BBB NATIONAL PROGRAMS

The Direct Selling Self-Regulatory Council
Case Number 33-2021: – Government Referral – RBC Life Sciences, Inc.

COMPANY DESCRIPTION

RBC Life Sciences, Inc. ("RBC Life Sciences" or the "Company") is a direct selling company that was founded in 1988 and which offers nutritional and wellness products including weight loss, fitness and health products. RBC Life Sciences has approximately 10,000 independent distributors in the US and Canada.

BASIS OF INQUIRY

The Direct Selling Self-Regulatory Council ("DSSRC") is a national advertising self-regulation program administered by BBB National Programs. This inquiry was commenced by 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 earnings claims being disseminated by Company salesforce members on social media and by the Company on its website. The representative claims include claims that the Company's products can protect against serious health-related conditions including COVID-19 and that Company salesforce members can earn significant income through the RBC Life Sciences business opportunity. In addition, the Company falsely claimed that it is accredited with the Better Business Bureau and that it is a member of the Direct Selling Association:

1. Product Claims

• Two days ago a very close friend called me because she has a very bad flu. Today flu seems serious and sensitive due to Covid19. She really suffered for a few days and she seek for doctors but this problem getting worst. She is very worried. She seeks help from me. I recommend her to take True Aloe every hour one cap. She fully recovered the next day."

"RBC PRODUCT TESTIMONIAL

Nasal cancer patient

He refused to stop smoking and eat. Very skinny, unable to walk property and he was admitted to hospital on 20/06. Doctor diagnosed three of his organs – lung, liver, kidney seriously damage. He is seriously ill and members of family were told to be prepared for the worst. He unable to take in any food and beverage, whatever he consumed, he will vomit out everything. His family was told to prepare for the worst. He unable to take in any food and beverage, whatever he consumed, he will vomit out everything. His family members didn't give up on him and urged him to consume RBC Products. After TWO DAYS, he able to consume food normally

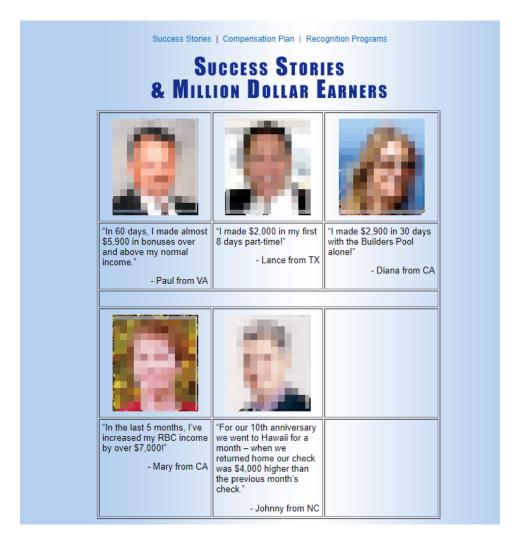
without vomit out again. Today, doctor says his damage organs are functioning normal and he recovered from the nasal cancer."



- "During the holidays, I added 8 pounds. With 10 Days of Chocolate, I lost 9 pounds and ½' off my waist in just two weeks!"
- "I lost 36 pounds in 30 days. Carla lot 20 lbs. in 24 days..."

2. Earnings Claims

- "In 60 days, I made almost \$5,900 in bonuses over and above my normal income"
- "I made \$2,000 in my first 8 days part-time!"
- "I made \$2,900 in 30 days with the Builders Pool alone!"
- "In the last 5 months, I've increased my RBC income by over \$7,000!"
- "For our 10th anniversary we went to Hawaii for a month when we returned home our check was \$4,000 higher than the previous month's check."



- "Wouldn't you like to earn extra income? A second or full-time income??
 Wouldn't you like to be a Million Dollar Earner? Don't you think it's time for your dream to start coming true?"
- "Unlimited Income"
- "Whether it is helping others, having more leisure time, drastically increasing your disposable income, achieving financial independence or just being your own boss, the Wellness Revolution and RBC Life Sciences can help you start living your dreams."

3. <u>Unauthorized Use of Trademarked Organization Logos</u>

During the pendency of its inquiry, DSSRC became aware that the membership seals permitted for display for companies accredited by the Better Business Bureau and for the Direct Selling Association were being featured on the Company's website. However, DSSRC subsequently confirmed that RBC Life Sciences is neither an

accredited business with the Better Business Bureau nor a member of the Direct Selling Association.¹

COMPANY'S NON-PARTICIPATION IN THE DSSRC PROCESS

DSSRC first brought the representative claims and issues identified above to the Company's attention by emailing RBC Life Sciences a copy of an inquiry letter on December 11, 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 RBC Life Sciences using the telephone number associated with the Company's headquarters in Irving, Texas. An individual from a company named HWH Marketplace answered the call and when asked about RBC Life Sciences, the individual requested information regarding which of RBC Life Sciences' products was being inquired about and would not provide any additional contact information for RBC Life Sciences. Subsequently, DSSRC sent a second copy of the DSSRC inquiry letter by overnight mail to the CEO of RBC Life Sciences at the Company headquarters. After the Company failed to respond to DSSRC's second opening letter, a 10-Day notice was sent to the Company on February 2, 2021 indicating that, if the Company failed to provide a response to DSSRC regarding the claims and issue within 10 business days, the matter would be referred to the appropriate government agency.

Notwithstanding the additional opportunity to respond to DSSRC's inquiry, the Company again failed to respond to DSSRC. DSSRC also confirmed that all of the subject claims at issue in this inquiry remain active on social media and on the Company website.

REFERRAL TO GOVERNMENT

DSSRC determined the claims that were the subject of this inquiry reasonably communicated that RBC Life Sciences products can effectively treat serious health-related conditions including COVID-19 and that Company salesforce members can earn significant income through the RBC Life Sciences business opportunity. Despite DSSRC exercising its due diligence in attempting to contact RBC Life Sciences several times, the Company did not respond to the self-regulatory 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.

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¹ See https://www.rbclifesciences.com/company.html

(Case No. 33-2021 PCM, closed on 02/19/20) © 2021. BBB National Programs, Inc.