everyone can achieve them. We want to make sure that those seeing your income and lifestyle claims understand that these results are unique to you and not typical for those starting out in the business.

This Advisory, prohibiting false or misleading lifestyle claims and claims that overpromise, applies to all communications, which include, but are not limited to, one-on-one conversations, presentations/speeches/trainings, all digital and social media content (for example: websites, blogs, Facebook, Twitter, Instagram, Snapchat, WeChat, YouTube, WhatsApp, Telegram, instant messaging, text, images, video, and claims), as well as any other future communication technologies/medians created. The restriction also applies to any communication, even if previously posted, that is currently accessible.



Specifically, for social media, we ask that you take the following immediate action:

1. Review all your social media content and other communications.
2. **If any content contains statements, words, images and video that show homes, cars, material possessions, and vacations that convey a false or misleading lifestyle, please remove it immediately. In doing so, please delete the content vs. revising it, as some platforms will publicly show the history of edited posts.**

Please note that this action is required even if you are not identified as an Independent Herbalife Member on a specific social media account. This is because you may be known in your community as an Independent Herbalife Member and therefore any false or misleading lifestyle images may be attributed to your role as an Independent Herbalife Member.

Additional training, guidelines and the rules related to claims are available by contacting Member Services or on [MyHerbalife.com](https://www.MyHerbalife.com).

Herbalife thanks you for your support as we continue forward. If you have any questions related to this Advisory or uncertainty related to whether the posting of any individual images or content is misleading, please send an email to: ClaimsAdvisoryQuestions@herbalife.com.

Social Media Guidelines

WHAT YOU CAN POST!

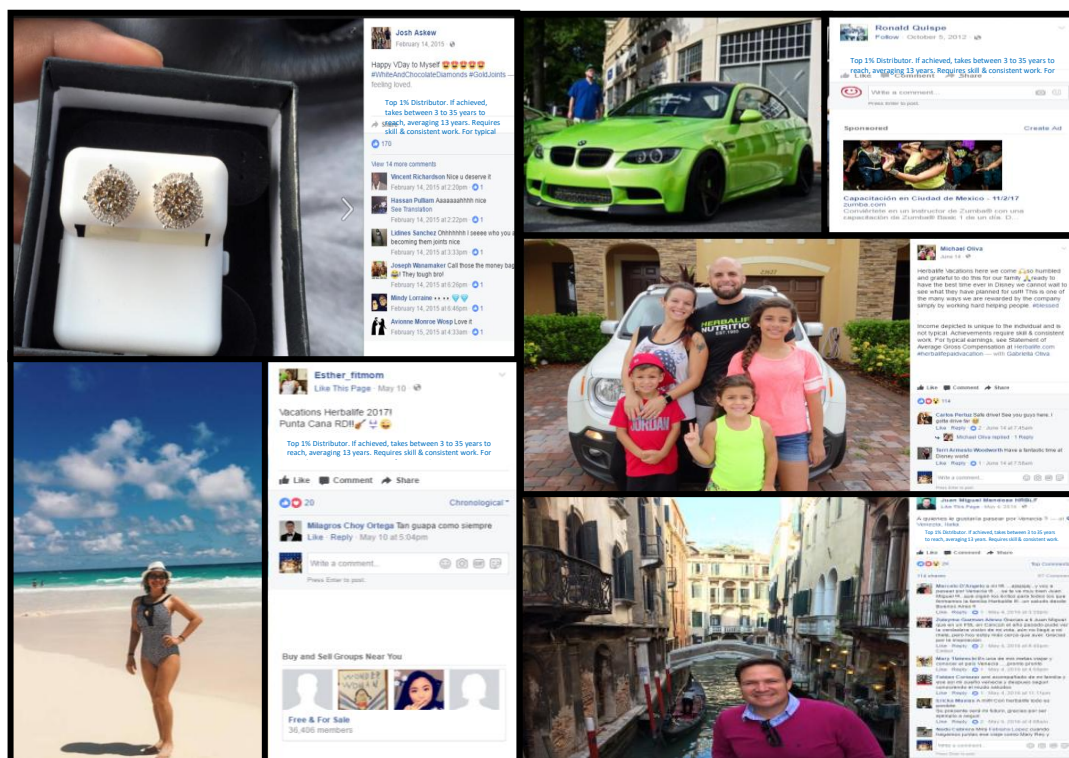
Be proud of your accomplishments! Create a mosaic that includes photos that represent experiences with those you sponsored, healthy active lifestyle activities, community experiences, outings with friends and families, and use of the products! A small portion of your mosaic can also be devoted to income and lifestyle claims. You can depict income and lifestyle claims that are typical, without the need for an income disclaimer. You can make income and lifestyle claims that go beyond what is typically achieved, provided these claims are truthful, non-excessive, do not mislead others by implying that they can be accomplished overnight or with ease, and contain a disclaimer. Here are some examples of things you should post and promote as part of your overall social media mosaic:

About you, post or promote pictures of:

- your experiences and life enhancements, focusing on those that are **typically achieved or acquired by Members**
- you using the products
- you engaging in a healthy active lifestyle
- you enjoying time with your family, your group, your community, your Team Herbalife colleagues, or your personal travel to any non-excessive vacation destination (with the appropriate disclaimer).
- you helping people in your community achieve truthful product results
- your community service or activities
- you earning income, provided that these claims are truthful, non-excessive, and non-misleading. (with the appropriate disclaimer)

About others, post or promote pictures of:

- Other Members showing what income they were able to achieve with their Herbalife business, provided it can be **typically** achieved.
- your Team's or other Herbalife team's success, including group events and promotions (with the appropriate disclaimer), such as:
 - sporting events
 - your new team members
 - your new customers
 - you and your team engaging in healthy, active lifestyle activities, volunteer activities, etc.
- you congratulating the accomplishments of your Members



The posts above can be made because they do not depict excessive earnings or lifestyle claims. They may depict lifestyles that go beyond what one can typically expect to achieve, but the overall message is not misleading since the disclaimer is clear and let's people know what is typical.

WHAT YOU CAN'T POST

Photos of exotic automobiles, opulent mansions, private helicopters, private jets, yachts and excessive vacations are not permitted.

Claims that Participants can: “quit [their] job,” “be set for life,” “earn millions of dollars,” “make more money than they ever have imagined or thought possible,” “realize unlimited income,” “get rich,” “earn easy income,” “earn passive income,” or “earn without working” are not permitted.

