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7 **IN THE UNITED STATES DISTRICT COURT**
8 **FOR THE DISTRICT OF ARIZONA**

9 **Federal Trade Commission,**

10 Plaintiff,

11 vs.

12 **Forever Living Products International,**
13 **LLC,** a Nevada limited liability company,

14 **Forever Living.com, LLC,** an Arizona
limited liability company,

15 **Gregg Maughan,** individually, as an
officer of Forever Living Products
16 International, LLC, and as an officer of
Forever Living.com, LLC,

17 and

18 **Aidan O’Hare,** individually, as an officer
of Forever Living Products International,
19 LLC, and as an officer of Forever
20 Living.com, LLC,

21 Defendants.

No. _____

COMPLAINT FOR PERMANENT
INJUNCTION AND OTHER RELIEF

22 Plaintiff, the Federal Trade Commission (“FTC” or “Commission”), for its
23 Complaint alleges:

24 1. The FTC brings this action for Defendants’ violations of Section 5(a) of the
25 FTC Act, 15 U.S.C. § 45(a). For these violations, the FTC seeks relief, including a
26 permanent injunction and other relief, pursuant to Section 13(b) of the FTC Act, 15
27 U.S.C. § 53(b).
28

SUMMARY OF THE CASE

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2 2. Defendants operate a multi-level marketing program (“MLM”) under the
3 name “Forever Living.” The MLM is a common enterprise which Defendants operate
4 through a variety of corporate entities. The common enterprise is hereinafter referred to
5 as “Forever Living.” Forever Living produces, markets, and sells a variety of health
6 supplements and beauty products, most featuring aloe as an ingredient. Defendants
7 convince consumers to pay them substantial sums of money and invest substantial time to
8 participate in the Forever Living MLM. Defendants represent that consumers who
9 become participants in their MLM—“Forever Business Owners,” or “FBOs”—will or are
10 likely to make a profit through their work as an MLM marketer and recruiter.

11 3. Defendants have long used a variety of deceptive earnings claims to market
12 their MLM opportunity. These include claims of unlimited income, testimonials from
13 purportedly successful participants, images of luxury goods or lifestyles, and images of
14 participants holding giant checks for thousands, tens of thousands, or hundreds of
15 thousands of dollars. Since 2021, Defendants have also published online an “income
16 disclosure” document with additional misleading statements about earnings. Although
17 Defendants have modified some of these claims since becoming aware of the FTC’s
18 investigation, to this day Defendants continue to make specific claims of significant
19 income and continue to represent that consumers who pursue Defendants’ MLM
20 opportunity will or are likely to make a profit in the endeavor, including through
21 unqualified claims that FBOs make “extra income” or “supplemental income,” as well as
22 other deceptive earnings claims as described below. Defendants also frequently claim that
23 FBOs will or are likely to receive income based on the purchases or sales made by other
24 consumers whom they recruit to join as FBOs (i.e., the first FBO’s “downline”). As such,
25 the overall net impression of Defendants’ claims is that FBOs will or are likely to make a
26 profit.

27 4. But, contrary to Defendants’ representations that consumers are likely to
28 make a profit as FBOs, Defendants’ data show that the vast majority of consumers

1 pursuing the MLM opportunity incur expenses (indeed, Defendants encourage them to do
2 so) but receive no income from Forever Living. In other words, these consumers lose
3 money—the exact opposite of what Defendants advertise. For example:

- 4 a) Most FBOs do not receive income from Forever Living. Based on
5 Forever Living’s own public representations about FBOs’ 2024
6 earnings, of 23,000 U.S. FBOs who engaged with the Forever MLM
7 business that year, nearly 77% received no income from Defendants
8 and another 15.4% received less than \$206, total, before expenses.
9 Less than 8% of U.S. FBOs received \$206 or more in total *annual*
10 income from Defendants, before expenses. The FTC’s analysis of
11 data produced by Forever Living shows that the prior four years
12 were similar or worse.
- 13 b) Likewise, most *new* FBOs do not make money. The FTC’s analysis
14 of data produced by Forever Living shows that of consumers who
15 became FBOs (requiring a purchase of more than \$300), in their first
16 year most (71.7%) received no income from Defendants and the vast
17 majority (90.9%) received less than \$300 in total for the year. Even
18 after two full years as FBOs, the overwhelming majority—more than
19 89.2%—still had not recouped their initial \$300-plus start-up cost,
20 with 68.9% receiving no income from Defendants for the entire two-
21 year period.
- 22 c) And most FBOs do not receive income based on the purchases or
23 sales made by their downline, either. The FTC’s analysis of data
24 produced by Forever Living shows that in 2023, of 22,238 U.S.
25 FBOs who made a purchase or sale or sponsored a new FBO, only
26 7% received income from Defendants based on the purchases or
27 sales made by their downline (another 10.6% received commissions
28 when customers they referred made purchases from Defendants

1 online, and the rest—82.4%—received no income from Defendants).
2 Statistics for prior years are similar. And even fewer U.S. FBOs
3 received such income on a consistent basis. For example, in 2023
4 only 413 (1.9%) of the 22,238 U.S. FBOs received at least \$100 per
5 month from Defendants based on the purchases or sales made by
6 their downline in at least half of all months. A tiny percentage—only
7 250, or 1.1%—received at least \$100 per month from the purchases
8 or sales made by their downline in every month.

9 5. While consumers pursuing the MLM opportunity could hypothetically earn
10 income through in-person retail sales, Defendants do not track such sales and have no
11 reasonable basis to believe that they produce income sufficient to offset the expenses
12 these consumers incur in pursuing the business opportunity, much less produce a profit.
13 The behavior of consumers who sign up as “Preferred Customers” and receive a discount
14 is not suggestive of a large base of customers interested solely in purchasing Defendants’
15 products. For example, Defendants’ data show that between January 2020 and October
16 2022, the vast majority (at least 16,471) of over 19,000 U.S. Preferred Customers became
17 FBOs, and the average tenure of a U.S. Preferred Customer was less than 2 months. This
18 evidence suggests that few consumers are purchasing Forever Living products
19 consistently for consumption and independent of the opportunity to participate in the
20 MLM.

21 6. Defendants’ deceptive practices violate the FTC Act, and Defendants’
22 conduct has caused significant harm to the American people.

23 **JURISDICTION AND VENUE**

24 7. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331,
25 1337(a), and 1345.

26 8. Venue is proper in this District under 28 U.S.C. § 1391(b)(1), (b)(2), (c)(1),
27 and (c)(2), and 15 U.S.C. § 53(b).

28

PLAINTIFF

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2 9. The FTC is an agency of the United States Government created by the FTC
3 Act, which authorizes the FTC to commence this district court civil action by its own
4 attorneys. 15 U.S.C. §§ 41–58. The FTC enforces Section 5(a) of the FTC Act,
5 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting
6 commerce.

DEFENDANTS

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8 10. Defendant Forever Living Products International, LLC (“FLP
9 International”) is a Nevada limited liability company with its principal place of business
10 at 7501 E. McCormick Parkway, Scottsdale, Arizona 85295. FLP International transacts
11 or has transacted business in this District and throughout the United States. At all times
12 relevant to this Complaint, acting alone or in concert with others, FLP International has
13 advertised and marketed an MLM opportunity to consumers throughout the United States
14 and has advertised, marketed, distributed, or sold products or services as necessary or
15 instrumental to success in such opportunity to consumers throughout the United States.

16 11. Defendant Forever Living.com, LLC (“FL.com”) is an Arizona limited
17 liability company with its principal place of business at 7501 E. McCormick Parkway,
18 Scottsdale, Arizona 85295. FL.com transacts or has transacted business in this District
19 and throughout the United States. At all times relevant to this Complaint, acting alone or
20 in concert with others, FL.com has advertised and marketed an MLM opportunity to
21 consumers throughout the United States and has advertised, marketed, distributed, or sold
22 products or services as necessary or instrumental to success in such opportunity to
23 consumers throughout the United States.

24 12. Defendant Gregg Maughan (“Maughan”) has been the Chief Executive
25 Officer of FLP International since February 15, 2023, and was its president for over a
26 decade before that, during which time he was responsible for day-to-day operations.
27 Maughan wholly owns FLP International through a holding company, Forever
28 International Holdings, LLC. Per FLP International’s operating agreement, Maughan has

1 “exclusive authority” to manage FLP International’s business. Maughan is also the
2 President of Forever International Holdings, LLC, and is the President of various other
3 affiliated companies including FL.com and Forever Global Holdings (both of which
4 Maughan wholly owns through a revocable trust). At times relevant to this Complaint,
5 acting alone or in concert with others, Maughan has formulated, directed, controlled, had
6 the authority to control, or participated in the acts and practices of FLP International and
7 FL.com, including the acts and practices set forth in this Complaint. For example, on
8 numerous occasions, Maughan has publicly distributed giant checks with large dollar
9 amounts to FBOs. Maughan has been involved in decision-making regarding how to
10 instruct FBOs regarding the use of earnings claims. Maughan appears in numerous video
11 messages directed to FBOs, including one in which Maughan called Forever Living “a
12 vehicle for people to rise out of poverty,” and “an entrepreneurial army that empowers
13 everyone ... there are no limits or boundaries—we are a tribe of ordinary people
14 achieving extraordinary things.” Maughan co-hosted a Forever Living-branded podcast
15 (with Defendant Aidan O’Hare) in which deceptive earnings claims were made, and in
16 which Maughan himself made earnings claims. For example, in a podcast posted online
17 on November 22, 2024, Maughan marveled at the success of a top Indian FBO who, at
18 only 25 years old, had amassed a downline of several hundred FBOs, with Maughan
19 noting “there’s so many 18 year-olds out there, you know, 18- to 25-year-olds that are
20 trying to find their way,” and suggesting that anyone can replicate the success of the top
21 Indian FBO with sufficient effort, such as by suggesting that “tens of thousands and
22 hundreds of thousands of” young people could replicate the success, even though such
23 success is necessarily rare (for every person who amasses a downline of several hundred
24 people, several hundred people—i.e., those below them—do not). Maughan, with Aidan
25 O’Hare, is the public face of Forever Living. Maughan resides in this District and, in
26 connection with the matters alleged herein, transacts or has transacted business in this
27 District and throughout the United States.

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1 office locations, advertising, and marketing. Because these Corporate Defendants have
2 operated as a common enterprise, each of them is liable for the acts and practices alleged
3 below.

4 **COMMERCE**

5 15. At all times relevant to this Complaint, Defendants have maintained a
6 substantial course of trade in or affecting commerce, as “commerce” is defined in Section
7 4 of the FTC Act, 15 U.S.C. § 44.

8 **DEFENDANTS’ BUSINESS ACTIVITIES**

9 16. Since 1978, Corporate Defendants and their predecessor entities have
10 operated a multi-level marketing business under the name Forever Living that promotes
11 health and wellness products through a network of participants—called Forever Business
12 Owners, or FBOs—who can purportedly earn compensation by selling Forever Living
13 products to consumers and by recruiting participants into their “downline” who will sell
14 Forever Living products to consumers. The products, most of which feature aloe vera gel
15 as an ingredient, encompass lotions and other skin care products, aloe-based beverages,
16 health supplements, perfumes, toothpaste, and hand soap.

17 17. To convince consumers to pursue the Forever Living MLM opportunity,
18 Defendants have represented that consumers who work as FBOs receive more money
19 from the opportunity than they spend to pursue it. Defendants have made such
20 representations in numerous ways, ranging from claims that FBOs will or are likely to
21 make extra or supplemental income to claims of income substantial enough to cover
22 luxuries or travel, to replace the income from a full-time job, or to provide financial
23 freedom.

24 18. Despite Defendants’ claims that consumers will or are likely to make a
25 profit through Defendants’ MLM, based on the data available to Defendants, most FBOs
26 make nothing or lose money. According to Forever Living’s policies there are three ways
27 that FBOs can generate income: (1) inducing customers or FBOs they sponsor to make
28 purchases on Forever Living’s website, for which Defendants pay the FBO a percentage

1 of the purchase price as commission; (2) having a downline of people (i.e., recruits, and
2 those they recruit in turn) who make sufficient purchases to qualify the FBO for bonuses
3 (but FBOs only receive such bonuses for months in which they themselves make
4 approximately eight hundred and fifty-six dollars' worth of sales or purchases, so as to be
5 "active"); and (3) buying products from Defendants and then reselling the products
6 through in-person transactions at a higher price, keeping the difference as profit. What
7 Defendants know is that the vast majority of FBOs receive little or no income from
8 Defendants (i.e., 1 and 2, above), while many incur substantial expenses in the form of
9 product purchases and shipping costs. Although FBOs who purchase products from
10 Defendants could hypothetically resell them through in-person transactions (i.e., 3
11 above), Defendants do not know whether FBOs are able to do so, or if so, how much
12 income such sales generate. Neither do they know the amount of any other expenses
13 FBOs incur. Accordingly, Defendants do not have a basis to know whether any FBO will
14 or is likely to make a profit, much less that any substantial number do so.

15 19. The data Defendants do have show that in each of the past five calendar
16 years, at least 77% of FBOs who purchased, sold, or recruited during the year did not
17 receive any compensation from Defendants, and even after two full years as FBOs the
18 overwhelming majority of new participants—more than 89%—still have not recouped
19 their initial \$300-plus start-up costs through income paid by Forever Living.

20 20. To become an FBO, a consumer must purchase either a "Start Your Journey
21 Combo Pak" (\$306 in 2020, \$347.92 in 2024) or "2 case credits" of products within a 2-
22 month period, costing approximately \$428. Defendants state that they revised this policy
23 effective August 1, 2024, to create a new category called "unranked FBO" for consumers
24 who join the program without making a purchase. However, so-called "unranked FBOs"
25 cannot earn bonuses or other payments from Forever Living—that is, receive income
26 from Forever Living. They may become a "normal" FBO, entitled to earn such payments,
27 only if they purchase or induce others to purchase the same minimum purchase amount.
28 Until they do, they are functionally a retail customer. In the past year only a tiny fraction

1 of consumers who became normal FBOs did so without investing their own money (that
2 is, by simply requiring others to purchase the minimum purchase amounts).

3 21. In addition, Forever Living’s compensation plan contains recurring
4 incentives to encourage FBOs to continue purchasing large quantities of product. FBOs
5 must be “active” each month to be eligible to receive commissions and other
6 compensation based on the activity of their downline. To be “active” in a given month, an
7 FBO must sell or personally purchase four case credits of Forever Living product during
8 that month. For an active entry-level FBO, four case credits of product would cost
9 approximately \$556, after all discounts (the retail price absent discounts would be
10 approximately \$856). And Defendants’ policies have stated that, to reach “active” status,
11 at least one of the four case credits has to be personally purchased by the FBO.
12 Defendants claim that they ceased enforcing the 1-case-credit personal purchase
13 requirement in June 2019, but Defendants did not revise their policies to reflect this
14 change until July 1, 2024. Defendants teach FBOs that being “4 CC active”—that is,
15 selling or purchasing four case credits of Forever Living product during any given
16 month—is integral to FBOs’ financial success.

17 **Defendants’ Deceptive Earnings Claims**

18 22. To recruit consumers to join Forever Living and purchase its products,
19 Defendants regularly host events and disseminate materials featuring deceptive earnings
20 claims. These events and materials include in-person meetings and conferences, internet
21 and social media posts, including videos, and print materials. Through these events and
22 materials, Defendants have represented that consumers who become FBOs will or are
23 likely to generate substantial income, including sufficient income to change their lifestyle
24 or even replace their full-time job. Defendants continue to represent that consumers who
25 become FBOs will or are likely to make a profit, including through claims as extreme as
26 “build a full-time income.”

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1 **Defendants’ Websites and Social Media Posts Feature Earnings Claims**

2 23. Since at least 2013, Defendants have marketed the Forever Living MLM
3 opportunity through webpages, social media posts, and other representations on the
4 internet that suggest or represent FBOs as operating profitable business ventures that
5 provide net income, including lavish lifestyles and “unlimited” earnings. Defendants’
6 marketing has included personal stories touting FBOs’ purported improved lifestyle or
7 substantial earnings. Defendants have disseminated thousands of deceptive earnings
8 claims, and the below claims are merely a few examples of their conduct:*

- 9 a) Defendants produced and made publicly available a video called
10 “Setting Goals” that features multiple depictions of giant checks, as
11 well as other earnings claims. At least as recently as May 20, 2025,
12 Defendants continued to make the video publicly available,
13 including on Defendants’ “Discover Forever” mobile phone app.
14 Below is a transcript of the video, along with selected images from
15 it, placed alongside the text being spoken while the image is
16 displayed.

17 **“Setting Goals” Transcript**

18 “Forever provides opportunities for people all over the world who are ready
19 to make a change. Whether you are simply looking for powerful products to
20 help you and your family look better and feel better,

21 wanting a little extra spending
22 money



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28 * Defendants recently represented that, after reviewing a draft version of this complaint, they ceased disseminating many of the claims challenged herein.

“Setting Goals” Transcript, continued

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or ready to completely transform your life, Forever can help you get there.



Determining exactly what you want to achieve in the short and long term is key to finding success. To reach your goals you must first clearly know what you’re working toward. Understanding your goals and motivations will determine the steps you need to take to achieve them, and how hard you’ll need to work to get there.

While having one or two big goals is wonderful,



consider smaller goals and how they will impact your life in the short term.

If your goal is to replace the income of your career so you can work at home and spend more time with your family,



a smaller goal might be to make enough income to reduce your hours to part time at the office. Next, consider the goals and dreams you have for your family.

“Setting Goals” Transcript, continued

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Maybe you’d like to take a family vacation,



sign your children up for their favorite activities, or renovate a room in your home. Finally, what goals do you want to accomplish in your Forever business?

Maybe you’d like to receive a share of the company’s profits,



qualify for the car plan,



or be recognized as a manager in our marketing plan. The Forever marketing plan and its generous incentives were designed to help you achieve your goals and reward you along the way. Once you’ve determined your goals, your sponsor can help you

“Setting Goals” Transcript, continued

determine exactly what you need to do to make them a reality.



Whether you’re looking for better health, a little wealth, or a complete lifestyle transformation, Forever has the products and the opportunity to help you get there.”



Figure 1: The Forever Opportunity video (still images)

b) Defendants produced and have disseminated a six-minute video titled “The Forever Opportunity.” Defendants made the video available to FBOs on Defendant’s FLP360 product (an online platform that Defendants sell to FBOs as a marketing tool), and

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posted the video publicly on Facebook on July 25, 2019, where it remained viewable at least until May 20, 2025. Defendants also made the video available on their mobile app, at least as recently as November 20, 2024. The video stars and is narrated by Defendant Aidan O’Hare. In it, he makes the following statements:

- i. Being an FBO is “an opportunity for everyone, regardless of their circumstances, to build a better life and feel empowered to be in business for themselves. It is a chance to truly make a significant change in your life without any real risk. And the best part—you are in control of your success. You get out what you put in;”
- ii. “Our Forever Business Owners—people just like you—are able to build an income while helping each other;”
- iii. “Whether you’re looking for a discount on the product or a little bit of extra spending money, a new car, or even an entirely a new career, Forever can help you;”
- iv. “The opportunity can be as big as your dreams and as rewarding as you’re willing to work for;” and
- v. “We will be paying millions in bonuses next year. The only question is, whose name goes on that check?” As he asks “whose name goes on that check?,” the words “Your Name” appear in cursive font, written on a horizontal line, as if on a check.

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Figure 2: FL Social Media Post

- c) Defendants made a social media post on May 21, 2019, which was still viewable on or about May 4, 2022, featuring Defendant Gregg Maughan helping top-ranked FBO Rolf Kipp and his spouse to hold up a giant check for over \$1 million. The check features small print text stating “Learn more at foreverliving.com/income,” a URL for a webpage that displays Defendants’ income disclosure statement.

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Figure 3: FL Social Media Post

d) Defendants made a public social media post on February 11, 2021, which was still viewable at least as of May 20, 2025, stating, “Are you looking for a change in your career path this year? Maybe you’re just looking to earn some extra money or have a more flexible schedule. If so, becoming a Forever Business Owner might be right for you!” and “The Forever Opportunity empowers you to change your life” See Figure 3, above.

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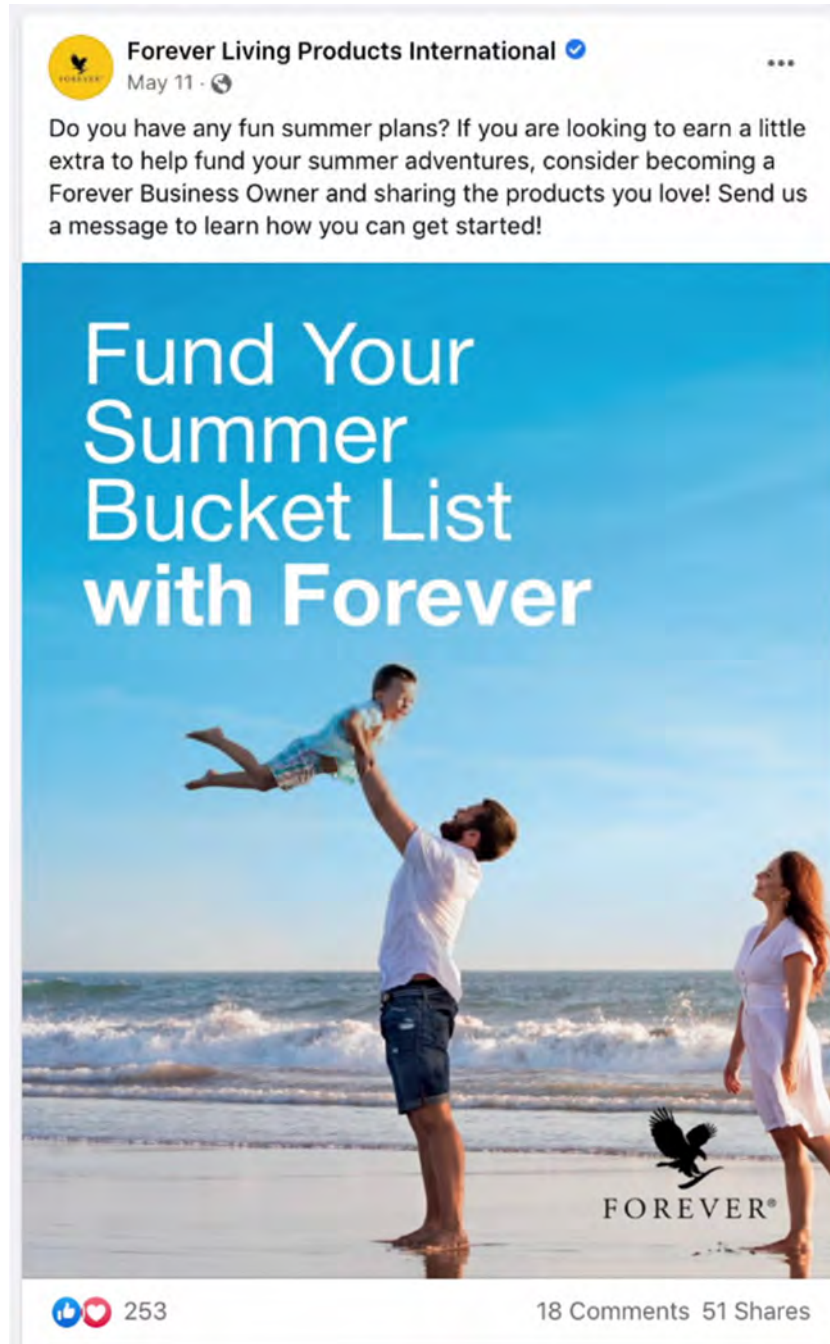


Figure 4: FL Social Media Post

- e) Defendants made a public social media post on May 11, 2021, which was still viewable at least as of May 20, 2025, with an image of a family enjoying a pristine beach on a sunny day, with large text stating “Fund Your Summer Bucket List with Forever” and a caption stating “Do you have any fun summer plans? If you are looking to

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earn a little extra to help fund your summer adventures, consider becoming a Forever Business Owner and sharing the products you love!”



Figure 5: Social media post featuring Marta Omachel

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f) Defendants made a public social media post on May 29, 2021 which was still viewable at least as of May 20, 2025, stating “Are you interested in becoming a Forever Business Owner and earning a little extra money by sharing your favorite Forever products?” and featuring an image of an FBO named Marta Omachel, and a testimonial from Ms. Omachel stating, in part, “It was great to be able to earn extra money on my own time. After a few years, I was even able to leave my day job and focus exclusively on my Forever business!” See Figure 5.



Figure 6: FL Social Media Post

- 1 g) Defendants made a public social media post on May 7, 2021, which
2 was still viewable at least as of May 20, 2025, featuring an image of
3 three young women in swimsuits relaxing and laughing on a sunny
4 day with the caption “Summer fun needs Summer funds” and the
5 stating “Earn a little extra to help fund your next adventure by
6 recommending your favorite Forever products! You can join
7 customers all over the world who turned their love of Forever
8 products into a thriving business.” *See* Figure 6, above.
- 9 h) Since May 2024, Defendants have recorded and published online,
10 including on a public YouTube page, a Forever Living-branded
11 podcast called “Powered by Forever,” hosted by Gregg Maughan
12 and Aidan O’Hare, which opens with text including “Join CEO
13 Gregg Maughan and President Aidan O’Hare as they share ideas to
14 help your business grow,” and features interviews with top FBOs, in
15 which Maughan and O’Hare converse with the FBOs about their
16 path to success and tips and insights that might help other FBOs.
17 Defendants removed the podcast from publicly accessible websites
18 as of December 2025. In numerous instances, the podcast features
19 Defendants’ earnings claims, for example:
- 20 i. In episode 3, Maughan and O’Hare discuss the core sales
21 message that the current number one FBO in the world, a
22 woman from Japan, has used. O’Hare summarizes her
23 recruiting pitch as: “Love the product, develop the
24 community, earn a little bit of money. That’s her message.”
25 Forever Living’s country manager for Japan then explains
26 that this FBO developed her approach based on copying
27 “other FBO leaders’ way of doing the business she
28 learned it,” and then deployed the message she had learned in

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“her own new way, using YouTube or using Instagram”

ii. In episode 5, published on October 2, 2024, and likewise hosted by Maughan and O’Hare, top FBO Rolf Kipp states that people have various challenges and problems, from health concerns to concerns about “money, about my job, about not earning the money” but that Forever Living is “the key” that “can solve these problems,” and advises FBOs to “Listen [to] what [a prospect] need[s] and tell them, ‘okay, we have a solution for you, we can solve your problems with this and this and this products, with joining the business, building a business’” In the same episode, Kipp’s wife explains that most consumers will initially say “no” when offered the opportunity, but “when you can show them how easy it is, ... everyone will say ‘okay, what you can do, I can do, and if I can earn a lot of money like you, of course I will do.’”

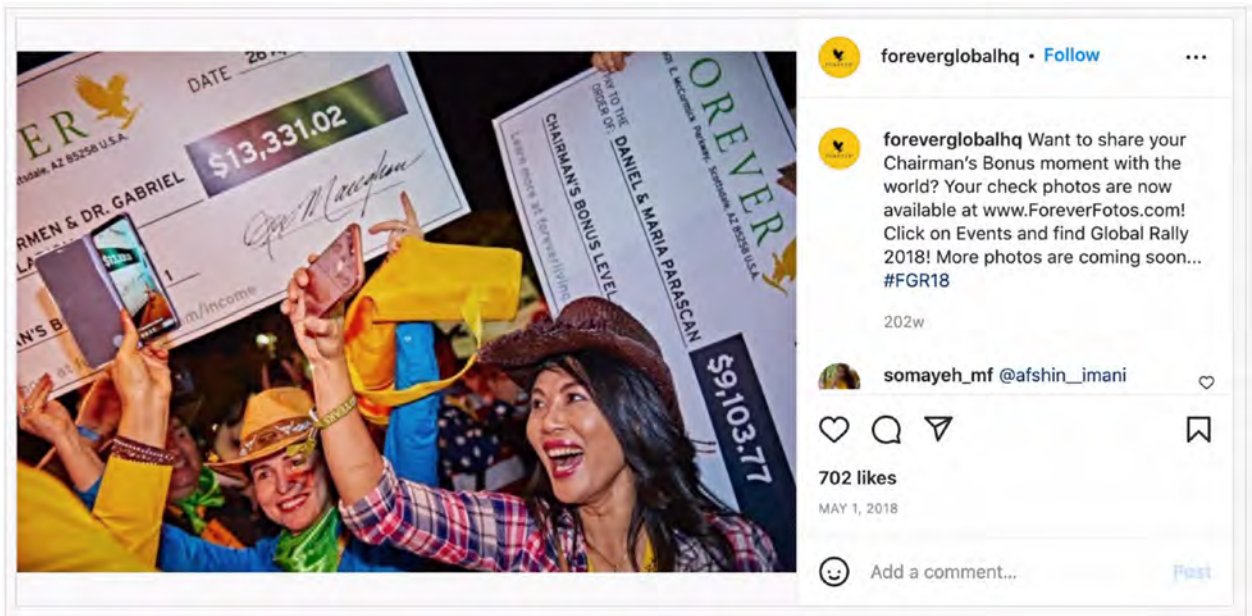
iii. In episode 7, published on December 31, 2024, O’Hare states, “The marketing plans are generous. They help people to, to, access through hard work and dedication, an enhanced income opportunity. And then this, this idea of being able to, to choose the way I want to live my life.”

iv. In episode 9, published on April 4, 2025, again, hosted by Maughan and O’Hare, a top FBO states, “Somebody can start out saying, you know, I want to make three or four hundred pounds a month. And we can show them easily how to do that. And we can build their confidence and we can show them the simplicity of how to engage with customers, how to look after those customers, how to get referrals. And then they tick the box, and they go, ‘wow, that was really good, I

1 can do that,' and suddenly maybe they look a bit further and
 2 say, well, maybe I could become a manager, maybe I could
 3 achieve Eagle.”

4 The video version of the podcast at times displays a disclaimer in
 5 small text at the bottom of the screen, but the text of the disclaimer is
 6 not spoken aloud. The disclaimer reads: “Individual results may
 7 vary. Forever makes no guarantees on income or success. Please see
 8 Forever’s Annual Income Disclosure Statement at
 9 foreverliving.com/income for more information.”

10 **Defendants Provided FBOs with Images of Giant Checks for Use in Recruiting**



21 **Figure 7: Forever Living post providing FBOs with photos of checks**

22 24. For years, Defendants disseminated to FBOs numerous images of FBOs
 23 holding giant checks, for use in marketing the MLM opportunity. For example, in a May
 24 1, 2018, social media post (*see* Figure 7, above), still viewable on or about May 4, 2022,
 25 Defendants encouraged FBOs to “share your Chairman’s Bonus moment with the world,”
 26 and provided FBOs with photos of the giant checks for the FBOs’ use in social media
 27 posts. Defendants provided FBOs with thousands of photographs of FBOs holding giant
 28 checks, with hundreds of new photographs added each year.

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Figure 8: Selected giant check images prior to adoption of check disclaimer



Figure 9: Selected giant check images after adoption of check disclaimer

1 25. Defendants know that the images of giant checks influence consumers.
2 Immediately after receiving a letter from the FTC in October 2021 warning Forever
3 Living about the use of deceptive earnings claims, Defendant Aidan O’Hare, in an
4 internal email to other Forever Living executives, identified the giant checks as a practice
5 that might need to change, but stated “[i]n my opinion, this is not as simple as ‘not doing
6 it anymore’. This is one of the biggest motivators we have and we need to tread carefully.
7 The FBO’s love this and ... I think we need to work together to strike a balance here”

8 26. At least as early as 2022, Defendants began printing a purported disclaimer
9 on the giant checks that read: “This achievement is not typical! Less than one percent of
10 all FBOs earn Chairman’s Bonus. www.foreverliving.com/income.” But the disclaimer
11 appears in markedly smaller font than the dollar amount and is otherwise not prominent.
12 In the images of the checks that Defendants made available the disclaimer is often not
13 visible at all (including because it is cropped out of the shot or is obscured by a person or
14 other object). *See* Figure 9, above. In many other images, the disclaimer is not legible or
15 not easily read (including because it is small, faint, and/or appears at an angle). *Id.*

16 27. To the extent consumers were able to see and read the disclaimer, the URL
17 provided is a site featuring Defendants’ misleading income disclosure statement. *See*
18 paragraphs 52 to 61, below.

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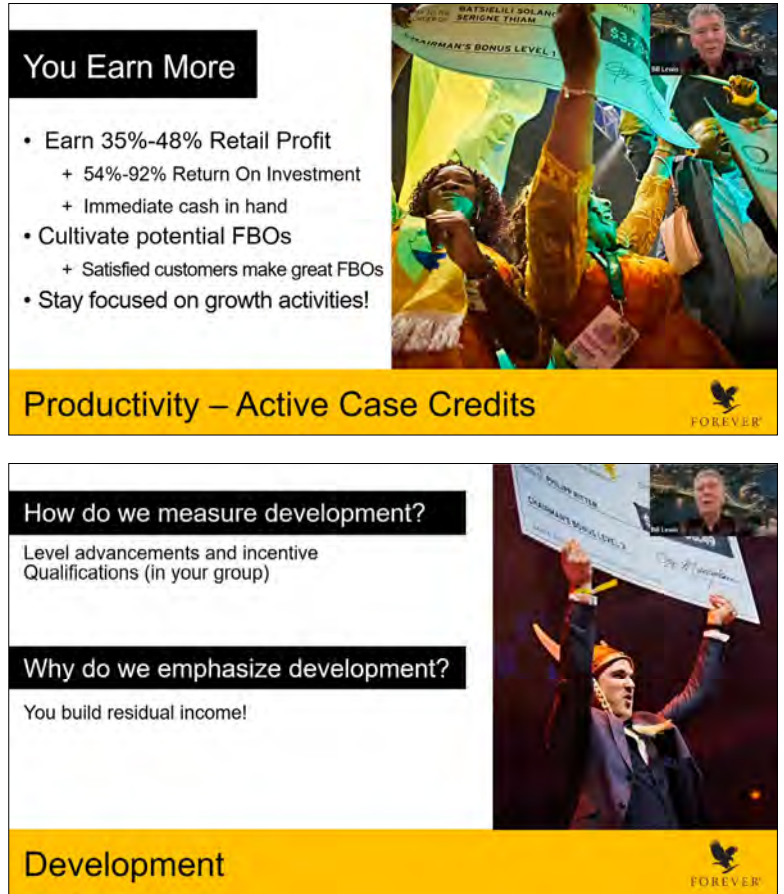
28. Defendants assert that as of June 17, 2022 (shortly after a non-profit consumer advocate organization published an open letter criticizing Forever Living’s giant checks, among other things, *see* paragraph 89, below), they decided to stop printing giant checks and to instruct those who received the checks not to disseminate images of them. And in a compliance training video for FBOs produced and disseminated in 2023, Lorenia Sosa, Manager of Forever’s Compliance Department, directed FBOs to remove any images of the checks from social media accounts, stating that “they had to be removed from any social media because it’s an implication that everybody out there that sign [sic] up to be an FBO will get one of these checks.” Notwithstanding these apparent directives, Defendants’ “Building an Ethical Business” guidance document, which they continued to disseminate to FBOs through 2024, includes, as an example of a “compliant” ad about earnings, an image of an FBO holding up a giant check (albeit one shown from behind, so the exact dollar amount is unclear—*see* Figure 10).



Figure 10: Example of “compliant” ad

29. As described above at paragraph 23.b), until recently Defendants continued to make publicly available on their Facebook page a video that features multiple images of giant checks called “The Forever Opportunity.”

1 30. As described
 2 below at paragraph 68,
 3 Defendants produced a
 4 “4CORE Business Training”
 5 video for FBOs which features
 6 images of giant checks. See
 7 Figure 11. Defendants
 8 identified the video as a
 9 document they continued to
 10 provide to FBOs on
 11 Defendants’ website at least as
 12 of September 27, 2024.



15 **Figure 11: Images of giant checks from**
 16 **“4CORE Business Training” video**

17 31. Until October 17, 2025, Defendants continued to make publicly available
 18 on their mobile app yet another video featuring images of giant checks called “Secrets to
 19 Success.” See Figure 12, below. And the materials that Defendants identified as those
 20 they continue to provide to FBOs on their website at least as of September 27, 2024,
 21 include multiple additional videos that feature images of giant checks, including some
 22 with Spanish text. Some of the giant check images from these videos appear in Figures 13
 23 to 14.

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Figure 12: Still image from video on FL mobile app titled “Secrets to Success”



Figure 13: Still image from video on Defendants’ website titled “La Oportunidad Forever” (in English, “The Forever Opportunity”). Spanish text translates to “You can create a business that changes your life.”



Figure 14: Still image from video on Defendants’ website titled “Incentivo de Chairman’s Bonus” (in English, “Chairman’s Bonus Incentive”). Spanish text translates to “A percentage of global revenue is paid to business creators each year to reward them for their hard work and dedication.”

Defendants Continue to Provide FBOs the Means and Instrumentalities to Make Misleading Earnings Claims

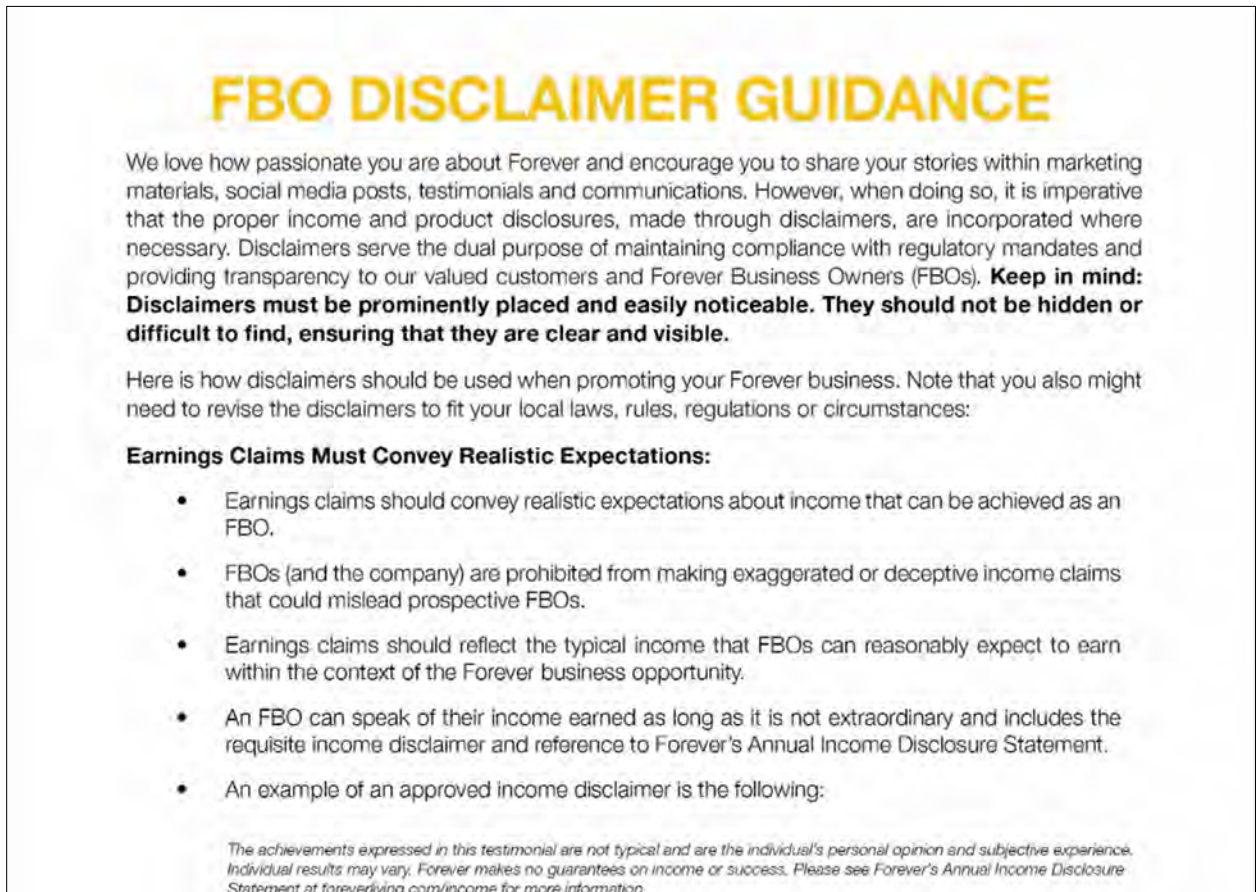
32. Defendants provide guidance and other content to FBOs for use in recruiting that features claims of likely profits, including content that instructs FBOs to make such claims to other consumers to recruit them as new participants in Defendants’ MLM opportunity. But contrary to the claims Defendants provide to FBOs and instruct and encourage FBOs to make, most consumers who become FBOs do not earn income and are likely to lose money. For example, material Defendants have made available to FBOs includes:

- a) A template PowerPoint file titled “Business Opportunity Power Point Template,” which Defendants identified as a document they continued to provide to FBOs on Defendants’ website at least as of September 27, 2024, includes some content from Defendants and some empty slides into which the FBO may insert their own content, and includes, in the pre-set content from Defendants, a slide stating

1 “Earn a little extra income on the side by sharing your favorite
2 products” and “With hard work and time, you have the potential to
3 grow a life changing business with global travel opportunities!” The
4 speaker notes—that is, what Defendants suggest the FBO say during
5 the presentation—include the following: “Some [FBOs] use the
6 products to look and feel their best, others share their favorite
7 products to earn a little extra cash on the side and a few have made
8 life changing businesses that have allowed them to travel the world,
9 earn a car and even quit their jobs through our generous incentive
10 programs.”

- 11 b) A pamphlet titled “The Power of Forever” and dated 2024, which
12 Defendants identified as a document they continued to provide to
13 FBOs on Defendants’ website at least as of September 27, 2024,
14 calls being an FBO a “[s]upplemental income opportunity,” offering
15 “[t]ime freedom,” and lists potential benefits of being an FBO
16 including “[a] new car” and “[u]niversity.” The pamphlet also
17 includes a full-page photo of a convertible in which sit a smiling
18 woman and child, with the label “Forever2DRIVE.”
- 19 c) A “Dos and Don’ts” guide for FBOs that Defendants have
20 disseminated at in-person events and continue to disseminate on
21 their publicly available website at least as of May 20, 2025, and that
22 instructs FBOs to “[r]eference being able to earn **“extra”** or
23 **“supplemental”** income from your Forever business,” and to “[t]alk
24 about the benefits of earning supplemental income on a flexible
25 schedule,” among other things (emphasis in the original). As
26 presented, these instructions are likely to cause FBOs to make claims
27 about earning income that leave consumers with the misleading
28 impression that FBOs make a profit. But Defendants’ data reflect

1 that most FBOs make no income and are likely to lose money. While
2 the guide does direct FBOs to include a prominent disclaimer with a
3 link to Forever Living’s income disclosure statement, that document
4 is itself misleading (see paragraphs 52 to 61, below). Even if it were
5 not, it is unlikely to be seen by a consumer because it is hidden
6 behind a hyperlink.



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21 **Figure 15: Excerpt from “FBO Disclaimer Guidance” document**

22 d) An “FBO Disclaimer Guidance” document that Defendants continue
23 to disseminate on their website at least as of May 20, 2025, while
24 purporting to prohibit atypical and other deceptive claims about
25 income, nonetheless instructs FBOs that they “can speak of their
26 income earned as long as it is not extraordinary.” A testimonial by an
27 FBO identifying how much they earn is likely to convey to
28 consumers that such earnings are typical. But most FBOs make no

1 income and are likely to lose money. While the guidance document
2 directs FBOs who speak about their own earnings to include a
3 specific income disclaimer and reference Defendants' income
4 disclosure statement, the example "approved income disclaimer"
5 appears in smaller print and in all italics, making it more difficult to
6 read, and the income disclosure statement is itself misleading (see
7 paragraphs 52 to 61, below). Defendants updated the guidance
8 document in September 2024, but the updated version features this
9 same content.

10 e) A training video produced by Defendants in February 2021, and
11 which Defendants identified as a document they continued to
12 provide to FBOs on Defendants' website at least as of September 27,
13 2024, called "How to give an excellent [Business Opportunity
14 Presentation]," in which FBOs are instructed to "be honest" with
15 prospects about potential income, and are then given, as examples of
16 how to do this, statements such as "If you want to earn \$1,000 a
17 month, are you willing to put this [sic] many hours to do that? If you
18 want to earn \$500 a month, are you willing to put this [sic] many
19 hours and do this to be able to do that?" FBOs are further instructed
20 to use pictures of their car in advertising, if they have received the
21 Forever2Drive incentive, and pictures of themselves at Defendants'
22 destination travel events if they attended the events. FBOs are also
23 told "you can earn an incredible income in a Forever business," and
24 "this is a business where you can earn a lot of income."

25 f) From at least January 1, 2020 to at least May 21, 2025, Defendants
26 have provided to FBOs and consumers, including on Defendants'
27 publicly accessible website, on their "FBO Dashboard," and on their
28 mobile app, a "Guide to Digital Marketing" that instructs FBOs that

1 20% of their posts on social media should be about “lifestyle,”
2 explaining: “Lifestyle content should center around your values and
3 your day-to-day. Have the freedom of staying home with your kids
4 because of your business? Post once each week about something fun
5 you get to do with them because of this freedom. Have some extra
6 spending money? Share upcoming plans for a vacation you are
7 planning or an experience you wouldn’t have been able to afford
8 without it.”

9 33. Defendants have also held out certain FBOs as role models—to consumers
10 in the U.S. and elsewhere—including by featuring them in trainings for new or aspiring
11 FBOs, or otherwise promoting them, while those FBOs have made, and continue to
12 make, public misleading earnings claims about the Forever Living FBO opportunity. By
13 directing consumers to look to these FBOs’ practices for guidance in how to run their
14 own FBO businesses, Defendants provide these FBOs’ public earnings claims to
15 consumers for their use in recruiting others. Such FBOs include Rolf Kipp, Oliver Lepki,
16 and Marta Omachel.

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Figure 16: Example post by Defendants promoting Rolf Kipp still viewable at least as of August 6, 2025

34. Defendants have held out Rolf Kipp as the highest-earning or most successful FBO in the world, including by disseminating glamorous photographs of Kipp and his spouse receiving giant checks and other honors, and by filming and disseminating high-quality promotional videos for Forever Living starring Kipp. For example, Defendants created and disseminated a nearly 7-minute-long promotional video consisting entirely of footage of Kipp and his family at the ski chalet they built in the Alps, narrated entirely by Kipp, who speaks about building strong teams, and how he anticipates that his income from Forever Living will help his family realize their dreams of moving from Monaco to Majorca. *See also, e.g.,* Figures 2 and 16, above.

35. As another example, the October 2024 episode of Forever’s “Powered by Forever” podcast, a periodic interview series hosted by Defendants Maughan and O’Hare, “featur[es] lessons from special guests Rolf and Dominique Kipp.” They are introduced by O’Hare as “the most successful FBOs in the history of Forever, I believe,”

1 and interviewed by Maughan and O’Hare. A video of the podcast was publicly available
2 on Forever’s YouTube channel until approximately December 2025. In the podcast:

- 3 a) Kipp’s wife notes that with the digital economy, “there are no
4 borders,” and while their main network is in Europe, “our plan, of
5 course, is to work more in America.”
- 6 b) Kipp explains that “a stable income ... is very important, so we want
7 to have more and more people having the same opportunity as we
8 have to do Forever full-time, not part-time, therefore it’s, for most of
9 the people it’s very important to have a stable and sustainable
10 income.”
- 11 c) Kipp states that people have various challenges and problems, from
12 health concerns, such as being “overweight, ... don’t have the fitness
13 I want to have ... and on the other side, ... about money, about my
14 job, about not earning the money. And we have the key. We got the
15 key from the Maughan family, that we can solve these problems. We
16 have solutions for every health thing, for every health challenge we
17 have solutions for every financial and job challenge people have
18 We have to find out what they really want and then we can place our
19 offer and we can give them the solutions for their problems.
20 Listen [to] what they need and tell them, ‘okay, we have a solution
21 for you, we can solve your problems with this and this and this
22 products, with joining the business, building a business’”
- 23 d) Kipp’s wife explains that most consumers will initially say “no”
24 when offered the opportunity, but “when you can show them how
25 easy it is, ... everyone will say ‘okay, what you can do, I can do, and
26 if I can earn a lot of money like you, of course I will do.”

27 36. Rolf Kipp, among other things, has posted on social media that “[t]hrough
28 my mentorship, countless individuals have achieved additional income, a second stream

1 of revenue, or even built their own businesses—all the way to financial freedom. And
2 now, I’m sharing all this knowledge with YOU.” This post was publicly viewable at least
3 as of November 5, 2024. And Kipp states on his personal website, “Discover the path to
4 financial freedom,” “**Unlimited Potential** – Whether you want to earn extra income,
5 create a second source of income, or achieve complete financial freedom, Rolf Kipp
6 offers a proven business model that has helped millions of people around the world
7 succeed,” and “**Financial independence** – Create a sustainable source of income that can
8 lead to financial freedom.” These claims were publicly viewable at least as of February
9 19, 2026.

10 37. Defendants have held out Oliver Lepki as a successful FBO, and a model or
11 mentor for new and aspiring FBOs. Among other things, Defendants have featured Lepki
12 in their social media posts, and have recorded and disseminated training videos featuring
13 Lepki giving advice on recruiting.

14 38. Among other things, Lepki states on his personal website that “[f]or those
15 who take it seriously with great work ethics, Forever can help them create a fulfilling life
16 so they live [sic] healthy life with a lot of money and plenty of time to enjoy it,” and
17 “[f]or those of us who have great work ethics to learn and work, we are able to create
18 [sic] amazing lifestyle ... [the] opportunity to earn great income and still have plenty of
19 time to enjoy it.” These claims were publicly viewable at least as of February 19, 2026.

20 39. Defendants have held out Marta Omachel as a role model to FBOs,
21 including by featuring her in Defendants’ social media posts and by creating and
22 disseminating videos of interviews with Omachel in which she is lauded as successful
23 and asked to explain how she has achieved that success, including the representations
24 described at Figure 5 above and paragraph 23.f), above.

25 40. Among other things, Omachel has, on her personal page on Defendants’
26 website, stated “I help people become successful with Forever Living by knowing the
27 products and earning an extra income from home,” and “I help people enjoy better
28 products and I also help people earn extra income around this concept. For some extra

1 means few hundred dollars, for other [sic] few thousand dollars and for few people who
2 are dedicated and serious it becomes a career where we earn a lot based on performance.”
3 On her personal website, she claims, “Be your own boss, work when you want, from
4 wherever you want. ... This job will ensure that you don’t miss a single precious moment
5 with your children. ... Create **passive income** working entirely from home **What can**
6 **you achieve?** Start Retail Sales You can earn **\$500-\$1000** per month by using and
7 recommending our natural aloe products. Grow your team and gain knowledge that will
8 allow you to grow a small team. This will potentially generate **\$1000-\$3000** per month
9 for you and your family. You have the opportunity to develop your own
10 company/business that gives you independence, a car plan, global travel and a share of
11 the company’s profits... You will work closely with me to develop your team into
12 leaders. You will start building the business of your dreams. Potential earnings of **\$3000-**
13 **\$25000** ... per month and more. ... You will be your own boss, control your hours, enjoy
14 additional income, and be well on your way to creating financial freedom” (emphasis in
15 original). These claims were publicly viewable at least as of December 17, 2024.

16 41. By promoting these prominent FBOs as role models, Defendants direct
17 other FBOs to be guided by their example, including their public use of misleading
18 earnings claims, thereby providing those claims to consumers for use in recruiting.

19 **Defendants’ Sign-Up Page Repeats Earnings Claims**

20 42. In many instances, consumers interested in becoming an FBO are directed
21 to a page on Defendants’ website (for example, one version of this webpage is available
22 at: foreverliving.com/join/usa/en-us/welcome) that provides information on becoming an
23 FBO, and a link to a page at which one may enter personal details to begin the sign-up
24 process.

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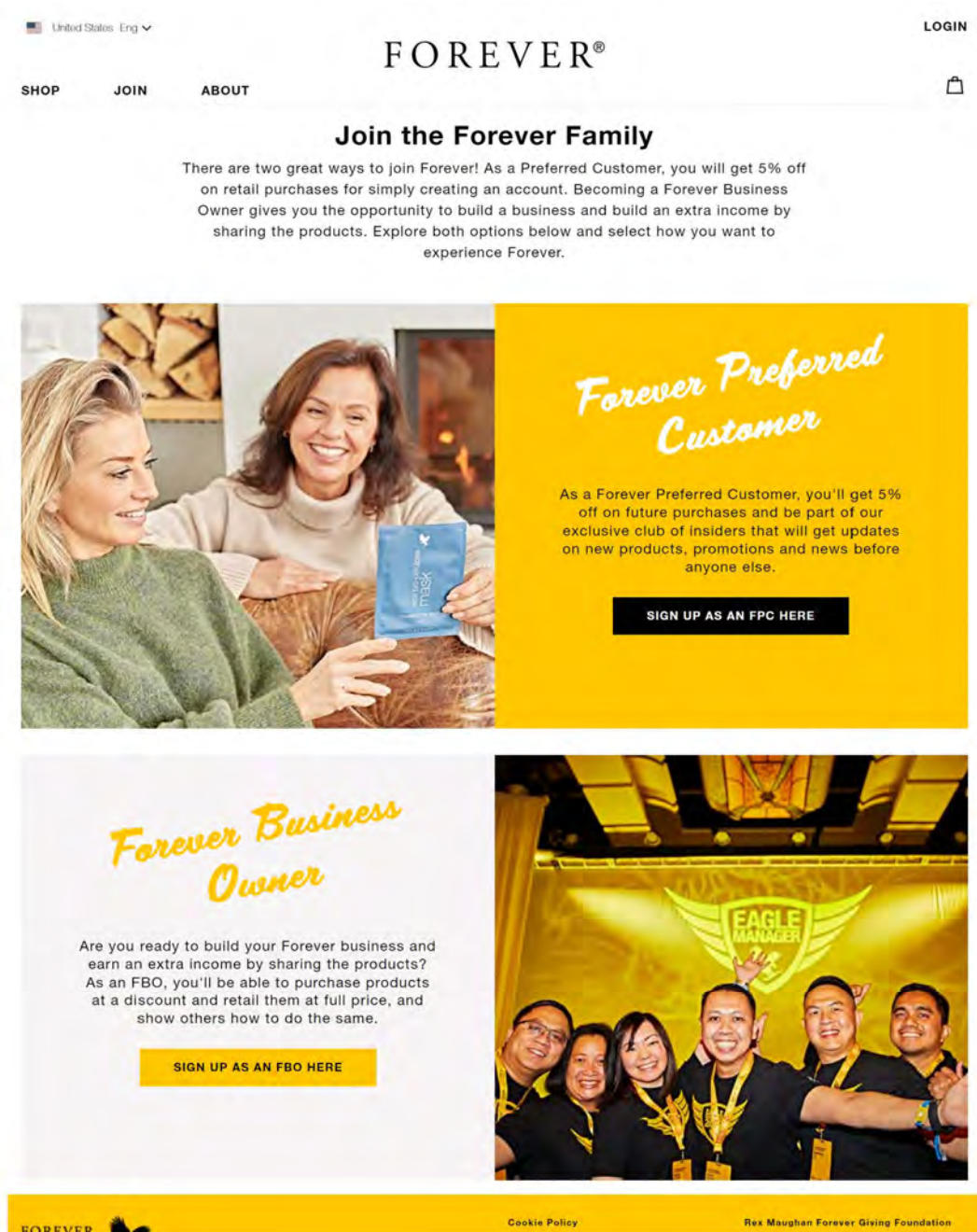


Figure 17: “Join” page of Defendants’ Website as of June 25, 2024

43. From at least November 10, 2021 to June 30, 2024, that page, titled “Join the Forever Family,” stated “Becoming a Forever Business Owner gives you the opportunity to build a business and build an extra income by sharing the products,” and then asked, “Are you ready to build your Forever business and earn an extra income by sharing the products?” See Figure 17, above. On July 1, 2024, Defendants changed “the sign-up flow” on the website, but the new version, at least as of May 20, 2025, continues

1 to use similar claims, such as “EARN SUPPLEMENTAL INCOME,” “Starting a
2 business with Forever gives you the potential to earn an additional income stream,” and
3 “Build a Forever business and earn extra income by sharing the products you love.”
4 Given the data Forever Living has, however, it is deceptive to suggest that consumers will
5 or are likely to make income as FBOs, let alone profit or net increase in income.

6 44. Defendants’ website includes numerous other versions of this page, directed
7 to consumers arriving at the website from other countries. The layout and graphics of the
8 pages appear virtually identical, and much of the text content is the same as well, albeit
9 often in another language. At least as of February 2025, scores of these country-specific
10 pages feature earnings claims—in English—such as “unlimited earning potential,”
11 “unlimited income,” “a significant income stream [with] time freedom to build your life
12 according to your dreams,” and “build a full-time income.” These pages are viewable
13 from the U.S. and appear in the results of searches conducted from the U.S., such as for
14 “forever living + passive income.”

15 45. These earnings claims also appear in many foreign-language versions of the
16 page, as well, including the Spanish-language version of the U.S. page (at least as of May
17 20, 2025). This page includes the representation depicted in Figure 18, below, which
18 translates to “Starting a business with Forever offers you the potential to earn a
19 significant source of income, while having the time and freedom to build the life you’ve
20 dreamed of.”

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Figure 18: Excerpt from Spanish-Language Version of Forever Living’s U.S.-Directed Webpage

Defendants’ In-Person Gatherings

46. Defendants hold in-person gatherings for FBOs and consumers interested in becoming FBOs. At these events, Defendants repeat their deceptive earnings claims, and present FBO testimonials in which speakers discuss how Forever Living improved their lives, for instance, enabling them to rely solely on their FBO income.

47. For example, at a “Power of Forever” gathering in South El Monte, California, on March 6, 2024, which was open to members of the public and conducted in Spanish, Defendants and the FBOs they presented made statements in Spanish as follows:

- a) An FBO stated, “Thanks to this company I was able to financially support my children.”
- b) A Forever Living employee stated that, once an FBO becomes a manager, they will receive a car from the company as a bonus.

- 1 c) An FBO stated that, within six months of becoming an FBO, she
2 became a manager and received a car.
3 d) An FBO stated that she decided to join when her sponsor showed her
4 a check for \$5,800 for a single month’s earnings and told her it was
5 not a lot, because it was a slow month.

6 48. At no point during the gathering described in paragraph 47, above, did
7 Defendants or their presenters deny, disclaim, or qualify the claims described above.

8 49. In another example, at a “Power of Forever” gathering in Las Vegas,
9 Nevada on March 14, 2024, Defendants and the FBOs they presented stated the
10 following:

- 11 a) A Forever Living employee stated that being an FBO was a part-time
12 opportunity to earn supplemental income.
13 b) An FBO stated that Forever Living “allowed [him] to pursue [his]
14 dreams,” and another stated that it “changed [their] life.”
15 c) A Forever Living employee stated that being an FBO is an excellent
16 opportunity for supplemental income as a “side gig.”
17 d) FBOs stated that they had a separate full-time job, but being an FBO
18 allowed them to earn extra money on the side and enabled them to
19 take vacations they would not normally be able to take, such as to
20 Cancun, Mexico.
21 e) An FBO stated he worked as an FBO full-time, implying this income
22 supported him and his family.

23 50. At no point during the gathering described in paragraph 49, above, did
24 Defendants or their presenters deny, disclaim, or further qualify the claims described
25 above, and at no point were expenses associated with the MLM opportunity ever
26 discussed, notwithstanding Forever Living’s data reflecting how most FBOs will not or
27 are not likely to make any income.

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- The majority of people who join Forever simply enjoy the products at a discounted price. As a result, in an average month 88.6% of purchasers globally did not receive any meaningful compensation or earnings from Forever. Many others start their Forever business by selling part-time to their personal contacts as a way to make a little extra money.
 - 11.4% of monthly purchasers earned a volume-based bonus from the sales made by those they sponsored along with retail profits of 35-48% on all products they have sold personally.
 - Within this group of bonus qualified business owners are those who spend a few minutes per week to those who spend full time working their Forever businesses:
 - 69% of this group earned an average of \$105 per month (\$1,263 annualized) in bonus earnings.
 - 30% earned an average of \$1,493 per month (\$17,916 annualized) in bonus earnings.
 - Our highest earners, <1%, earned an average of \$28,512 per month (\$342,149 annualized) in bonus and incentive earnings.
 - The amounts are gross amounts combining multi-level bonuses, travel incentives and Chairman's Bonus. These amounts don't include Retail Profits Business Owners earn by selling the product they purchase at Wholesale Price. Lastly, they do not include any taxes or business-related expenses incurred at the discretion of the Business Owner.
 - Forever Business Owners are their own boss and choose how and when to work. However, it is no secret that the harder you work, the more money you will earn.
 - In addition to working hard, building a successful Forever business can take time.
 - Like all business ventures, some will succeed, while others will not.
 - No specific investment is required to join Forever but if you want to qualify for bonus earnings and sponsoring capabilities then modest product purchases are required over two months to qualify.
- Learn more about the Forever Incentives below and review the [Forever Company Policy](#) to learn more about incentive qualification and the compensation plan.

Figure 19: First Income Disclosure Statement

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53. At least as early as April 1, 2022, Defendants made available to FBOs and the public the income disclosure statement depicted above at Figure 19 (“First IDS”), including by posting it on their publicly accessible website, where it was accessible at least through September 30, 2022.

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54. Defendants had no basis for the figures reported in the First IDS. Although they instituted a legal hold on June 28, 2022, preserving all documents relating to their earnings claims then in existence, they now state that they are “unable to provide documents that provide the underlying data for the [First] IDS or otherwise substantiate this document.” If substantiation for the First IDS existed at the time it was in use, it would have been preserved pursuant to the legal hold.

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55. Defendants also have no basis for other claims they make in the First IDS relating to earnings, such as claims about who makes earnings and how, as addressed further below.

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Income Disclosure Statement

- The majority of people who join Forever simply enjoy the products at a discounted price and have elected not to participate in our Marketing Plan. As a result, in an average month, 89.8% of purchasers globally did not receive any meaningful compensation or earnings from Forever. Many others start their Forever business by selling part-time to their personal contacts as a way to make a little extra money. 10.2% of monthly purchasers earned a volume-based bonus from the sales made by those they sponsored along with retail profits of 35-48% on all products they have sold personally.
- Of the 10.2% of monthly purchasers who earned a volume-based bonus, 41.4% earned more than \$500/year from the sales made by those they sponsored, not including the retail profits of 35-48% on all products they have sold personally.
 - 69% of this group earned an average of \$111 per month (\$1,332 annualized) in bonus and incentive earnings, not including the retail profits of 35-48% on all products they have sold personally.
 - 30% earned an average of \$1,670 per month (\$20,040 annualized) in bonus and incentive earnings, not including the retail profits of 35-48% on all products they have sold personally.
 - Our highest earners, <1%, earned an average of \$31,235 per month (\$374,820 annualized) in bonus and incentive earnings, not including the retail profits of 35-48% on all products they have sold personally.
- The amounts are gross amounts combining multi-level bonuses, travel incentives and Chairman's Bonus.
- These amounts don't include Retail Profits Business Owners earn by selling the product they purchase at Wholesale Price. Lastly, they do not include any taxes or business-related expenses incurred at the discretion of the Business Owner.
- Forever Business Owners are their own boss and choose how and when to work. However, it is no secret that the harder you work, the more money you will earn.
- In addition to working hard, building a successful Forever business can take time.
- Like all business ventures, some will succeed, while others will not.
- No specific investment is required to join Forever but if you want to qualify for bonus earnings and sponsoring capabilities then modest product purchases are required over two months to qualify.

Learn more about the Forever incentives and review the [Forever Company Policy](#) to learn more about incentive qualification and the compensation plan.

Figure 20: Second Income Disclosure Statement

56. On October 1, 2022, Defendants replaced the First IDS with a revised version, depicted at Figure 20, above (“Second IDS”). Defendants have disseminated the Second IDS to FBOs and the public since October 1, 2022, including by posting it on Defendants’ publicly accessible website on October 1, 2022, where it has remained publicly accessible at least as of May 15, 2025.

57. The Second IDS implies, falsely, that the vast majority (89.8%) of “people who join” do not make money for one simple reason: because they do not *want* to make money, but wish only to purchase products “at a discounted price” and have “elected not to participate in [the] Marketing Plan.” It implies that only the remaining 10.2% (all of whom received income from Forever) spend time trying to make money as FBOs. Because Defendants maintain a separate classification, called “Preferred Customers,” for

1 consumers who are seeking only to purchase products at a discount and do not wish to
2 participate in the business opportunity, the IDS’s language naturally implies that the
3 89.8% it describes are all or mostly such Preferred Customers. But that is not true. The
4 IDS’s 89.8% *does not include any* Preferred Customers. Instead, that 89.8% consists
5 entirely of FBOs—consumers who signed up for the business opportunity after being told
6 they were likely to make money in it—and reveals that the overwhelming majority of
7 FBOs make no money. Defendants’ First IDS conveys the same claims in substantially
8 similar language.


9 58. What is more, Defendants’ characterization of the data, described in
10 paragraph 57, implies that to the extent any consumer does not receive payments from
11 Defendants, it is because the consumer is not trying to earn money as an FBO—and thus
12 that consumers who *do* attempt to earn income *will* earn income. The data underlying the
13 IDSs do not support that claim, and Defendants have no reasonable basis for it.

14 59. Both the First and Second income disclosure statements purport to identify
15 the percentage of FBOs who received income within various identified income ranges.
16 Each of these percentages is misleading because Defendants take as the denominator only
17 a subset of those FBOs who earned income in the first place (specifically, FBOs who
18 received income and purchased or sold more than 4 case credits of product in a single
19 month, equating to approximately \$856 of product). Since 2020, more than 77% of FBOs
20 received *no* payments from Defendants, and excluding those FBOs from the calculations
21 allowed Defendants to severely inflate the percentage of FBOs in each purported income
22 range.

23 60. Since May 15, 2025, Defendants have changed the U.S.-facing webpage to
24 replace the Second IDS with yet another version of the income disclosure statement
25 (“Third IDS”). Defendants continue to make the Second IDS available, in English, on
26 other pages of their website that are ostensibly directed to consumers in other countries.
27 In fact, these pages are readily accessible to U.S. consumers, including that they appear
28 as a result in searches, such as for “forever living income,” that are conducted in the U.S.

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FOREVER LIVING PRODUCTS®



Important Information About Being a U.S. Forever Business Owner (FBO)

How do I become an FBO?

- Sign-up is free and there are no required purchases.
- To qualify for sales/bonus compensation structure on product sales and additional product discounts, you must generate sales of at least two case credits of Forever Living products (around \$400) over a consecutive two-month period.

How do I earn money with Forever?

You earn money by generating sales of Forever products. You do **not** earn any money by recruiting or sponsoring someone to join as an FBO. Specifically, you can earn:

- Profit on product sales to customers; and
- Sales commissions (also called bonuses) based on your own product sales and those of other individuals on your sales team.

After generating sales of at least two case credits over a two consecutive month period, you can qualify as an Assistant Supervisor and start earning sales commissions (bonuses) when you generate sales of at least four case credits each month. None of these cases are required to be personally purchased by you.

How much does a typical U.S. FBO who engages with Forever earn in a year before expenses?

FBOs engage with Forever when they join Forever, buy or sell Forever products, or sponsor others to join their sales team. In 2024, from all U.S. FBOs who engaged with Forever:

- 69.3% did not receive any payments.
- 30.7% received at least one payment. For these FBOs, the average annual earnings before expenses were \$1,823.88. Median earnings for those FBOs were \$43.94.

We calculated average annual earnings by adding all of the earnings then dividing by the number of FBOs who received at least one payment. Median earnings represent the absolute middle in the entire range of earnings, between \$0 and the highest in the set. These earnings reflect a combination of retail profits, volume bonuses, and leadership bonuses.

FBOs may also make sales to customers person-to-person and earn retail profit from those sales. While online sales to customers are included in these figures, retail profit from person-to-person sales are not.

Earnings and Other Incentives for U.S. FBOs Who Engaged with Forever in 2024 and Received At Least One Payment Before Expenses (7,325 FBOs)

Top 10% (733 FBOs)	Average earnings: \$17,292.96 Median earnings: \$3,524.83
Top 50% (3,663 FBOs)	Average earnings: \$3,640.35 Median earnings: \$206.29
Bottom 50% (3,662 FBOs)	Average earnings: \$6.91 Median earnings: \$0.02

What are typical expenses as a U.S. FBO?

To support FBO operations, a maximum \$3/month FBO Support Fee (\$36 annually) will be deducted from the bonuses of all FBOs at Assistant Supervisor level or above. The \$3 fee is only deducted in months when you earn a bonus: if you earn less than \$3, only the amount earned is deducted; if no bonus is earned, no fee is deducted. Fees do not accrue, and no out-of-pocket payments are ever required.

Other expenses are optional and based on how you decide to grow your Forever business. Typical expenses may include:

- Shipping charges. These are: \$8.50 for retail customer orders over \$50; \$8.50 for FBO orders below 4.150 CCs; and, shipping fees based on the carrier's zone and weight tables for FBO orders above 4.150 CCs. International orders may incur additional fees.
- Sales taxes on product purchases
- Product purchases to use as samples
- Upgraded subscription to FLP360 Pro (\$10/month), a specialized platform that provides advanced business reports, social media management tools, customizable landing page templates, and professional training materials. The basic version of FLP360 which tracks product sales and earnings is provided complimentary to all FBOs achieving Assistant Supervisor level.
- Travel and hotel costs to attend Forever meetings and trainings that are not company-sponsored.

Am I guaranteed to succeed with Forever?

No. Forever cannot make any guarantees on your success. Some FBOs will build a successful Forever business, while others will not. As with any undertaking, your skill level, effort, dedication, and time are all factors of building a satisfying Forever business.

What if I decide Forever isn't for me?

- You can, at any time, choose not to sell products or build a business. There are no penalties for deciding not to participate.
- You can request to officially cancel your FBO distributorship at any time. You can return unopened products you purchased within the last 30 days for a full refund.

Please use the following contact methods any time you want to communicate with us, including if you wish to discontinue being an FBO or would like to return unopened products:

Forever Living Products International
 ATTN: Customer Care
 7501 East McCormick Pkwy
 Scottsdale, Arizona 85258
 1-888-440-ALOE (2563)
 customercare@foreverliving.com

Customer Care Hours:
 Monday-Friday 8:00am-5:30pm MST
 Saturday 9:00am-1:00pm MST

What if I only want to buy Forever products at a discount?

Consider joining Forever as a Preferred Customer! You'll get a 5% discount off future purchases, and once you generate at least two case credits of product over a consecutive two-month period, you'll get a 30% discount on all subsequent orders.

Figure 21: Third Income Disclosure Statement

61. The Third IDS does not suffer from all of the flaws of its predecessors, but (among other things) it still contains a misleading presentation of earnings figures. To begin with, the Third IDS consists almost entirely of small text, and contains one chart of income information against a colorful background. However, the chart depicts income distributions for 30.7% of FBOs (those who earned at least one payment), and does not

1 account for the 69.3% of FBOs who received no payments. Including non-earning FBOs
2 in the chart would dramatically reduce the reported percentages of FBOs making
3 significant amounts of money. For example, instead of the top 10% having median annual
4 earnings of \$3,524.83, only the top 3% of FBOs receive this level of earnings. Consumers
5 who read the text outside of the chart, and discover the elsewhere-reported fact that it
6 depicts the result for only 30.7% of FBOs, would face the task of doing mental math to
7 adjust the reported percentages in the graphic for the excluded 69.3% in order to arrive at
8 the true income distribution figures.

9 **Defendants' Deceptive Claims that FBOs Are Likely to Receive Income from the**
10 **Purchases or Sales Made by Downline FBOs**

11 62. Defendants have represented, expressly or by implication, that consumers
12 who become FBOs are likely to receive income based on purchases or sales made by
13 members of their downline. For example, as described below, Defendants have presented
14 hypothetical earnings based on purchases or sales made by downline FBOs that imply
15 that such earnings are typical or likely.

16 63. Defendants created a presentation explaining the marketing plan that
17 includes the following image:
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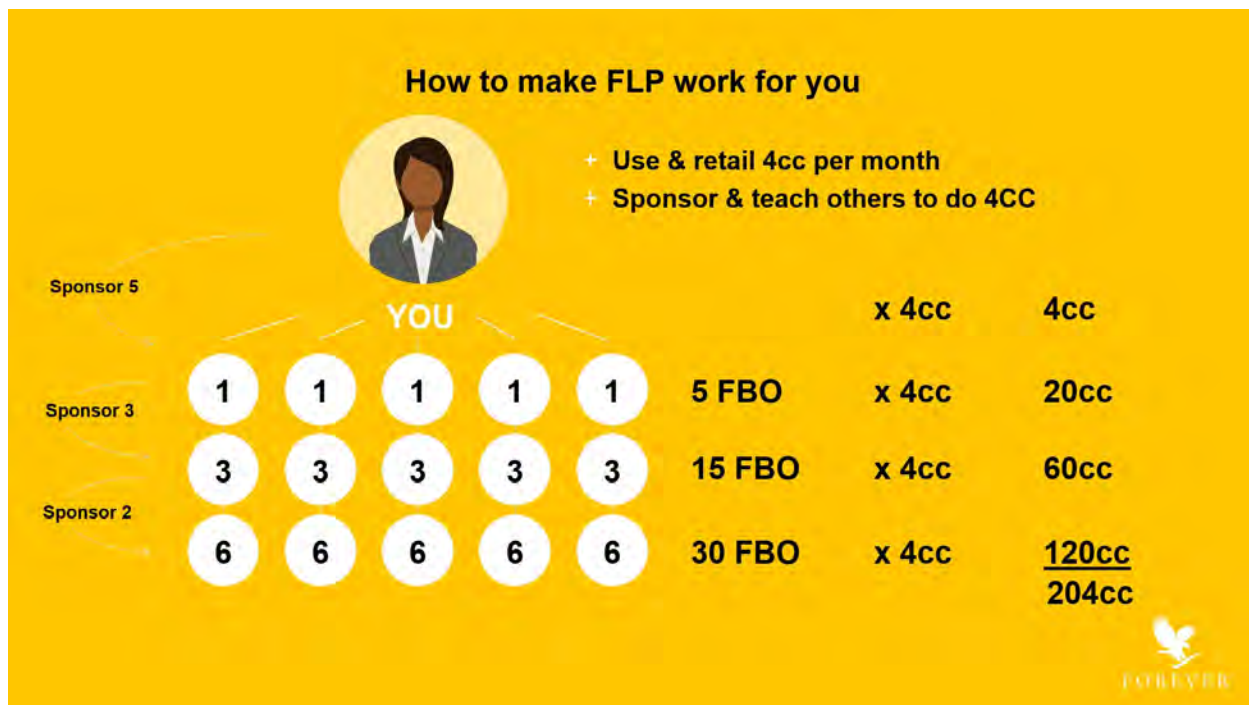


Figure 22: Slide from Marketing Plan Training PowerPoint

64. In the presentation, the image at Figure 22 above is accompanied by the following statements:

Now that we've overviewed the marketing plan, let's describe how you can make it work. The first step is to use and share 4cc [case credits] of product each month; then sponsor others and teach them to do the same. It's that simple! When you do this, you'll generate exponential growth that may surprise you.

Let's do the math. Here you are with 4cc. You sponsor 5, who each do 4; this gives you an additional 20cc for the month. They each sponsor 3; giving you an additional 60; each of those sponsors 2; which gives you an additional 120cc. You started with 4 and are now over 200 [case credits] per month. In effect, you are multiplying your volume by giving others the same opportunity that you have.

Now let's consider a few things about this example. First, there is a total of 50 FBOs in your group, but you personally sponsored only 5 of them; you didn't have to find and sponsor the other 45 and have therefore multiplied your time and effort through the time and effort of others.

Second, suppose it took you a year to find and sponsor your 5 people, and it took another year for each of them to sponsor their 3, and it took another year for them to sponsor their 2 each? Would it be worth three years' effort if it meant a life-changing monthly income? Of course, it'd be worth it! It

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doesn't matter so much how long it takes, but what matters is that you build FBOs in your group who each are doing 4 case credits per month.

And third, what if half of these 50 FBOs quit doing the business, and you ended up with only 100 case credits each month? Would it still be worth it? Definitely, yes! You're still looking at a very decent income for your present and future needs; and one, by the way, that you can pass on to future generations.

65. Defendants provided this presentation to FBOs on Defendants' website at least as of September 27, 2024. Defendants also created a video of a Forever Living Senior Vice President delivering the training, including the claims quoted above. Defendants posted the video on their Forever Living North America Facebook page on June 24, 2022, and it remains publicly available there at least as of May 20, 2025.

66. A video of the same executive delivering a shorter version of the presentation, featuring some of the same claims, was identified by Defendants as a document they continued to provide to FBOs on Defendants' website at least as of September 27, 2024.

67. Defendants' Marketing Plan Training presentation conveys the message that an FBO will or is likely to recruit multiple new FBOs and receive income based on the sales they make and the purchases or sales made by those below them in the downline. In reality, most FBOs do not succeed in recruiting a downline that generates income for them, such as that depicted in Defendants' presentation.

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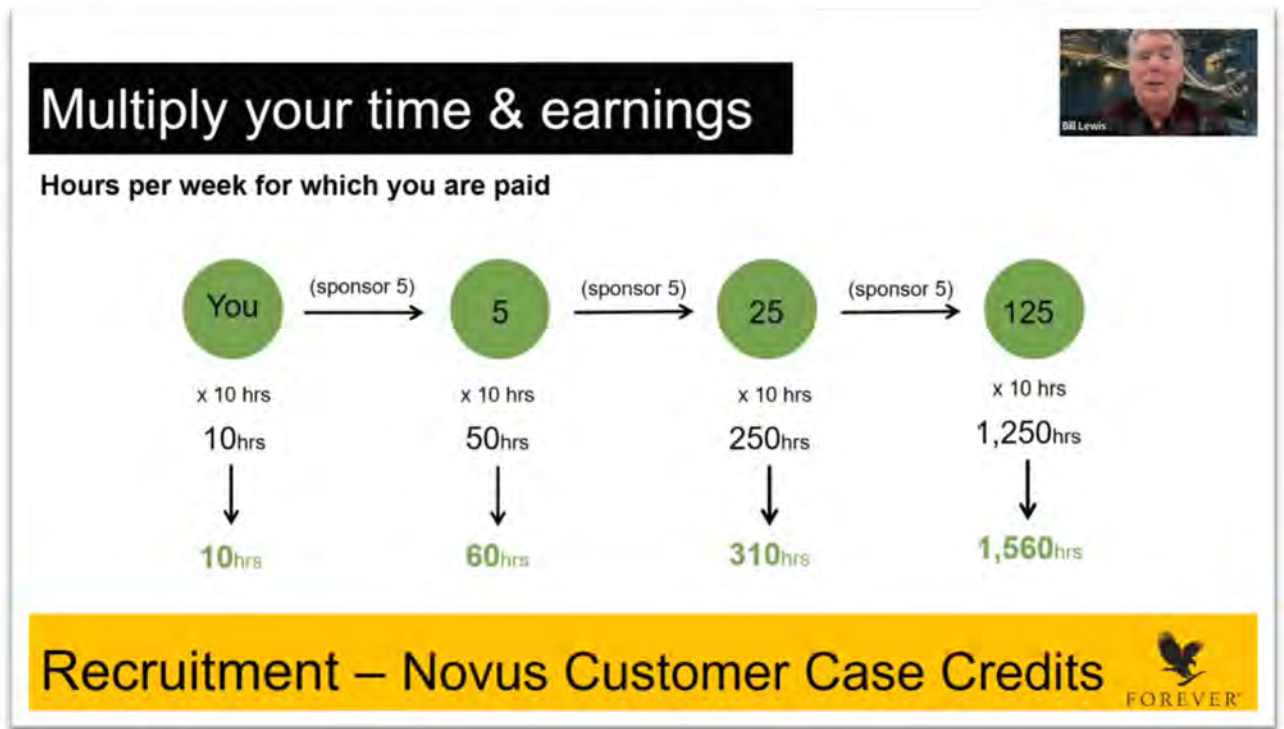



Figure 23: Still image from Defendants’ “4CORE Business Training” video

68. In another video featuring the same Forever Living Senior Vice President narrating a PowerPoint presentation, titled “4CORE Business Training,” (and which Defendants identified as a document they continued to provide to FBOs on Defendants’ website at least as of September 27, 2024), a slide (Figure 23, above) appears to show how a single FBO can be paid for over 1,000 hours of work in a single week, by building an extensive downline. While this image is shown, the SVP tells consumers, “[y]our time and your earnings multiply by sponsoring,” and walks through the math shown on the slide, in which “you [recruit] 5,” who each do the same, etc., with each FBO spending 10 hours on “your business.” As the slide depicts, the exponential expansion of the downline yields a similar exponential expansion of the time spent on the consumer’s business, presumably translating into similarly increased earnings. The SVP summarizes: “This is multiplying yourself through the efforts of others by giving them the same opportunity that you have. So sponsoring is key. Recruiting is key. Very, very important.”

69. Defendants’ hypothetical scenario—in which every FBO recruits five new FBOs—proposes an exponential expansion of the program. But, as FL’s data shows, an

1 expanding downline is not what most consumers can expect and FL’s claim to consumers
 2 that “you’ll generate exponential growth” is deceptive. Across the past five calendar
 3 years, the number of U.S. FBOs who purchased, sold, or recruited has held more or less
 4 steady around 24,000, fluctuating from year to year but remaining between 22,238 and
 5 26,688. And, as noted above and addressed in more detail below, contrary to Defendants’
 6 claims most FBOs do not succeed in recruiting a downline that generates income for
 7 them.


4CC Active and Repeat-Purchase FBOs



1 FBO per month @ 2CC = 24CC per year
 1 FBO per month @ 2CC (Retained) = 156CC per year

Retention means 650% more volume!

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
A	2	2	2	2	2	2	2	2	2	2	2	2
B		2	2	2	2	2	2	2	2	2	2	2
C			2	2	2	2	2	2	2	2	2	2
D				2	2	2	2	2	2	2	2	2
E					2	2	2	2	2	2	2	2
F						2	2	2	2	2	2	2
G							2	2	2	2	2	2
H								2	2	2	2	2
I									2	2	2	2
J										2	2	2
K											2	2
L												2

Retention


19 **Figure 24: “4CORE Business Training” example of volume generated by downline**

20 70. In the “4CORE Business Training” video, the Forever Living Senior Vice
 21 President also presents an “example,” in which “you” recruit one new FBO each month,
 22 and calculates the high volume of sales that such a downline would generate if all new
 23 FBOs continued to purchase or sell 2 case credits of product each month. The recruiting
 24 and sales success depicted in this example is wildly atypical.

25 71. Defendants created other marketing materials regarding potential profits
 26 from downline FBOs and distributed them to consumers. These include the following:
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Become a Supervisor




To become a Supervisor, you need to build a 25 case credit business over a consecutive two month period. This can be achieved by retailing product or by sponsoring others and building a team.

SUPERVISORS:

- + Receive a 38% Discount
- + Earn \$82.00 retail profit for every case credit you sell
- + Earn \$99-\$141 for every Assistant Supervisor you develop

Retail value of 1CC (what you sell it for) - \$215 USD
Wholesale value of 1CC (what you pay) - \$133 USD
Retail profit per CC - \$82.00 USD

As a Supervisor, you purchase product at a 38% discount. When selling products at retail - this amount is your profit! Here are a few product examples to help you determine your retail profit.


 Aloe Vera Gel <small>Retail Price \$19.37 Your Price \$11.97 Profit \$7.34</small>	 Aloe Heat Lotion <small>Retail Price \$12.65 Your Price \$7.83 Profit \$4.81</small>
 Infritas by Forever!™ skincare system <small>Retail Price \$160.37 Your Price \$89.43 Profit \$60.94</small>	<p><small>Retail value of Start Your Journey Pak - \$296 USD Preferred Customer Pricing 5% Discount (what they buy it for) - \$289 USD Supervisor Pricing 38% Discount (what you pay) - \$184 USD Your profit per Assistant Supervisor - \$99 USD</small></p>

In North America, you can join the business with a Start Your Journey Pak. This Pak features some of our best-selling products and allows you to become an Assistant Supervisor with only 1-4 case credits when it's your first purchase.

Retail value of their 2CC purchase - \$430 USD
Preferred Customer Pricing 5% Discount (what they buy it for) - \$408 USD
Supervisor Pricing 38% Discount (what you pay) - \$267 USD
Your profit per Assistant Supervisor - \$141 USD

+ Earn 3% Team Leading Bonus

Once you start receiving a team leading bonus, you will always receive the difference between your discount level and that of your personally sponsored FBOs. As a Supervisor, you receive a 38% discount. Assistant Supervisors you've sponsored receive a 35% discount. You receive the 3% difference on all the volume that they do within their team.



Assistant Supervisor Price per CC of Product (35% discount) - \$140 USD
Supervisor Price per CC of Product (38% discount) - \$133.50 USD
3% difference per CC - \$6.50 USD
Your bonus per Assistant Supervisor who does 4CC - \$26

Let's look at an example of how you can earn in the Forever marketing plan as a Supervisor.

EXAMPLE:

You retail 2CCs of product and recruit 3 new Assistant Supervisors. You also have 3 Assistant Supervisors who have achieved 4 case credits.

\$82.00 x 2 = \$164 retail profit
\$99 x 2 = \$198 2 AS with Start Your Journey
\$141 x 1 = \$141 1 AS with 2CC purchase
\$26 x 3 = \$78 Team Leading Bonus on AS doing 4CC

\$164 retail profit
\$339 sponsoring 4 new AS
\$78 3% Team Leading Bonus
\$581 total earnings

The Forever marketing plan was built on the principle of rewarding people for their hard work. The more you do, the more you earn. With so many ways to build a business, what are you waiting for?

CONFIDENTIAL

FOREVER-FTC-0001197

CONFIDENTIAL

FOREVER-FTC-0001198

Figure 25: “Become a Supervisor” Handout

a) A handout titled “Become a Supervisor” features a diagram showing earnings from downline FBOs, and an example calculation of earnings including \$164 in income from retail sales and \$417 in income from downline FBOs’ purchases and sales, summing to \$581, seemingly for a single month. See Figure 25, above. The handout includes no disclaimer or disclosure of the typical earnings an FBO can expect. Defendants have continued to make this handout available to FBOs and consumers on their publicly accessible website at least as of May 21, 2025.

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Become an Assistant Manager

To become an Assistant Manager, you need to build a 75 case credit business over a consecutive two month period. This can be achieved by retailing product and by sponsoring others and building a team. Most achieve Assistant Manager with a combination of these activities.

ASSISTANT MANAGERS:

- + Receive a 43% Discount
- + Earn \$92.00 retail profit for every case credit you sell
- + Earn \$113-\$163 for every Assistant Supervisor you develop

As an Assistant Manager, you purchase product at a 43% discount. When selling products at retail - this amount is your profit! Here are a few product examples to help you determine your retail profit.

<p>Aloe Vera Gel Retail Price \$19.31 Your Price \$11.00 Profit \$8.31</p>	<p>Sonya™ daily skincare system Retail Price \$72.89 Your Price \$41.60 Profit \$31.29</p>	<p>Forever Move™ Retail Price \$62.00 Your Price \$35.37 Profit \$26.63</p>
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New people who join your business will need to purchase 2CC of product to become an Assistant Supervisor.

Retail value of their 2CC purchase - \$430 USD
Preferred Customer Pricing 5% Discount (what they buy it for) - \$408 USD
Assistant Manager Pricing 43% Discount (what you pay) - \$245 USD
Your profit per Assistant Supervisor - \$163 USD

In North America, you can join the business with a Start Your Journey Pak. This Pak features some of our best-selling products and allows you to become an Assistant Supervisor with only 1-4 case credits when it's your first purchase.

Retail value of Start Your Journey Pak - \$298 USD
Preferred Customer Pricing 5% Discount (what they buy it for) - \$283 USD
Assistant Manager Pricing 43% Discount (what you pay) - \$170 USD
Your profit per Assistant Supervisor - \$113 USD

+ Earn 5-8% Team Leading Bonus

Once you start receiving a team leading bonus, you will always receive the difference between your discount level and that of your personally sponsored FBOs. As an Assistant Manager, you receive a 43% discount. Assistant Supervisors you've sponsored receive a 35% discount. You receive the 8% difference on all of the volume that they do within their team! Supervisors you've sponsored receive a 38% discount. You receive the 5% difference on all of the volume that they do within their team!

Assistant Manager Price per CC of Product (43% discount) - \$122 USD
Assistant Supervisor Price per CC of Product (35% discount) - \$140 USD
Supervisor Price per CC of Product (38% discount) - \$132.50 USD
8% difference per CC - \$12.25 USD
5% difference per CC - \$10.75 USD
Your bonus per Assistant Supervisor who does 4CC - \$69
Your bonus per Supervisor who does 15CC - \$161

Let's look at an example of how you can earn in the Forever marketing plan as an Assistant Manager.

EXAMPLE:
You retail 2CCs of product and recruit 3 new Assistant Supervisors. You have 1 Assistant Supervisor who has achieved 4 case credits and 2 Supervisors who each do 15CC in their group.

$\$92.00 \times 2 = \184 retail profit
 $\$113 \times 2 = \226 2 AS with Start Your Journey
 $\$163 \times 1 = \163 1 AS with 2CC purchase
 $\$69 \times 1 = \69 8% Team Leading Bonus on Assistant Supervisors doing 4CC
 $\$161 \times 2 = \322 5% Team Leading Bonus on Supervisors doing 15CC
\$184 retail profit
\$226 sponsoring 3 new AS
\$69 8% Team Leading Bonus
\$322 5% Team Leading Bonus
\$964 total earnings

The Forever marketing plan was built on the principle of rewarding people for their hard work. The more you do, the more you earn. With so many ways to build a business, what are you waiting for?

Figure 26: “Become an Assistant Manager” Handout

b) A different handout titled “Become an Assistant Manager” features a diagram showing earnings from downline FBOs, and an example calculation of an assistant manager’s earnings including \$184 in income from retail sales and \$780 in income from downline FBOs’ purchases and sales, summing to \$964, seemingly for a single month. See Figure 26, above. The handout includes no disclaimer or disclosure of the typical earnings an FBO can expect. Defendants have continued to provide this handout to FBOs and consumers on their publicly accessible website at least as of May 21, 2025.

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Become a Manager

Manager is a critical step in the Forever marketing plan. Once you achieve Manager, you can work toward achieving key incentives like Forever2Drive, Eagle Manager and Chairman's Bonus.

To become a Manager, you must build a 120CC business over two consecutive months or 150CC business over a four consecutive month period. This can be achieved by retailing product and by sponsoring others and building a team. Most achieve Manager with a combination of these activities.

MANAGERS:

- + Receive a 48% Discount
- + Earn \$103.00 retail profit for every case credit you sell

Retail value of 1CC (what you sell it for) - \$713 USD
Wholesale value of 1CC (what you pay) - \$112 USD
Retail profit per CC - \$103.00 USD

As a Manager, you purchase product at a 48% discount. When selling products at retail - this amount is your profit! Here are a few product examples to help you determine your retail profit:

	Aloe Vera Gel Retail Price \$19.31 Your Price \$10.04 Profit \$9.27
	Vital 5 Retail Price \$19.31 Your Price \$10.04 Profit \$9.27
	Forever Lite Ultra Retail Price \$12.55 Your Price \$7.55 Profit \$4.91

- + Earn \$128-\$184 for every Assistant Supervisor you sponsor

New people who join your business will need to purchase 2CC of product to become an Assistant Supervisor.

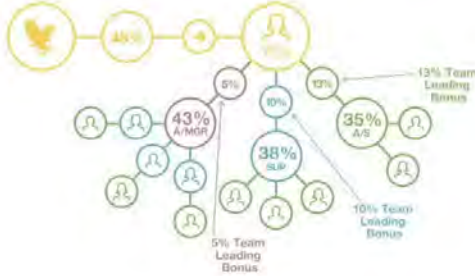
Retail value of their 2CC purchase - \$430 USD
Preferred Customer Pricing 5% Discount (what they buy it for) - \$408 USD
Manager Pricing 48% Discount (what you pay) - \$204 USD
Your profit per Assistant Supervisor - \$194 USD

In North America, you can join the business with a Start Your Journey Pak. This Pak features some of our best-selling products and allows you to become an Assistant Supervisor with only 1.4 case credits when it's your first purchase.

Retail value of Start Your Journey Pak - \$298 USD
Preferred Customer Pricing 5% Discount (what they buy it for) - \$283 USD
Manager Pricing 43% Discount (what you pay) - \$155 USD
Your profit per Assistant Supervisor - \$128 USD

+ Earn 5-13% Team Leading Bonus

Once you start receiving a team leading bonus, you will always receive the difference between your discount level and that of your personally sponsored FBOs. As a Manager, you receive a 48% discount. Assistant Supervisors you've sponsored receive a 35% discount. You receive the 13% difference on all the volume that they do within their team! Supervisors you've sponsored receive a 38% discount. You receive the 10% difference on all the volume that they do within their team! Assistant Managers you've sponsored receive a 43% discount. You receive the 5% difference on all the volume that they do within their team.



Manager Price per CC of Product (48% discount) - \$112 USD
Assistant Supervisor Price per CC of Product (35% discount) - \$140 USD
Supervisor Price per CC of Product (38% discount) - \$133.50 USD
Assistant Manager Price per CC of Product (43% discount) - \$123 USD

13% difference per CC - \$28.00 USD
10% difference per CC - \$21.50 USD
5% difference per CC - \$11.00 USD

Your bonus per Assistant Supervisor who does 4CC - \$112
Your bonus per Supervisor who does 15CC - \$323
Your bonus per Assistant Manager who does 45CC - \$484

Let's look at an example of how you can earn in the Forever marketing plan as a Manager.

EXAMPLE:

You retail 2CCs of product and recruit 2 new Assistant Supervisors. You have 3 Assistant Supervisors who have achieved 4 case credits and 2 Supervisors who each do 15CC in their group. You also have 1 Assistant Manager doing 45CC in their group.

- \$103.00 x 2 = \$206 retail profit
- \$128 x 1 = \$128 1 AS with Start Your Journey
- \$184 x 1 = \$184 1 AS with 2CC purchase
- \$112 x 3 = \$336 13% Team Leading Bonus on Assistant Supervisors doing 4CC
- \$323 x 2 = \$646 10% Team Leading Bonus on Supervisors doing 15CC
- \$484 x 1 = \$484 5% Team Leading Bonus on Assistant Managers doing 45CC

\$206 retail profit
\$312 sponsoring 2 new AS
\$336 13% Team Leading Bonus
\$646 10% Team Leading Bonus
\$484 5% Team Leading Bonus

\$1,984 total earnings

The Forever marketing plan was built on the principle of rewarding people for their hard work. The more you do, the more you earn. With so many ways to build a business, what are you waiting for?

Figure 27: "Become a Manager" Handout

c) Another handout titled "Become a Manager" features a diagram showing earnings from downline FBOs, and an example calculation

1 of a manager's earnings including \$206 in income from retail sales
2 and \$1,778 in income from downline FBOs' purchases and sales,
3 summing to \$1,984, seemingly for a single month. *See* Figure 27,
4 above. The handout includes no disclaimer or disclosure of the
5 typical earnings an FBO can expect. Defendants have provided this
6 handout to FBOs and other consumers on their publicly accessible
7 mobile app at least as of August 6, 2025.

8 d) A Spanish-language video regarding certain forms of compensation
9 features hypothetical calculations of the specific dollar amounts that
10 an FBO would earn from the purchases or sales made by specific
11 downline FBOs. The video includes no disclaimer or disclosure of
12 the typical earnings an FBO can expect. Defendants identified this
13 video as a document they continued to provide to FBOs on
14 Defendants' website at least as of September 27, 2024.

15 72. Defendants' own data demonstrate that only a small percentage of FBOs
16 receive income based on the purchases or sales made by their downline. For example, in
17 2023, of 22,238 U.S. FBOs who made a purchase or sale or sponsored a new FBO, only
18 7% received income from Defendants based on the purchases or sales made by their
19 downline (another 10.6% received commissions when customers they referred made
20 purchases from Defendants online, and the rest—82.4%—received no income from
21 Defendants). Statistics for prior years are similar. And even fewer U.S. FBOs received
22 such income on a consistent basis. For example, in 2023, of the 22,238 U.S. FBOs who
23 made a purchase or sale or sponsored a new FBO, only 413 (1.9%) received at least \$100
24 per month from Defendants based on the purchases or sales made by their downline in at
25 least half of all months. A tiny percentage—only 250, or 1.1%—received at least \$100
26 per month from the purchases or sales made by their downline in every month.

27 73. Defendants know that the prospect of bonuses and other income based on
28 the purchases or sales made by an FBO's downline—which the vast majority of FBOs do

1 not receive—is material to consumers and is a significantly more important factor in
2 motivating them to engage in the MLM opportunity than the prospect of modest profits or
3 commissions on the small volume of retail sales which a consumer personally generates.
4 For example, in a video presentation of the marketing plan, a Forever Living Senior Vice
5 President explains why Defendants impose the 4 case credit requirement for FBOs to
6 receive downline income by calling it “the greatest success factor” and telling a story
7 about a different MLM that had no such requirement, saying that “what happened was,
8 since there was no requirement, no minimum amount [of retail sales required], everybody
9 ended up doing *nothing*. They thought that they would be able to get all these big bonuses
10 and not do anything, but *everybody* was thinking that. Because everybody was doing
11 nothing, and that’s what we *don’t* want to happen in Forever.” [Spanish language
12 translations omitted.] With this anecdote, the Forever Living SVP acknowledged that the
13 prospect of downline earnings is much more effective at motivating FBOs to work to
14 generate sales than the profits they generate from such retail sales.

15 **Defendants Omit Known Material Costs, Including the Required Cost of Shipping,**
16 **from Example Earnings Calculations**

17 74. In numerous instances, Defendants provide calculations of hypothetical
18 earnings FBOs could generate by selling Defendants’ products to consumers but fail to
19 include certain costs in the calculations. At least one material cost is known to
20 Defendants, as they impose it and collect it: shipping. Defendants require FBOs to pay
21 the cost of shipping on their own orders, and on orders placed by retail customers for \$50
22 or more. These costs are typically at least \$8.50 per shipment. These costs are material
23 because they can significantly reduce the value of any discount on an FBO’s own order or
24 significantly reduce any profit realized from a sale to retail customers.

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	<p>Aloe Vera Gel Retail Price \$19.31 Your Price \$11.97 <hr/> Profit \$7.34</p>
	<p>Infinite by Forever™ skincare system Retail Price \$160.37 Your Price \$99.43 <hr/> Profit \$60.94</p>
	<p>Aloe Heat Lotion Retail Price \$12.66 Your Price \$7.85 <hr/> Profit \$4.81</p>

Figure 28: Hypothetical “Profit” Calculations in “Become a Supervisor”

75. For example, in the “Become a Supervisor” handout (*see* Figure 28, above), Defendants depict various “profit” calculations based on consumers’ purchase of various items, but fail to disclose shipping costs or factor them into the calculations. The omission is material. For example, if a retail customer ordered two Aloe Vera Gels and one Aloe Heat Lotion, for a total cost of \$51.28 ($\$19.31 + \$19.31 + 12.66$), the handout above suggests the FBO would receive \$19.49 ($\$7.34 + \$7.34 + \4.81) in “profit.” But in reality, even if the FBO had no other costs, the \$8.50 cost of shipping, alone, would reduce the profit on this sale to \$10.99—just over half of what Defendants’ handout suggests. And shipping costs can cause an FBO to lose money on a sale if a retail customer decides to return the purchase, as Defendants then claw back any monies paid to the FBO but do not refund the FBO for shipping costs paid.

1 76. Defendants make similar hypothetical calculations in other documents
2 provided to consumers, and similarly fail to account for, or otherwise disclose, material
3 costs, including the cost of shipping.

4 **Defendants' Earnings Claims Are Unsubstantiated or False**

5 77. In all instances in which Defendants made the claims described in
6 paragraphs 22 to 73 above, Defendants did not have a reasonable basis to believe that
7 consumers who become FBOs will or are likely to receive more money from the MLM
8 opportunity than they spend to pursue it, much less any higher amount depicted in the
9 representations described above. Instead, based on Defendants' data, most FBOs make no
10 income or lose money.

11 78. Defendants admit that the company "has not conducted any studies or
12 surveys of FBOs' ability to earn money or generate a net profit." And Defendants'
13 internal data about FBO purchases and earnings reflects only some, not all, of the income
14 FBOs obtain and the expenses FBOs incur to pursue the MLM opportunity. *See*
15 paragraph 18, above. In particular:

- 16 a) Defendants do not know whether or to what extent FBOs are able to
17 profitably resell products that they purchase from Defendants. And
18 the behavior of Preferred Customers is not suggestive of a large base
19 of customers interested solely in purchasing Defendants' products.
20 For example, Defendants' data show that between January 2020 and
21 October 2022, the vast majority (at least 16,471) of over 19,000 U.S.
22 Preferred Customers became FBOs, and the average tenure of a U.S.
23 Preferred Customer was less than 2 months.
- 24 b) Defendants do not know to what extent FBOs incur expenses other
25 than for the purchase of products, services, or access to trainings or
26 conferences from Defendants (which Defendants don't account for
27 when reporting FBOs' earnings). Yet some FBOs do incur expenses
28 other than purchases from Defendants, such as the cost of hosting in-

1 person gatherings for potential customers, travel expenses to attend
2 trainings or conferences, and online marketing or other promotional
3 expenses.

4 Accordingly, Defendants have no reasonable basis to know how many FBOs profit from
5 the MLM opportunity—that is, receive more money from the opportunity than they spend
6 to pursue it.

7 79. And while Defendants do not know the full amount of expenses FBOs
8 incur, Defendants have reason to know that those amounts are greater than zero. First,
9 Defendants have required that consumers make a minimum purchase of 2 case credits of
10 product within two months, or a Start Your Journey Combo Pak sold for \$347.92, to
11 qualify to earn income as an FBO. Even though an August 1, 2024 policy change
12 ostensibly provides a path to becoming an FBO without making purchases, between
13 November 2024 and December 2025 only a tiny fraction of consumers who became
14 normal FBOs did so without investing their own money. Second, Defendants encourage
15 FBOs to incur additional expenses, such as to purchase products to use as samples to
16 attract customers, or so that the FBO can become familiar with the products and thus be
17 able to recommend them to potential customers. And Defendants know that many FBOs
18 do spend money to purchase products from Defendants. While FBOs are permitted to
19 resell such products, Defendants do not know whether or how often this actually occurs,
20 much less the amounts received by FBOs from such sales.

21 80. The data Defendants do have on FBOs' income and expenses does not
22 support Defendants' claims that consumers who become FBOs will or are likely to make
23 a profit, let alone enough to afford luxuries, materially alter their lifestyle, or replace the
24 income from their full-time job. Instead, based on the data Defendants have reflecting
25 how much Defendants pay FBOs in commissions, most FBOs make no income or lose
26 money.

27 81. For example, Defendants' data show that most new FBOs receive no
28 income and very few recoup their start-up costs. Specifically, data on newly-joined U.S.

1 FBOs show that over the course of their first year, 71.7% received no income from
2 Defendants and the vast majority (90.9%) received less than \$300 in total. Over the
3 course of new U.S. FBOs' first 24 months, 68.9% received no income from Defendants
4 and the vast majority (89.2%) received less than \$300 in total.

5 82. The figures are no better when viewed on an annual basis, taking into
6 account both new and veteran FBOs. For example, in 2024, over 23,000 U.S. FBOs
7 bought or sold product or sponsored a new FBO, but of that number, nearly 77% received
8 no income from Defendants and another 15.4% received less than \$206, total, before
9 expenses. Statistics are similar for prior years.

10 83. The \$300 threshold is meaningful because it is the approximate amount of
11 an FBO's required initial investment. At least from January 2020 to August 1, 2024, the
12 minimum a consumer would need to pay to become eligible to earn income as an FBO—
13 the cost of the Start Your Journey Pak—has been \$306 or more. Although Defendants'
14 recent policy change ostensibly provides a pathway for consumers to become FBOs
15 without making such a purchase, very few do so.

16 84. Accordingly, based on the evidence available to Defendants, most FBOs
17 lose money on the endeavor, and the overwhelming majority do not recoup the cost of
18 their Start Your Journey Pak even after two full years as an FBO. It does not support
19 claims that FBOs will or are likely to make a profit, much less other, grander claims
20 made by Defendants.

21 **Defendants Continued to Violate the Law Despite Warnings from FTC and Others**

22 85. In October 2021, the FTC warned Forever Living Products, through
23 Forever Living Products' general counsel, calling attention to the settled law prohibiting
24 deceptive earnings claims and encouraging the company to take steps to ensure its
25 practices comply with the law.

26 86. The warning included descriptions of a number of legal authorities holding
27 that, among other things, it is an unfair or deceptive trade practice to make false,
28

1 misleading or deceptive representations concerning the profits or earnings that may be
2 anticipated by a participant in a money-making opportunity.

3 87. Forever Living received this warning on October 27, 2021.

4 88. Aidan O’Hare read the warning on October 27, 2021, on which date he
5 circulated an email to Forever Living’s executive management team—including
6 Defendant Gregg Maughan—calling the FTC’s warning “a shotgun warning that has been
7 fired across the bows of many companies.” While O’Hare suggested that Forever Living
8 make changes to increase their compliance efforts, he resisted the idea that Forever
9 should actually stop problematic practices such as the use of giant checks, because “[t]his
10 is one of the biggest motivators we have ... the FBO’s love this.”

11 89. On May 4, 2022, Truth in Advertising, Inc. (“TINA”) sent Defendants and
12 the FTC a letter warning that TINA had identified thousands of online representations by
13 Forever Living or its FBOs that constituted deceptive earnings claims.

14 90. In October 2022, the FTC served FLP International with a Civil
15 Investigative Demand (“CID”) seeking documents and information pertaining to, among
16 other things, Defendants’ use of earnings claims and the possibility that those claims were
17 deceptive.

18 91. After the FTC’s investigation commenced, Defendants revised some of
19 their policies regarding earnings claims. The revised policies include a purported ban on
20 the use of certain kinds of earnings claims, such as depictions of the giant printed checks
21 given to a small number of FBOs. But the new policies and training materials still instruct
22 and encourage FBOs to tell consumers that FBOs will or are likely to make a profit. The
23 new policies and training materials also convey to FBOs that they may continue to use
24 testimonials, including testimonials of atypical earnings (if not extreme), if they
25 accompany them with a “results not typical” disclaimer and a link to Defendants’ income
26 disclosure statement.

27 92. Defendants themselves also continued to make misleading earnings claims.
28 For example, as recently as May 2025, Defendants continued to disseminate to

1 consumers the representations described in the following paragraphs: 23.a), 23.b), 23.d),
2 23.e), 23.f), 23.g), 23.h), 31 (“Secrets to Success” video), 32.c), 32.d), 32.f), Figure 16,
3 35, 43, 45, 61, 65 (video), 71.a), 71.b), and 71.c).

4 93. And in response to a request by the Commission, on September 27, 2024,
5 Defendants identified numerous materials that, at least as of that date, they were
6 continuing to provide to FBOs who signed in on Defendants’ website, including those
7 described in the following paragraphs: 30, 31 (“Eagle Manager Incentive,” “The Forever
8 Opportunity,” and “Chairman’s Bonus Incentive” videos), 32.a), 32.b), 32.e), 34, 63-64,
9 66, 68, 70, and 71.d).

10 94. The net impression of Defendants’ representations regarding earnings is
11 that consumers who become FBOs will or are likely to make a profit, and, in some cases,
12 substantial income.

13 95. Therefore, based on the facts and violations of law alleged in this
14 Complaint, the FTC has reason to believe that Defendants are violating or are about to
15 violate laws enforced by the Commission.

16 **VIOLATIONS OF THE FTC ACT**

17 96. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits “unfair or
18 deceptive acts or practices in or affecting commerce.”

19 97. Misrepresentations or deceptive omissions of material fact constitute
20 deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

21 **Count I – False or Unsubstantiated Earnings Claims**

22 98. In numerous instances in connection with the advertising, marketing,
23 promotion, offering for sale, or sale of the right to participate in the Forever Living MLM
24 opportunity, including as described in paragraphs 2-6 and 10-84, above, Defendants have
25 represented, directly or indirectly, expressly or by implication, that consumers who
26 attempt to earn income as Forever Living FBOs will or are likely to make a profit,
27 including claims that FBOs will or are likely to make:

28 a) Specific stated dollar amounts of income, earnings, or profit;

- 1 b) Extra, part-time, supplemental, or significant income;
- 2 c) Unlimited income;
- 3 d) Income that equals or exceeds that from a job, including a full-time
- 4 or part-time job;
- 5 e) Income sufficient to pay for a vacation, a new car, or other identified
- 6 expenses;
- 7 f) Income sufficient to materially change an FBO's lifestyle; or
- 8 g) Income based on the purchases or sales made by FBOs in their
- 9 downline.

10 99. The representations set forth in Paragraph 98 are false, misleading, or were
11 not substantiated at the time the representations were made.

12 100. Therefore, Defendants' representations as set forth in Paragraph 98
13 constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15
14 U.S.C. § 45(a).

15 **Count II – Failure to Disclose Material Shipping Costs**

16 101. In numerous instances in connection with the advertising, marketing,
17 promotion, offering for sale or sale of Defendants' MLM opportunity, including as
18 described in paragraphs 74-76, above, Defendants represent calculations of hypothetical
19 amounts that they claim FBOs can earn by selling Defendants' products.

20 102. In numerous instances when Defendants make the representations described
21 in paragraph 101, Defendants fail to disclose to consumers that consumers' actual profits
22 will be less because consumers must incur certain costs to make the sales depicted, such
23 as the cost of shipping Defendants' products. This additional information would be
24 material to consumers in deciding whether to participate in Defendants' MLM
25 opportunity.

26 103. In light of the representations described in paragraph 101, Defendants'
27 failure to disclose the material information as described in paragraph 102 constitutes a
28 deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

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Count III – Means and Instrumentalities

104. By furnishing Forever Living FBOs with instructional materials regarding recruiting as well as promotional materials to be used in recruiting new participants that contain false or misleading representations, including as described in paragraphs 24-41, above, Defendants have provided the means and instrumentalities for the commission of deceptive acts and practices.

105. Therefore, Defendants’ practices, as set forth in Paragraph 104, constitute a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

106. Consumers are suffering, have suffered, and will continue to suffer substantial injury as a result of Defendants’ violations of the FTC Act. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers and harm the public interest.

PRAYER FOR RELIEF

Wherefore, Plaintiff requests that the Court:

- A. Enter a permanent injunction to prevent future violations of the FTC Act;
- B. Grant preliminary injunctive and ancillary relief;
- C. Award any additional relief as the Court determines to be just and proper.

Respectfully submitted,

Dated: 4/13/2026



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FEDERAL TRADE COMMISSION

Civil Cover Sheet

This automated JS-44 conforms generally to the manual JS-44 approved by the Judicial Conference of the United States in September 1974. The data is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. The information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is authorized for use only in the District of Arizona.

The completed cover sheet must be printed directly to PDF and filed as an attachment to the Complaint or Notice of Removal.

Plaintiff(s): Federal Trade Commission , ;

Forever Living Products International, LLC , ; Forever Defendant(s): Living.com, LLC , ; Gregg Maughan , ; Aidan O'Hare , ;

County of Residence: Outside the State of Arizona

County of Residence: Maricopa

County Where Claim For Relief Arose: Maricopa

Plaintiff's Atty(s):

Defendant's Atty(s):

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IFP REQUESTED

REMOVAL FROM COUNTY, CASE #

II. Basis of Jurisdiction: **1. U.S. Government Plaintiff**

III. Citizenship of Principal Parties(Diversity Cases Only)

Plaintiff:- **N/A**

Defendant:- **N/A**

IV. Origin : **1. Original Proceeding**

V. Nature of Suit: **890 Other Statutory Actions**

VI.Cause of Action: **15 USC 45 & 53(b). Action for unfair or deceptive acts or practices in or affecting commerce.**

VII. Requested in Complaint
Class Action: **No**

No

Jury Demand:

VIII. This case **is not related** to another case.

Signature: Andrew Hudson

Date: 4/13/2026

If any of this information is incorrect, please go back to the Civil Cover Sheet Input form using the *Back* button in your browser and change it. Once correct, save this form as a PDF and include it as an attachment to your case opening documents.

Revised: 01/2014