



November 5, 2021

VIA EMAIL & U.S. MAIL

Truth in Advertising, Inc.
ATTN: Laura Smith, Esq.
Legal Director
P.O. Box 927
Madison, CT 06443

Re: Correspondence re: “Deceptive Marketing by USANA Health Sciences in Violation of FTC Law”

Dear Ms. Smith:

This letter is in response to Truth in Advertising, Inc.’s (“TINA”) letter dated November 3, 2021, with the above-captioned title. Please know that USANA Health Sciences, Inc. (“USANA”) takes TINA’s concerns seriously and is committed to ensuring that its products and business opportunity are marketed and promoted with the highest ethical standards and in full compliance with all applicable laws and regulations. USANA’s reputation is our greatest asset and we are committed to being a company that sets the standard for compliance and ethics across the direct selling industry.

Below we have addressed the concerns raised in your letter.

a. USANA has eliminated identified improper income, lifestyle, and product claims.

Upon receiving your correspondence, USANA took immediate steps to review the content TINA compiled. USANA agrees that much of the identified content contained improper claims that violate not only USANA’s Terms and Policies (the “Policies”), but also the image we wish to project about our products and business opportunity. We thank you for bringing these violations to our attention.

USANA mobilized quickly to eliminate the improper claims contained within the content TINA provided.¹ USANA demanded that the Associates responsible for this content remove it

¹ USANA was unable to locate the live versions of the following content identified by TINA: (1) https://www.truthinadvertising.org/wp-content/uploads/2016/08/Cancer4_FacebookUsana.pdf; and (2) https://www.truthinadvertising.org/wp-content/uploads/2021/11/sammigz08-FB-9_16_20.png. If TINA would please provide a live link to this content, or additional information to assist USANA in locating this content, USANA will take immediate corrective action.

immediately, and the majority promptly complied. As to the posts that remained active as of the date of this letter, USANA has reported the content to the third-party platform on which it appears, demanding the content be removed promptly, and USANA continues to work toward removal of the materials through all possible means.

Furthermore, USANA is taking steps to ensure these Associates do not make improper claims in the future. Notably, the majority of Associates making the claims TINA identified had no prior infractions necessitating corrective action by USANA's compliance team. These Associates therefore have been reminded of USANA's prohibitions against misleading claims and required to (1) review training related to those prohibitions, and (2) certify they will not make improper claims in the future. They have also been notified that if they are found to have violated USANA's Policies concerning prohibited claims again, they will be subject to disciplinary action, including termination.

Additionally, as to the Associates that have refused to comply or previously made improper claims, USANA immediately placed their distributorship on hold and instituted disciplinary proceedings against those Associates. These proceedings are ongoing, but confirmation of prohibited claims by these Associates will result in serious sanctions, including possible termination of the Associates' independent contractor agreement with USANA, depending upon the seriousness of the prohibited claims made.

b. USANA has ensured its influencers are utilizing USANA's required disclosures.

As to the influencer materials TINA identified, when USANA partners with its influencers, USANA provides clear instructions that they must include #Ad or #Sponsor in the opening of any post made regarding USANA. USANA also provides monthly reminders to its influencers that such disclosures are required. Furthermore, USANA actively monitors its influencers' posts to ensure compliance with USANA's disclosure and claim prohibition policies.

We regret the influencers TINA identified did not follow USANA's policies, and we thank TINA for bringing this issue to our attention. USANA took immediate action to ensure the required disclosures were added to all content included in TINA's letter. USANA also reached out to the influencers who posted the content that TINA identified to remind them of the importance of including the appropriate disclosures in all future content they create. USANA also notified each influencer that future non-compliance may result in the termination of USANA's relationship with that individual. As we move forward, USANA will closely monitor the content posted by these specific influencers and is committed to redoubling its influencer education and monitoring as a whole.

c. USANA has a robust compliance department monitoring its Associates claims

As mentioned above, USANA strictly forbids Associates from engaging in "deceptive advertising" and from making "unsubstantiated disease-treatment claims" and "deceptive income claims." And to ensure that its Associates are not engaging in such activities, USANA actively educates its field on prohibited income, lifestyle, and product claims. For instance, USANA requires all new United States Associates to take an Ethics in Action course, which contains training regarding USANA's Policies and best practices to ensure compliance with them. Further, after becoming an Associate, USANA provides access to an extensive database of approved marketing materials related to its products and the business opportunity. And for those Associates who wish to author their own materials, USANA provides guidance on how to create compliant marketing materials.

USANA even has a Facebook page dedicated to Associate compliance. *See* <https://www.facebook.com/USANAethics>. Compliance content USANA distributes to its Associates ranges from USANA's prohibition on any references to COVID, the pandemic, or the current economic environment, to reminders on how and when to use disclaimers in Associate marketing materials.

USANA does not merely memorialize its prohibition on misleading claims on paper. USANA has a robust compliance department that is dedicated to ensuring its Associates are not engaging in prohibited conduct. The team is comprised of over fifty individuals that specialize in misleading-claim education, identification, and remediation. In addition to searching for and identifying misleading content on its own, USANA's team also utilizes independent, third-party platforms and personnel to assist in policing USANA Associates' online presence. USANA is currently working with its third-party monitoring services to optimize its search protocols to better identify improper claim content such as that identified by TINA.

Going forward, USANA will continue to dedicate significant resources and invest in diligently searching for, and demanding removal of, improper marketing and promotional claims regarding its products and business opportunity.

d. USANA is dedicated to ensuring that it is not engaging in misleading advertising.

Finally, USANA is dedicated to ensuring that it does not engage in misleading advertising regarding its product and business opportunity. In that regard, USANA reviewed the "Company" content contained in the links TINA provided. USANA respectfully disagrees with TINA's contention that there is anything misleading or improper regarding this content.

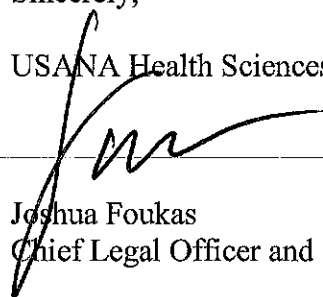
For instance, USANA's website and compensation plan accurately reflect its products and the business opportunity, and they are not misleading. Furthermore, although USANA disagrees that materials related to its million-dollar club are misleading or in any way improper, USANA discontinued its million-dollar club and has ensured the remnant content related to the club identified by TINA has been removed. And finally, USANA disagrees that any Company-published product content TINA identified is in any way misleading. USANA stands behind its products, and all USANA claims about its products are substantiated by scientific evidence. USANA has complied with all statutory and regulatory requirements for product claims about nutritional supplements, including but not limited to the Food & Drug Administration's Structure/Function Claim Notification process.

As demonstrated herein, USANA is dedicated to being an industry leader when it comes to compliance and ethics. USANA takes considerable measures to ensure its Associates remain compliant with all laws and regulations when representing USANA's products and business opportunity. And USANA takes prompt and decisive action when its Associates engage in improper marketing. Given this, USANA requests that TINA publish this letter alongside TINA's original letter to provide a fair and accurate portrayal of USANA's dedication to compliance, ethics, and the prevention of misleading income, lifestyle, and product claims.

Should you have any questions regarding the information in this letter, you are welcome to contact me.

Sincerely,

USANA Health Sciences, Inc.

A handwritten signature in black ink, appearing to read 'J. Foukas', is written over a horizontal line. The signature is stylized and cursive.

Joshua Foukas
Chief Legal Officer and General Counsel