BBB NATIONAL PROGRAMS, INC.

The Direct Selling Self-Regulatory Council
Case Number 29-2020: – Government Referral – Flavon USA, LLC

COMPANY DESCRIPTION

Flavon USA, LLC ("Flavon" or the "Company") is a direct selling company that was founded in 2006 and which offers dietary vegetable and fruit concentrate dietary supplements. Flavon's nutritional supplements are offered for kids, men, women, and for active lifestyles.

BASIS OF INQUIRY

The Direct Selling Self-Regulatory Council ("DSSRC") is a national advertising self-regulation program administered by BBB National Programs, Inc. This inquiry was commenced by the DSSRC pursuant to its ongoing independent monitoring of advertising and marketing claims in the direct selling industry.

Specifically, DSSRC identified the following representative product performance claims and one business opportunity claim being disseminated by Company salesforce members on social media including claims that the Company's products can protect against disease and the COVID-19 virus¹:

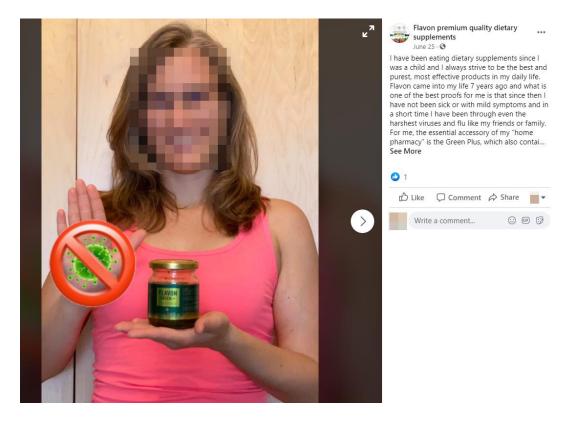
Product Performance Claims

- "Don't wait until the next virus. PREVENT, PROTECT, MAINTAIN YOUR HEALTH. Boost your immune system Now and for the Future..."
- "I think this is just the right time to share with you how I won the battle with the flu. Let me tell you I am 8 months pregnant and survived without any medications. What actually helped me was FLAVON...I can't be more grateful, as this time the flu was the most horrible in my life and I am so happy that I had all I need in hand Flavon. Best way to protect our family is to get vitamins from natural sources such as Flavon."
- "Flavon came into my life 7 years ago and what is one of the best proofs for me is that since then I have not been sick or with mild symptoms and in a short time I have been through even the harshest viruses and flu like my friends or family. For me, the essential accessory of my 'home pharmacy' is the Green Plus, which also contains yeast beta-glucan, which has an immunomodulatory effect.

https://www.facebook.com/groups/141391476944517/permalink/143574190059579 and https://www.facebook.com/ConnectToNatureWithFlavon/photos/p.167841378048613/167841378048613/.

In addition, during the pendency of the inquiry, DSSRC identified other posts from Company salesforce members indicating that the Company's products can effectively treat or prevent a number of diseases and serious health-related conditions. See

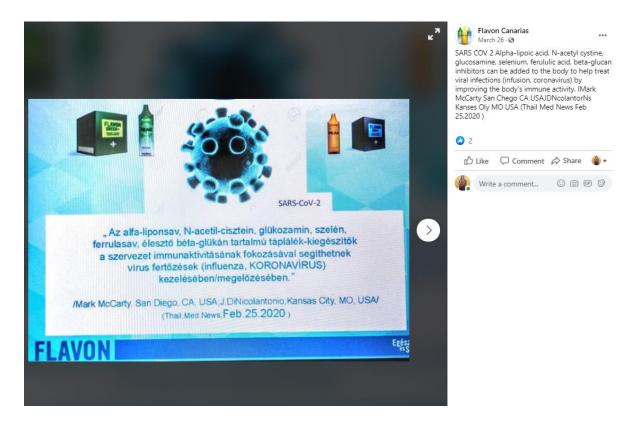
#viruses #immunsystem"



- "The active ingredients of vegetables in the product may help:
 - In alkalizing an acidified body which is very important in cancer and inflammatory processes
 - In the prevention of Parkinson's disease
 - Blood pressure problems
 - Joint problems, preventing gout / relieving gout symptoms (due to turmeric content)
 - Enhancing Your Immune System (Due to Beta Glucan Content) High in Vitamin C
 - Enhancement Positive effects on the nervous system Important for smokers smoking makes vitamin C difficult to absorb (with FlavonMax +)"
- Image with copy stating:
 - DIABETES, ECZEMA, CANCER, ALZHEIMERS, PARKINSONS, ALLERGIES, ASTHMA
- "Antioxidants, flavonoids deactivate harmful free radicals, slow down aging processes, boost up immune system, have antibacterial, antiviral, antiasthmatic and anti-allergic effects, have an important role in preventing

malignant tumours (sic), have a positive effects on the circulatory system and decrease the number of complications of diabetes."

- "...it is important that we continue to pay attention to increased support for our immune system! With the Flavon Peak Fruit, I give myself the extra energy for training and the maximum immune protection against viruses and bacteria!"
- "Corona virus?...Boost Your Immune System With LIVE Fruit & Oil Essence!"
 #corona #flavonoids #immunsystem #life #lifeisgood
- "inhibitors can be added to the body to help treat viral infections (infusion, coronavirus) by improving the body's immune activity."



- #flavon #covid_19 #korona #vírus
- #flavon #titok #életmódváltás #stopcovid19
- "Prevents and treats cystitis conditions and kidney problems, For musculoskeletal problems (arthritis, trauma, pains) combine with Flavon joy. For hormonal balance combine with Flavon Kids. #kidney #cystitis #arthritis" Instagram
- "Totally protect for your kids to virus, bacterial or other infection."
 Facebook

DSSRC also identified the following earnings claim being communicated on Facebook:

 Don't just watch how others live. Would you like to get to places like this but you don't have the opportunity or the money? At Flavon you have both. Try it. With Flavon you can visit places, you've only been dreaming of. Cancún, Mexico can be one of them.

Join us and set your own schedule. You have the chance to do it as a part-time job or even while doing your studies. Joining us is free, be your own boss. No high expectations.

You can quit without any obligation or compulsory payment. And you can start over any time you wish. •

Our products make the business part a lot easier. They help you maintain a healthy, high-quality life.

COMPANY'S NON- PARTICIPATION IN THE DSSRC PROCESS

DSSRC brought the representative claims identified above to the Company's attention by written correspondence dated September 30, 2020. The Company was provided with 15-business days to respond to the DSSRC inquiry pursuant to section (II)(4) of the DSSRC Policies and Procedures.

After the Company failed to provide a response within 15 business days, DSSRC attempted to call Flavon on the telephone number provided on the Company website and left several voicemail messages requesting that they contact DSSRC or, alternatively, provide substantiation for the representations made by the Company's salesforce members. Consequently, DSSRC sent a second correspondence to Flavon pursuant to the email address provided on the Flavin website and reiterated its concerns with respect to the representative claims identified above and provided the Company with an additional 10 business days to provide DSSRC with a response.

Notwithstanding the additional opportunity to provide DSSRC with substantiation for the claims, the Company again failed to respond to DSSRC. DSSRC also confirmed that all of the posts remain active on social media.

REFERRAL TO GOVERNMENT

DSSRC determined the claims that were the subject of this inquiry reasonably communicated that Flavon products can effectively treat serious health-related conditions including the coronavirus. Despite DSSRC exercising its due diligence in attempting to contact Flavin several times, the Company was unresponsive to the inquiry. In accordance with section (II)(9) of the DSSRC Policies and Procedures, in the event the company whose marketing is the subject of a DSSRC inquiry fails to participate in the self-regulatory process, DSSRC may refer the matter to an appropriate government agency for review and possible law enforcement action.

Accordingly, based upon the Company's failure to respond to the self-regulatory inquiry, DSSRC referred this matter to the Federal Trade Commission.

(Case No. 29-2020 PCM, closed on 11/10/20) © 2019. BBB National Programs, Inc.