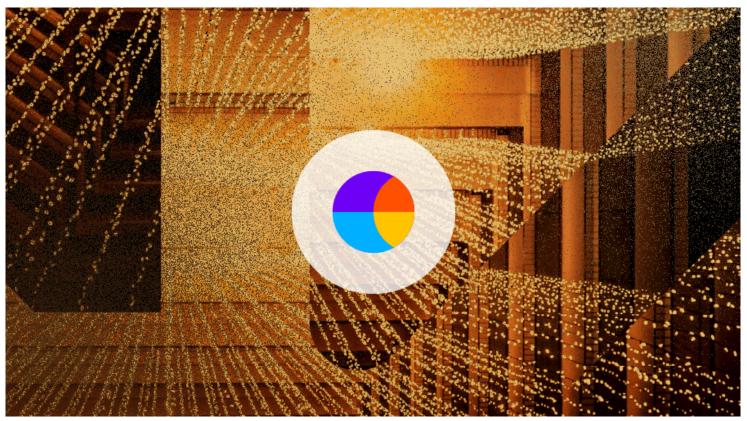
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Direct Selling Self-Regulatory Council Case #228-2025: Administrative Closure - Mannatech, Inc.

Company Description

Mannatech, Inc. ("Mannatech" or the "Company") is a direct selling company headquartered in Flower Mound, Texas and founded in 1998. The Company markets nutritional supplements, personal care, skincare, anti-aging, fitness, and weight-management products.

Basis of Inquiry

The Direct Selling Self-Regulatory Council ("DSSRC") is a national advertising self-regulation program administered by BBB National Programs.

This inquiry was commenced by DSSRC pursuant to its ongoing independent monitoring of advertising in the direct selling marketplace and pertains to income claims disseminated by the Company and its salesforce members.

The representative claims set forth below formed the basis of this inquiry and were all disseminated on Facebook with the exception of one claim that was communicated on the Company website.

Earnings Claims

- 1. "For the past 18 years, they've built a life of freedom, purpose, and success, balancing their Mannatech business with their passions in property and interior decorating. Their journey is a testament to how this opportunity can create choices, financial security, and a greater purpose...#FinancialFreedom" (March 2025)
- 2. "Imagine building a business that not only supports your health goals but also empowers you to create financial freedom."
- 3. True financial freedom is within your reach at Mannatech. With one of the most generous compensation plans in the direct selling industry, you'll be able to earn some extra money for the little things or create a substantial income. Mannatech has helped others like you to find purpose and freedom. (April 2025)
- 4. "Are you seeking a path to improved health and financial freedom?... #FinancialFreedom" (April 2025)
- 5. "#FinancialFreedom" (April 2025)
- 6. "Finally, the video outlines the business opportunity with Mannatech, encouraging viewers to share the products, make a positive difference in others' lives, and gain financial freedom through the company's simple-to-follow success plan." (May 2025)
- 7. "If I can attain my lifestyle so can you! Motivating myself and hopefully one or maybe more individuals. I absolutely love to help others achieve greatness and financial freedom. HEALTH IS WEALTH" (July 2024)
- 8. "Explore how you can improve your health and earn income! Are you searching for a "side hustle" or even a new career to improve your financial situation? Mannatech makes it possible!... Whether you're looking to earn an extra few hundred dollars each month or transition to a new career, Mannatech is the right company for you." (August 2024)
- 9. "Love Tuesday Night Live! FINANCIAL FREEDOM" (August 2024)
- 10. "I've joined a 30 year company that promotes health and wellness with some amazing ladies where the sky is the limit in my financial freedom goal. Would you like to know more? Comment below, send me a private message or text me, I would love for you to join me #financialfreedom" (October 2023)
- 11. "Explore how you can improve your health and earn income! Did a friend recommend our superior products to you? Or are you searching for a "side hustle" or even a new career to improve your financial situation? Mannatech makes it possible! With very low start-up costs and flexible hours, you can work when you want, without prior experience in business or sales. You'll have access to tools, training, and a supportive network every step of the way. Whether you're looking to earn an extra few hundred dollars each month or transition to a new career, Mannatech is the right company for you. We offer a wide array of scientifically validated wellness products, and as a publicly traded company (NASDAQ: MTEX) celebrating our 31st anniversary in 2024, we've earned more than \$5 billion in total sales and millions of customers in 26 countries."
- 12. "I'm expanding my team and looking for motivated individuals who are passionate about health and financial freedom...Flexible schedule—work full-time or part-time" (April 2025)
- 13. "Being at the retirement stage of life myself, I have read about the importance of having more than one avenue of income. Our team is learning about the business side of these products, and also hearing testimonies about residual and passive income. One of my mentors, Ursula, shared this important video. Comment if you'd like me to share some info with you on what #TeamL3GACY is up to!"
 - Video description attached to post: "The power of the Mannatech compensation plan! Meet my friend, Ray and Kevin Robbins who have earned \$76 million with Mannatech."
 - "We've had over 200 of our associates earn over \$1 million at Mannatech...thousands, thousands more impacted...paying off debt, starting a college fund...our distributors earn significant money"

(October 2023)

14. "So thankful for our free vacation thank you Mannatech North America for this year's fabulous HAWAII trip! So looking forward to the next one! PUNTA CANA here we come! Mannatechhawaii2022#" (May 2022)

Company's Position

Upon receipt of the Notice of Inquiry, Mannatech promptly conducted a review of all 14 claims that were identified by DSSRC. In line with the Company's internal compliance procedures, Mannatech immediately reached out to the individuals responsible for the posts to explain the nature of the non-compliance and to request that the content be removed or appropriately modified.

As a result of these efforts, the Company successfully addressed all 14 claims in this inquiry— 11 of the claims were discontinued in their entirety and three of the social media posts were modified.

In addition to Mannatech's corrective actions, it expressed a commitment to continue to reinforce a comprehensive compliance framework designed to educate, monitor, and support its salesforce regarding income claim requirements:

- Targeted Communication: All salesforce members responsible for the identified posts received detailed explanations outlining why their content was non-compliant, along with specific guidance on prohibited terms and phrases, such as "financial freedom," "residual income," "passive income," and similar expressions.
- Monitoring & Enforcements: Mannatech maintains a daily monitoring process to review publicly available salesforce member content, particularly on social media. When violations are identified, the Company takes appropriate corrective actions ranging from warnings to disciplinary measures, in line with its policies.
- Ongoing Education: The Company regularly updates and distributes compliance resources, including reminders of earnings claims standards, examples of compliant language, and summaries of current regulatory developments to ensure continued awareness and alignment.

Mannatech reinforced its commitment to maintaining high standards of transparency and integrity in the marketplace.

Administratively Resolved Resolution

DSSRC acknowledged Mannatech's good faith cooperation in addressing the earnings claims at issue and concluded that the Company's responsive actions were both necessary and appropriate.

In its review, DSSRC found that the earnings claims conveyed the impression that a typical Mannatech salesforce member could achieve substantial or career-level income (e.g., claims of "full-time" income, "financial security," or "financial freedom") through participation in the Company's business opportunity.

The FTC's Business Guidance for Multi-Level Marketing ("FTC Guidance") makes clear that any earnings representation must reflect what the average participant is likely to achieve. According to the FTC, references to unlimited income potential or career-level earnings are not typical of the experiences of most participants, and therefore such claims can mislead consumers. The FTC Guidance further emphasizes that income or lifestyle claims must be supported by reliable, empirical evidence showing that the typical participant is likely

to earn the amount represented. Thus, disseminating atypical earnings claims may create a deceptive impression about the business opportunity. In this regard, if a participant in a MLM or direct selling opportunity, makes an income or earning claim they must have a reasonable basis for making any income claims. This includes "reliable, empirical evidence demonstrating that the typical person in the

group . . . is likely to realize . . . an amount equal to or greater than that conveyed by the earnings or lifestyle claim."2

The DSSRC Guidance on Earnings Claims for the Direct Selling Industry provides similar direction. It cautions companies and salesforce members against using language or imagery that suggests income levels beyond what the average participant can reasonably expect. The DSSRC Guidance also highlights certain terms as particularly high risk for misleading consumers, including "unlimited income" and "financial freedom."

In prior inquiries, DSSRC has determined that aspirational income claims—such as references to "financial freedom"—when used without clear qualification, create ambiguity for consumers and prospective salesforce members. Without appropriate context, it is reasonable for individuals to interpret the phrase "financial freedom" literally, as suggesting that participation in the direct selling opportunity will eliminate financial concerns or provide a substantial, life-changing level of income.

In response to this inquiry, Mannatech took corrective action by reaching out to the salesforce members responsible for the identified claims. As a result, the Company successfully removed 10 social media posts and one website claim. Additionally, two social media posts were modified to eliminate references to "financial freedom" and "career-level income," and a third post was revised to remove the implication that salesforce members could receive free trips simply by participating in the Company's business opportunity.

Conclusion

Based upon Mannatech's good faith efforts to modify and remove the 14 claims identified by DSSRC in this inquiry, DSSRC administratively closed its inquiry.

Company Statement

"Mannatech is committed to maintaining the highest standards of integrity, truthfulness, and transparency in the promotion of our products and business opportunity. We take pride in the trust we have built with consumers, our salesforce, and industry peers, and we remain dedicated to protecting and strengthening that reputation. We will continue to monitor, refine, and strengthen our compliance practices

while providing our salesforce with resources, such as clear policies, training, and communication tools, that empower them to represent Mannatech with accuracy and integrity."

(Case #228, closed on 8/20/25) © 2025 BBB National Programs

[1] See Fed. Trade Comm'n, Business Guidance Concerning Multi-Level Marketing, Section 13 (April 2024) https://www.ftc.gov/business-guidance/resources/business-guidance-concerning-multi-level-marketing#deceptive.

[2] *Id*.

[3] Direct Selling Self-Regulatory Council, Guidance on Earnings Claims for the Direct Selling Industry, Section 6(A) (2022). dssrc_guidanceonearningsclaimsforthedirectsellingindustry.pdf

September 09, 2025

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