



June 14, 2016

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

Dear Ms. Smith:

Jeff Olson forwarded your June 6, 2016 letter to me for handling. Thank you for taking the time to bring your concerns to our attention. Nerium International, LLC ("Nerium International") shares your interest in protecting consumers from deceptive advertising. In fact, consumer protection is of particular interest to Nerium International because our business model is driven by sales to end consumers much more so than other companies in our industry. Nerium International has not approved and was not aware of the claims you referenced that were made by our independent Brand Partners and any such statements are in violation of our policies.

Although I have not had the opportunity to thoroughly review each and every health and earnings claim referenced on your website, I have instructed Nerium International's Compliance Department to contact each and every Independent Brand Partner that can be identified in the social media posts on your website, request the removal of any postings that remain online, and educate the Independent Brand Partners about how to make proper product claims and earnings claims. Likewise, our Social Media Team is reviewing Nerium International's social media posts and videos and having them removed as well pending completion of our review to determine the appropriateness of each video and post. While I cannot guarantee this process will be completed by the close of business on June 14, 2016, I can assure you that we are working diligently toward that end.

I would also like to make you aware of the proactive measures Nerium International takes in an effort to prevent these types of issues from occurring in the first place:

- Nerium's Policies and Procedures Manual specifically prohibits Brand Partners from making any claims that any Nerium International products treat or cure any disease.
- Section 9.23 states: "Brand Partner shall make no claim, representation or warranty concerning any product or service of the Company, except for those contained in the official Company materials. Brand Partner can only



promote benefits of Nerium products using language contained in the official Company materials. Brand Partners may not make any medical, therapeutic, curative or treatment claims regarding any Nerium product. Brand Partners may only use “Before” and “After” photos provided by the Company. The use of any unauthorized “Before” and “After” photos is prohibited.”

- Section 12.06 states: “[Brand Partner] will not make diagnostic, therapeutic or curative claims for the Company’s products. [Brand Partner] will not make any claims not contained in official Company literature.”
- 
- Nerium International’s Policies and Procedures Manual also prohibits Brand Partners from making improper earnings claims.
  - Section 12.07 states: “[Brand Partner] will make no income claims or representations regarding the Company Compensation Plan, remembering that ideal projections of the Company Compensation Plan are unrealistic. No network is grown in a perfect geometric progression and therefore it is impossible to predict incomes. Further, a Brand Partner’s success depends on many variables, such as the amount of time committed to his/her business and the degree of organizational ability.”
- Nerium International’s Compliance Department distributes monthly “Compliance Corner” emails to all Brand Partners to educate them about important compliance issues, and product claims and earnings claims are frequently addressed in these emails.
- Nerium International utilizes Momentum Factor’s FieldWatch Compliance Monitoring and Management System to proactively monitor social media posts by our Brand Partners and the Compliance Department immediately addresses any improper product and earnings claims.

I trust that this letter addresses your concerns but please do not hesitate to contact me if you have any additional questions.

Sincerely,

A handwritten signature in blue ink that reads 'Eric Haynes'.

Eric Haynes  
General Counsel