

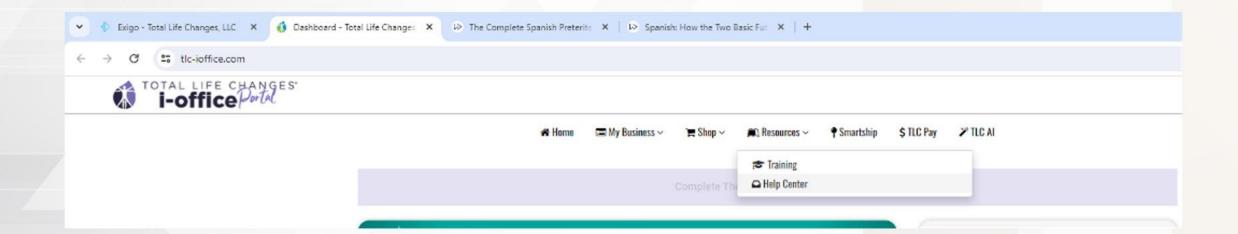
Presents



Deep Dive Into Claims: Part I

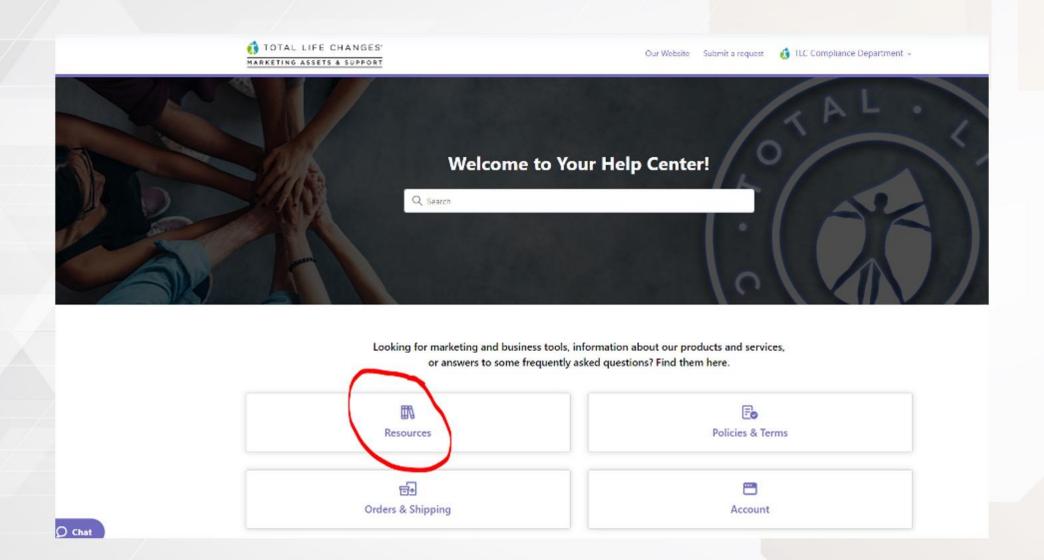


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5 months ago · Updated

- . TLC Health & Product Claims
- TLC Weight Loss Claims
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No

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DIRECT SELLING KEY REGULATORY BODIES/WATCHDOG GROUPS

- Federal Trade Commission (FTC)
- Food and Drug Administration (FDA)
- Direct Selling Self-Regulatory Council (DSSRC)
- State Attorneys General (AG)
- Local Better Business Bureau (BBB)
- TruthInAdvertising.org (TinA)

FTC GUIDANCE ON HEALTH CLAIMS

- Whether express or implied, any advertising, including social media posts and videos, must be truthful and not misleading.
- Advertising must have "adequate substantiation" for all objective product claims.
- The advertisement is looked at as a whole to determine whether it will mislead a consumer, acting reasonably under the same circumstances.

TLC POLICIES & PROCEDURES §7.2

7.2 Product Claims

LCs must not make any claims, including personal testimonials, as to therapeutic, curative or beneficial properties of any TLC products separate from those TLC has approved, as identified in the product fact sheet called "Facts" You'll Feel" or "FYF". In particular, no LC may make any claim that TLC products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases or signs or symptoms of a disease. Not only do such claims violate TLC policies, but they potentially violate applicable laws, including, but not limited to, the Federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act. When speaking about TLC's products, an LC should always disclose his or her relationship with TLC through a hashtag (e.g., "#TLCLifeChanger"), or other statement. LCs should be honest in their testimonial personal experience and assert that they are not claiming that their experience is the typical result experienced by consumers. Such testimonials should be accompanied by a disclaimer indicating that any claimed results are not typical, and disclosing the typical results with regard to the product as established in TLC's FYF. Unless specifically warranted in the FYF LCs must not guarantee any results. from the use or consumption of TLC products and services.

TLC'S ADVERTISING POLICY - PRODUCTS

- Only make the claims TLC has approved for a particular product. Just because a product had a
 result for you, doesn't mean that others will have the same result. So, while it may be tempting to
 be more creative with product claims, it is important that you stick to the guidance to make sure
 you are making truthful and non-misleading claims.
- Consider the net impression or takeaway message of the claim. Think about the whole context of the claim, including words, hashtags, and pictures. If a reasonable consumer would take away a misleading message (for example, that a product can treat a disease or other health condition), then you must change the claim.
- Include the following disclaimer whenever you make a claim about any of TLC's supplement products, on any platform, in a place that people can easily see and understand it:

This statement has not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure, mitigate or prevent any disease. Not intended for use by children. If you are pregnant, nursing or taking medications, consult your physician prior to use.

ADEQUATE SUBSTANTIATION OF HEALTH CLAIMS

- "Adequate Substantiation" is a flexible standard that generally requires health claims to be supported with competent and reliable scientific evidence.
- What exactly is required depends on several factors, including:
 - Is the claim supported by competent and reliable scientific evidence.
 - The type of product
 - > The type of claim
 - > The benefits of a truthful claim
 - > The cost/feasibility of developing substantiation for the claim

DOES THE POST AS A WHOLE MAKE A HEALTH CLAIM

- You are responsible for the "net impression" of the advertisement.
- If the post gives the overall impression that the product treats, cures or prevents disease, it must adequately substantiate any such interpretation.
- This requires a business to evaluate:
 - The meaning of the claim(s) being made
 - The relationship of the evidence to the claim
 - > The quality of the evidence
 - > The totality of the evidence

NATURAL VS. ORGANIC

- Just because something is natural does not mean it is organic. If it is not labeled "Organic," you cannot claim it is organic.
- For a product to be considered natural, it must be derived from nature and the ingredients must have undergone a minimal amount of processing.
- A product can also be considered "natural" but not "100% natural" or "all natural" as long as the claim is qualified, such as "no artificial preservatives" or "all natural flavors."
- By contrast, organic claims are highly regulated by the US Department of Agriculture (USDA) in regards to certification, pesticide and fertilizer use, and more.
- Given the increased plaintiff litigation regarding "natural" and "all natural" claims and heightened regulatory scrutiny of any reference to "organic" in a product claim, we recommend you DO NOT make any reference to "natural" or "organic" in any product ad.

WORDS THAT REQUIRE CERTIFICATION

- In addition to 'Natural' and 'Organic', there are several other claims that require proper certification.
 Although certain TLC products have such certification, given the increased plaintiff litigation regarding these terms, we recommend you DO NOT make any reference to the following terms in any product ad:
 - Gluten-free, Halal, Kosher, Non-GMO, Sugar-Free, Vegan
- For a product to be considered 'Gluten-Free' it must contain less than 20 parts per million (ppm) of gluten
- For a product to be considered 'Halal' it must not contain, pork, alcohol, or products from animals not slaughtered under Islamic consumption practices
- For a product to be considered 'Kosher' it must be produced in an audited facility using ingredients manufactured and processed according to stringent requirements regarding product handling, manufacturing, and cleaning
- For a product to be considered 'Non-GMO' every ingredient must be obtained from a non-genetically modified organism source
- For a product to be considered 'Sugar-Free' one serving must contain less than 0.5 grams of sugar, both natural and added
- For a product to be considered 'Vegan' it may not be of animal origin, and at no stage of the production and processing can there be the use of or supplementation with any animal ingredients, substrates, processing aides or other substances of animal origin in processed or unprocessed form

IMPROPER SOCIAL MEDIA POSTS



Incorrect Product Claims:

- Detox
- Filters toxins, chemicals, hormones and pesticides
- Removes parasites, intestinal sludge, any type of waste that causes your body to become sick and unhealthy
- Cleanses and Purifies
- > Your organs
- > Your blood
- ➤ Your digestive tract
- Your respiratory system
- Your whole body
- Great for IBS, Bloating & Pain

IMPROPER SOCIAL MEDIA POSTS



Incorrect Product Claims:

- Lose 5 lbs in 5 days
- Detox and lose weight naturally
- 100% Organic
- Also helps with
- > Constipation
- > Eliminates parasites
- > Inflammation
- ➤ High blood pressure
- > High cholesterol
- Diabetes
- > Cleans the colon

RESPONSIBLE SOCIAL MEDIA POSTING

- There is a lot of unapproved and incorrect material on social media.
- Don't copy & paste or share any posts you find online that do not comply with TLC's advertising policy or contain questionable health or product claims
- Only share material that has been created by TLC, and also:
 - Adheres to current FTC guidelines
 - Has been substantiated based on reliable scientific studies (e.g. www.nih.gov)

PROPER SOCIAL MEDIA POST



My friend introduced me to this tea and I've been drinking it for the past two weeks. It's easy to make and easy to take. Since I've been drinking it, I have more energy during the day because I've been sleeping better at night. I also feel less sluggish and bloated. I'm so excited to see what happens next!

**This statement has not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure, mitigate or prevent any disease. Not intended for use by children. If you are pregnant, nursing or taking medications, consult your physician prior to use.





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- Highlights how consumer feels
- Does not mention any disease or medical condition
- Includes information from "Facts You'll Feel"
- Includes standard disclaimer

HEALTH CLAIMS THAT MISLEAD BY OMISSION

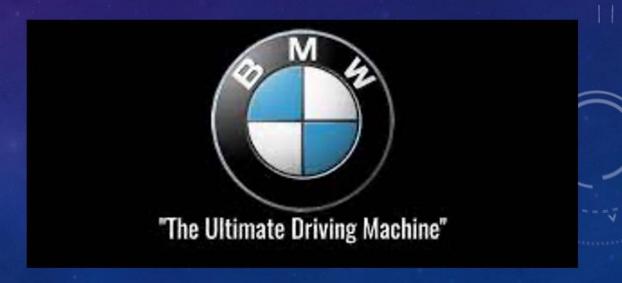
- Posts can be deceptive for what they fail to say as well.
- Must disclose any limitations or qualifying information to prevent the post from being misleading.
- Disclaimers are frequently used to protect against omissions claims the FTC sometimes refers to these types of disclaimers as "qualifying information."
- Misleading Example: I drank laso Tea for six weeks and at my next doctor's appointment, I found my cholesterol was down 20 points.
- Qualified Example: I drank laso Tea for six weeks, ate a healthy, low-fat diet and increased my exercise, and at my next doctor's appointment, I found my cholesterol was down 20 points.

*This statement has not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure, mitigate or prevent any disease. Not intended for see by children. If you are pregnant, nursing or taking medications, consult your physician prior to use.

PUFFERY

- Puffery is defined as a statement or opinion that is either so hyperbolic, exaggerated or vague that no reasonable person would take it seriously, or it is incapable of being objectively proven.
- Often used as a slogan, catchphrase or tagline for a product.
- Examples:

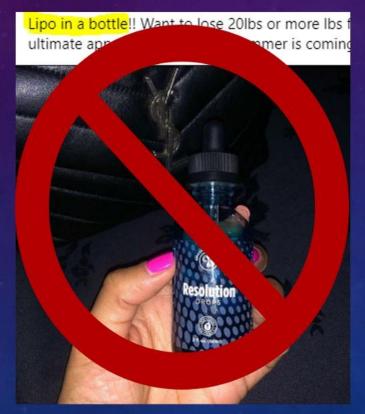




PUFFERY (CONT.)

 Problems arise when the catchphrase makes a health claim that a typical consumer may believe to be true.

• Example:



HEALTH CLAIMS BASED ON PERSONAL EXPERIENCE

It does not matter that your testimonial represents your own personal experience and honest opinion.

- Anecdotal evidence of the product's effect, based solely on the experiences of the individual, is not sufficient to substantiate a claim.
- Disclaimers regarding what the <u>typical</u> consumer can expect, supported by evidence, are necessary with all testimonials.
- Example Testimonial:

"After drinking laso Tea for a week, I feel like I have more energy and I am sleeping better. My experience may not be typical of all users of laso Tea. You should always consult with a physician before using any dietary supplement."

This statement has not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure, mitigate or prevent any disease. Not intended for use by children. If you are pregnant, nursing or taking medications, consult your physician prior to use.

Even if your testimonial is based on your personal experience as a consumer, if your affiliation as an LC with TLC is not clear from the ad, it may be necessary to disclose that you are also being compensated as an LC.

HEALTH CLAIMS BASED ON TRADITIONAL USES

 Some claims based on the traditional use of the product, or an ingredient, for a particular purpose are permitted because it is a long-standing, scientifically-proven fact.

Example: Calcium builds strong bones.

- When analyzing traditional use claims, the FTC examines:
 - Consumers' expectations that the claim be backed up by scientific evidence
 - Whether the claim implies that the supplement or an ingredient has been scientifically evaluated for efficacy
 - Whether the historical use of the supplement or ingredient can be documented and supported
 - Will the claim at issue lead a consumer to self medicate or forego treatment of a potentially serious condition.

HEALTH CLAIMS BASED ON TRADITIONAL USES (CONT.)

 Other claims based on the traditional use of the product or an ingredient for a particular purpose are more troublesome.

Example: The Ganoderma lucidum fungus has a long history of use for promoting health and longevity in China, Japan, and other Asian countries.

- Although, studies have been done and additional studies are ongoing, the results, to this point, have been inconclusive.
- Unfortunately, that has not stopped companies and individuals from making improper health claims about the potential benefits of this mushroom, like "cancer-fighting" or "immuneboosting" properties.
- Unless indicated on the Product Fact Sheet (FYF), DO NOT make health claims based on traditional uses.

HIGH-RISK WORDS AND PHRASES

>	Alleviate
>	All Natural
A	Antibacterial
A	Anti-Depressant
A	Anti-Inflammatory
>	Anti-Hypercholesterolemic
>	Anti-Microbial
A	Antiviral
A	Anxiety
A	Arthritis
>	Autoimmune
>	Boost(s)
>	Blood Cells
A	Blood Pressure
>	Blood Sugar
A	Burn Fat
A	Certified
>	Certified Organic
A	Cardiovascular
>	Cardioprotective
>	Cholesterol
A	Cure(s)
~	Covid/Covid-19
A	Depression
×	Detox
٨	Diabetic
A	Diabetes

ONDS A
Diagnose
Disease(s)
Disorders(s)
Drug(s)
Dysfunction(s)
Fat Levels
Fight(s)
Flare/Flare Ups
Glucose-Free
Gluten-Free
GMO
Halal
Harmful Toxins
Heal(s)
Healing
Help
Heart
Heart Disease
Hopeless
IBS
III/IIIness
Improve(s)
Immune System
Immunity
Infection(s)
Inflammation
Inflammatory

A	Insulin
A	Kill(s)
A	Kosher
	Menopause
A	Mitigate(s)
A	Mood Swings
۸	Muscle Functions
A	Natural
A	Nerves from Injury
A	Nerve Functions
A	Neuroactive
A	Neuro
A	Neuroprotective Properties
>	Non-GMO
~	Organic
A	Pain
A	Prevent(s)
A	Preventative
A	Protect
A	Reduce(s)
A	Reduction
A	Relief
A	Relieve(s)
>	Restore(s)
A	Restore to health
>	Risk

	0.0
A	Sick/Sickness
>	Severity
>	Stimulate
>	Stimulation
>	Sugar-Free
>	Shrinks
>	Sick
>	Sickness
>	Stiffness
>	Swelling
>	Stop
>	Stop suffering
>	Sugar free
>	Symptoms
>	Time off work
>	Tissue
>	Treat(s)
>	Treatment(s)
A	Tumors
>	Type A
>	Туре В
>	Vegan
>	Vitiligo
>	Whole Grain
>	Wound(S)

100% Organic

TLC'S CURRENT GUIDANCE

Product/Medical Claims

It is important to be mindful of medical claims when advertising products. Here are some alternatives for consideration to be sure you are following compliance guidelines when promoting products.

Avoid These Terms	Try These Instead!
Diabetes	Helps support already healthy blood sugar levels
Heart Attack	Supports optimal cardiovascular health or function
Arthritis	Joint discomfort or stiffness associated with over use or over-exertion, helps support cartilage and joint function
Obesity	Alds In weight loss
Cancer Prevention of Cancer Prevention of Disease(s) Kills Cancerous Cells	Supports optimal immune function or helps maintain a healthy immune system
Chronic Fatigue	Supports healthy energy levels
Cholesterol	Supports healthy cholesterol levels or helps maintain already healthy cholesterol levels
Prevents Development of Cancer	Helps promote optimal cellular health and functionality
Depression	Promotes or maintains normal or stable mood

DO NOT make any claims, including personal testimonials, as to therapeutic, curative or beneficial properties of any TLC products separate from those TLC has approved, as identified in the Product Fact Sheet called "Facts You'll Feel" or "FYF".

KEY TAKEAWAYS

- ✓ Always have scientifically-based evidence to support any claims made in advertising.
- ✓ Refer to the Product Fact Sheet called "Facts You'll Feel" or "FYF" for product benefits, ingredients, use instructions and related disclaimers.
- ✓ Evaluate the post as a whole to make sure its "net impression" is not misleading.
- ✓ DO NOT make any claims that a product may help any serious or lifethreatening conditions.
- ✓ DO NOT make any statement, including testimonials, that indicate that a product may diagnose, cure, treat, mitigate or prevent any disease.
- ✓ Liberally use the standard FDA disclaimer that the product is not intended to diagnose, treat, cure, mitigate, or prevent any disease.





Presents

