



UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

**Via email cmcrae@nationalcorp.com**

Courtney McRae  
National Corporate Research, Ltd.  
1025 Vermont Avenue, NW, Suite 1130  
Washington, DC 20005

APR 26 2017

Re: FOIA-2017-00383  
Herbalife (refund calculations)

Dear Ms. McRae:

This is in response to your request dated January 13, 2017, under the Freedom of Information Act seeking access to all documents related to the FTC methodology to calculate refunds for consumers referenced in the press release *FTC Sends Checks to Nearly 350,000 Victims of Herbalife's Multi-Level Marketing Scheme*. In accordance with the FOIA and agency policy, we have searched our records as of January 17, 2017, the date we received your request in our FOIA office.

I am denying access to approximately 322 pages of the responsive records under FOIA Exemption 3, 5 U.S.C. § 552(b)(3), because they are exempt from disclosure by another statute. Specifically, Sections 21(b) and (f) provide that the FTC may not disclose information it obtains in a law enforcement investigation pursuant to compulsory process or voluntarily in lieu thereof. 15 U.S.C. § 57b-2; *see A. Michael's Piano, Inc. v. FTC*, 18 F.3d 138 (2d Cir. 1994).

In addition, some responsive records constitute confidential commercial or financial information, which is exempt from disclosure under FOIA Exemption 4, 5 U.S.C. § 552(b)(4). *See Critical Mass Energy Project v. NRC*, 975 F.2d 871, 879 (D.C. Cir. 1992). Moreover, because Section 6(f) of the FTC Act, 15 U.S.C. § 46(f), prohibits public disclosure of this type of information, it is also exempt under FOIA Exemption 3, 5 U.S.C. § 552(b)(3), which, as noted above, exempts from disclosure any information that is protected from disclosure under another federal statute.

Some responsive records contain staff analyses, opinions, and recommendations. Those portions are deliberative and pre-decisional and are an integral part of the agency's decision making process. They are exempt from the FOIA's disclosure requirements by FOIA Exemption 5, 5 U.S.C. § 552(b)(5). *See NLRB v. Sears, Roebuck & Co.*, 421 U.S. 132 (1975).

Some records contain personally identifiable information. This information is exempt from release under FOIA Exemption 6, 5 U.S.C. § 552(b)(6), because individuals' right to privacy outweighs the general public's interest in seeing personal identifying information. *See The Lakin Law Firm v. FTC*, 352 F.3d 1122 (7th Cir. 2003).

Based on the fee provisions of the FOIA, 5 U.S.C. § 552(a)(4)(A), and the Commission's Rules of Practice, 16 CFR § 4.8 et seq., as amended, I am also enclosing an invoice for the charges we incurred for this response to your request. Failure to pay this bill promptly will result in our refusal to provide copies of accessible documents in response to future requests. If not paid within 30 days, this bill will accrue interest penalties as provided by Federal Claims Collection Standards, 31 C.F.R. § 900-904, as amended.

Please make checks payable to U.S. Treasury and send payment to:

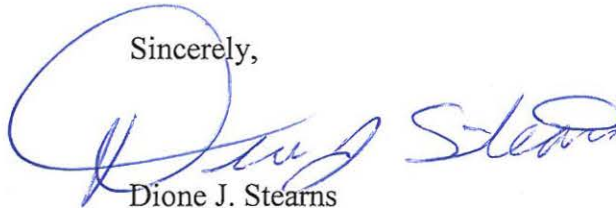
Financial Management Office, H-790  
Federal Trade Commission  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

If you are not satisfied with this response to your request, you may appeal by writing to Freedom of Information Act Appeal, Office of the General Counsel, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580, within 90 days of the date of this letter. Please enclose a copy of your original request and a copy of this response.

You also may seek dispute resolution services from the FTC FOIA Public Liaison Richard Gold via telephone at 202-326-3355 or via e-mail at [rgold@ftc.gov](mailto:rgold@ftc.gov); or from the Office of Government Information Services via email at [ogis@nara.gov](mailto:ogis@nara.gov), via fax at 202-741-5769, or via mail at Office of Government Information Services (OGIS), National Archives and Records Administration, 8601 Adelphi Road, College Park, MD 20740.

If you have any questions about the way we handled your request or about the FOIA regulations or procedures, please contact Anna Murray at (202) 326-2820.

Sincerely,



Dione J. Stearns  
Assistant General Counsel

Att: 10 pages