

February 14, 2024

VIA EMAIL AND REGULAR MAIL

Rakesh Bandi, Regional Marketing Director Daxen, Inc. 565 Brea Canyon Rd., Suite B Walnut, CA 91789-3004 rbandi@dxnla.com

Re: Deceptive Income Claims Used to Market the Daxen Business Opportunity

Dear Mr. Bandi:

I am writing to you on behalf of Truth in Advertising, Inc. ("TINA.org"), a nonprofit consumer advocacy organization dedicated to protecting consumers from deceptive advertising. As a follow-up to our 2017 examination of inappropriate earnings claims made by multilevel marketing companies, we recently investigated 100 MLM companies (93 Direct Selling Association member companies, as well as seven additional MLMs) and found that 98 percent of these companies (and/or their divisions) have made atypical and unsubstantiated income claims to promote their business opportunities. *See* https://truthinadvertising.org/industries/mlm-companies-income-claims/.

Such atypical claims catalogued by TINA.org range from earning supplemental income to achieving financial freedom, and can be found across the internet, including on social media platforms. We found that Daxen is one of the companies at issue. A database containing a sampling of inappropriate income claims can be found here: <u>https://truthinadvertising.org/evidence/2023-daxen-income-claims-database/</u>.

I trust that immediate action will be taken to remove these unsubstantiated income claims, as well as further efforts to ensure that no future misrepresentations are made. If you have any questions or need further information, please do not hesitate to contact me.

Sincerely,

Laura Smith, Esq. Legal Director Truth in Advertising, Inc.

Cc via email: Joseph Mariano, President Direct Selling Association jmariano@dsa.org

> Peter Marinello, Vice President Direct Selling Self-Regulatory Council pmarinello@bbbnp.org