David Richmond, individually and as officers and directors of Modern Interactive Tonkrologyadne courseignt to Section 13(b) of the Rederal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), alleging violations of Sections 5 and 12 of the FTC Act, 15 U.S.C. §§ 45 and 22. The Commission and defendants Modern Interactive Technology, Inc.,

Mark Levine, and David Richmond, hereinafter referred to as "defendants," have stipulated to the entry of the following "Stipulated Final Order for Permanent Injunction and Settlement of Claims for Monetary Relief as to Defendants Modern-Interactive Technology, Inc., Mark Levine, and David-Richmond" ("Order") in ettlement of the Commission's complaint against them. The Court, being duly

advised in the premises, finds:

13 14

18

21

22

23

25

4

5

6

8

9

10

Could Tax Classic test of the content of the conten

er the defendants. Venue in the Central District of California is nroper. The Complaint states a claim upon which relief can be granted, and

- the Commission has authority to seek the relief it has requested under Sections 5 12, and 13(b) of the FIC Act, 13 U.S.C. 88 45, 32, and 53(v).
- The acts and practices of the defendants were or are in or affecting 3. commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
- Defendents waive all rights to seek indicial review of or otherwise challenge or contest the validity of, this Order. Defendants also waive any claim man they may have held under the Equal Access to bushee

27

28

Page 2 of 23

T T T T T T T T T T T T T T T T T T T			
li-teropeoegean	Mark I evine and David Richmond perform services as an employee consultant		
or maepend	ieni comfactor.		
3	7. A requirement that any defendant "notify the Commission" or "file		
5	with the Commission" shall mean that the defendant shall send the necessary		
6	information via first class mail or via overnight courier, costs prepaid to:		
<u>.                                    </u>	Associate Director.		
I Did Dawi	sion of Advertising Practices		
	Tar a resident control of		
9	600 Pennsylvania Avenue, NW, NJ-3212,		
10	Washington, DC 20580		
Maria Ann	Constitution of the contraction		
12			
	Luc Bur militating "iroludizaili sthis Acdes skellonean "kaitkout limitation"		
	9. The terms "and" and "or" in this Order shall be construed con-		
14			
15	junctively or disjunctively as necessary, to make the applicable phrase or sentence		
	inclusive rather than exclusive.		
16			
17			
20			
	IT IS HEREBY ORDERED that defendants, directly or through any		
21	corporation, partnership, subsidiary, division, or other device, and their officers,		
) II IL . ==	vanus; emppoyees, and dandings, hand un consepted bus designations of a consequence of a co		
23	active concert or narticination with them who receive actual notice of this Order.		
24	by personal service or otherwise, in connection with the manufacturing, labeling,		
25	advertising, promotion, offering for sale, sale, or distribution of any covered		
<u> </u>	autyernome. Diomonom. Offering tor gare, or anonio and or any covered		
27			
28	Page 5 of 23		

or by implication, including through the use of any endorsement, the profession expertise, training; education; experience or qualifications of any person who advertises, promotes, opendouse buny stake produst, consequent program ]]]. PREPARED TO THE CONTRACT OF THE PROPERTY OF TH corporation, partnership, subsidiary, division, or other device, and their officers, agente, servance, employees, and entering the persons or entities in active concert or participation with them who receive actual notice of this Order, by personal service or otherwise, in connection with the manufacturing, labeling, 11 12 advertising, promotion, offering for sale, sale, or distribution of any covered 13 product in or affecting commerce, shall not make any representation, in any 14 appropries and the state of the 15 or endorsement, about the health or weight loss benefits, performance, safety, or 16 efficary of such productive sleep, in the six enhancementation is made, defendants nossess and rely upon competent and reliable scientific evidence that substantiates the representation. 19 20 21 IV. 22 IT IS FURTHER ORDERED that defendants, directly or through any 23 corporation, partnership, subsidiary, division, or other device, and their officers 24 agents, servants, employees, and attorneys, and all other persons or entities in 25 active concert or participation with them who receive actual notice of this Order, 26 27 Page 7 of 23 28

]	by personal service or otherwise, in connection with the manufacturing, labeling,
	advertising, promotion, offering for sale, sale, or distribution of any covered
3	product in or affecting commerce, shall not misrepresent, in any manner, expressly
4   Погоулир	nowhonimalicating including through the use of any trade name or endorsement, the
5   6	existence, contents, validity, results, conclusions or interpretations of any test,
7	study, or research.
8	
9	V.
10.	Nothing in this Order shall prohibit defendants from making any
representa	representation for any doin that is nermitted in the labeling for such drug under
-	को ए विश्व के एक भी जो असाधकीय कृष्णी का है तर्पण है तर्पण है तर्पण है जा है जिस्से का लिए हैं तर्पण है जा है
13	Administration, or under any new drug application approved by the Food and
Drug Adn	ninistration. Nothing in this Order shall prohibit detendants from
16	making uny representation for error product that is appointedly permitted in labeling
€	for such product by regulations promulgated by the Food and Drug Administration
18	pursuant to the Nutrition Labeling and Education Act of 1990.
19	
20	VI.
	KIUTI THE REVELET VE. T
<u>製造</u> 品。" 第二 22 22	IT IS FURTHER ORDERED that:
23	A. The Commission's agreement to this Order, requiring that the
24	were the standard he lighter for less than the full amount of consumer injury
26	is expressly premised on the truthfulness, accuracy, and completeness
27	
28	Page 8 of 23

1	Called a service of the service of t
03-5-5-5-60	of their sworn financial statements and sunnorting documents
2	submitted to the Commission, namely:
3	1. the documentation-transmitted September 21, 2004, i.e., the
4	2003 tax returns for Mark Levine, David J. Richmond, Spendor
5	Products, Inc., Revolutionary Products, Inc., Tiger Fitness, Inc.,
6	Evolutionary Products, Inc., Modern Interactive Technologies,
<b>Q</b>	Inc., Main Event. Inc., Modern Health Labs. Inc., Torso Tiger.
9	Inc., and Total Tiger, Inc.;
10	2. the documentation transmitted November 1, 2004, <i>i.e.</i> , the FTC
11	
	ECVINE, TAX YOUTHS TOP BOOK THOUGHT OF UNE YOU THE
13	
14	2003, balance sheet for David Richmond as of 06/30/2004,
16	Premient in scarns in stank the thieres of the years appearance oncer-
	for Mark I evine of .06/30/2004_Assets and I jabilities
18	statement for Mark Levine, financial statement of MIT, tax
19	returns for MIT (d/b/a Modern Media) for 2001-2003,
20	Salifornia Franchise in come accuse for MIT for the income
	2001-2003, balance sheet for MIT as of 09/30/2004, cash flow
22	
25	MIT as of 12/31/2003, cash flow reports for MIT from
24	01/01/01 thru 01/01/03 and balance sheets for MIT from
	paramento (2 1/2 1/2 00 1/2 (2 1/2 d) (2 0 1/2 ) E (2 1
26 27	
27	Page 9 of 23
20	1 age 9 01 23
	si .

Page 10 of 23

27

<u></u>	Ummarrossessessasses por conjunction
2	any other proceedings the Commussion may initiate to enforce
3	this Order.
4	
5	VII.
6	COMPLIANCE MONITORING
) F. ).	JELIN LH. K. THETHER ABORRED that the number of maniforing and
	pagemuliones with surrequision of this Order
en e	10 de la companya de
n <del>- 1.</del> 1.	manuscripthe Commission, Morle Louing, Devid Richmond, and MIT each
12	shall submit additional written reports, sworn to under penalty of
13	perjury; produce documents for inspection and copying; appear for
14	deposition; and/or provide entry during normal business hours to any
15 	business location in such defendant's possession or direct or indirect
16	control to inspect the business operation:
	In addition, the Commission is authorized to monitor compliance with
143£W 17	ins order by an other rawran means, merading out not innecess me
20	following:
21	1. obtaining discovery from any person, without further leave of
	court, using procedures proscribed by Fed. R. Civ. P. 30, 31,
23	33, 34, 36, and 45;
24	2. posing as consumers and suppliers to describe ants, then the interpretation of the in
25	employees or any other entity managed or controlled in whole
<b>A</b>	contractive and white a series are the series and the series are series and the series and the series are series are series and the series are series are series and the series are seri
27	Page 11 of 23
28	rage 11 01 23

the necessity of formatication of prior notice, and

<u>11</u> 

C. Mark Levine, David Richmond, and MIT shall permit representatives of the Commission to interview any employer, consultant, independent contractor, representative, agent, or employee who has agreed to such an interview, relating in any way to any conduct subject to this Order. The person interviewed may have counsel present.

**Provided, however,** that nothing in this Order shall limit the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1, to obtain any documentary material, tangible things, testimony, or information relevant to unfair or deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

#### VIII.

## **COMPLIANCE REPORTING BY DEFENDANTS**

IT IS FURTHER ORDERED that, in order that compliance with the provisions of this Order may be monitored:

r wantaloundies to a resident for a stranger of the Crass of the Order

- Mark Levine and David Richmond shall notify the Commission of the following:
  - a. Any changes in residence, mailing addresses, and telephone numbers of Mark Levine and David Richmond

1	to this Order; the filing of a bankruptcy petition; or a change in
2	the corporate name or address, at least thirty (30) days prior to
3	out our supposite change arouided that with respect to any proposed
4	change in such entity about which defendants learn less than
5	
6	thirty (30) days prior to the date such action is to take place,
7	defendants shall notify the Commission as soon as is
8	practicable after obtaining such knowledge.
0	B. Ninety (90) days after the date of entry of this Order. Mark Levine.
10	David Richmond, and MIT shall provide a written report to the FTC,
11	sworn to under penalty of perjury, setting forth in detail the manner
12	and form in which they have complied and are complying with this
13	O 1 This report shall include but not be limited to:
14	and the state of t
LII : 15	r — 1 un Mark Levine and David Richmond
16	a. The then-current residence address, mailing addresses,
1/	ana true une display and Nark Te of Mark Levine and David
18	Richmond;
19	b. The then-current employment and business addresses
20	and tolenbore numbers of Mark Lewine and David
	Till All Cardin Condensation Co
<u>Z1</u>	Richmond, a description of the business activities of
22	each such employer or business, and the title and
23	responsibilities of Mark Levine and David Richmond,
East. 24	
Lyng Proposite 25	I for each such employer or husiness: and
26	c. Any other changes required to be reported under
27	
28	Page 14 of 23

-	
1	Paragraph A of this Part.
	2. For Mark Levine, David Richmond, and MIT:
3	a. A copy of each acknowledgment of receipt of this Order,
4	ohtained pursuant to Part X.
5	b. Any other changes required to be reported under
6   7	Paragraph A of this Part.
8	c. Copies of all then current advertisements, sales scripts,
9	training materials, or other marketing materials used by
10	any defendant(s) in the advertising, marketing,
11	promonon, vircinië vor stir, voluvalor, ist sibrio augusto of any
12	covered product in the United States; and
13	C. For purposes of the compliance reporting and monitoring
14	
15	required by this Order, the Commission is authorized to
16	communicate directly with Mark Levine David Richmond and
17	MIT.
18	
. 19	IX.
20	RECORD KEEPING PROVISIONS
21	IT IS FURTHER ORDERED that, for a period of eight (8) years from the
22	date of entry of this Order, defendants MIT, Mark Levine and David Richmond
23 <u>Г. п. севене т</u>	pand-their agents, employees, officers, ecoperations, successors, and eesigns, and
24	those persons in active concert or participation with them who receive actual
25	
26	notice of this Order by personal service or otherwise, in connection with any
27	
<u> </u>	1

	f comptmention more	edification and enforcement of this Order
m mentin	Commoses of the surrount information	rum omoroment at any crosser-
2	SO STIPULATED:	
3		MODERN INTERACTIVE
2	$\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$ $\bigcirc$	TECHNOLOGY, INC.
4	Hall Hall	
5	DAVID P. FRANKEL	BY: Mark Levine
6	THEODORE H. HOPPOCK	No.
7	Federal Trade Commission	MARK LEVINE, individually and on
	601 Pennsylvania Ave., NW, \$-4002	habelf of Madern Internative Technology
	wasmirgion, DC 20200	HIC.
*** *** ******************************	<del>(202) 326-3812; -3087; -3244</del> (voice) -	
العداديدوس	(202) 326-3250 (faccimile)	BAYID AR mylory hidryludany and on
le America	Not sissing in their	hebalf of Modern Interactive_Technology
	FEDERAL TRADE COMMISSION	Inc.
12	To the state of the control of the c	Jan F. Shans
15	[11] 1. (11) 12 12 12 12 12 12 12 12 12 12 12 12 12	Wandalo IID
14		Venable, LLP 575 7th Street, NW
14		Washington, DC 20004-1601
15		(202) 344-4300 (voice) (202) 344-8300 (facsimile)
1/	l L	
17		HARVEY SAFERSTEIN
18		Mintz Levin
10 	ত্রতা এ বিভাগেল ক্ষেত্রতা বিশ্ব বি	Water Garden Phase 1
19		1620 26th Street, Suite 2068 North
20		Santa Monica, CA 90404 (310) 586 3200 (voice)
21		(310) 586 3202 (facsimile)
22		
		Attorneys for Defendants
23		
24	SO ORDERED:	GARGACARY ALIEN PERSON
25	DATED: 247/05	
26		HONORABLE GARY A. FEESS
20 <u>Maria 144-14</u> -		UNITED STATES DISTRICT JUDGE

#### APPENDIX A UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA 3 4 5 FEDERAL TRADE COMMISSION, 6 Plaintiff. 7 CV 00-09358 GAF (CWx) v. STIPULATED FINAL ORDER FOR STEVEN PATRICK GARVEY a/k/a 10 **PERMANENT** STEVE GARVEY, GARVEY MANAGEMENT GROUP, INC., LARK INJUNCTION AND 11 KENDALL a/k/a KENDALL CARSON, SETTLEMENT OF 12 MARK LEVINE, individually and as an **CLAIMS FOR** officer and director of MODERN CTIVE TECHNOLOGY, INC.. AVID PICHMOND individually and 25 r and director of MUDEKN INTERACTIVE TECHNOLOGY, INC., and MARK LEVINE, AND 16 MODERN INTERACTIVE DAVID RICHMOND 17 TECHNOLOGY, INC., 18 Defendants. 19 20 AFFIDAVIT OF DAVID RICHMOND 21 David Richmond, being duly sworn, hereby states and affirms: 22 My name is David Richmond. I am a citizen of the United States and 23 1. 24 am over the age of eighteen. I have personal knowledge of the matters\_discussed\_ 25 in this affidavit, and if called as a witness, I could and would competently testify 26 27

Page 20 of 23

1	as to the matters stated herein. I am a defendant in the above-captioned action		
2	2. On (date), 2005, I received a copy of the		
3 4	Stipulated Final Order and Settlement of Claims for Monetary Relief as to		
razecskija	Defendante Madem Intersective Technology Inc. Mark Louine and David		
6 	Richmund, which was a ignored by the Monored by Cary-As Ferron, United States		
7 8	District Court Judge for the Central District of California. A true and correct copy		
9	of the Order that I received is appended to this Affidavit.		
10	3;		
11 12	the financial statements referenced in Part VIA of the Order.		
13	euy aetharchadeplenanydepennhymhermherivorthataba foraeoine is true and		
[4] Leorest F	ecuted on ideals		
16			
17			
18			
19			
20	David Richmond		
21			
22			
23			
24			
25			
26			
27			
28	Page 21 of 23		

# APPENDIX B UNITED STATES DISTRICT\_COURT CENTRAL DISTRICT OF CALIFORNIA

2

1

3

5

6

11 12

13

14

15

16

17

18

19

20

23

24 25

26

27

28

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

STEVEN PATRICK GARVEY a/k/a

STEVE GARVEY, GARVEY MANAGEMENT GROUP, INC., LARK

KENDALL a/k/a KENDALL CAKSON, MARK LEVINE, individually and as an officer and director of MODERN INTERACTIVE TECHNOLOGY, INC., DAVID RICHMOND, individually and as an officer and director of MODERN INTERACTIVE TECHNOLOGY, INC., and MODERN INTERACTIVE TECHNOLOGY, INC.,

Defendants.

CV 00-09358 GAF (CWx)

STIPULATED FINAL ORDER FOR

PERMANENT INJUNCTION AND

SETTLEMENT OF **CLAIMS FOR MONETARY RELIEF AS** TO DEFENDANTS **MODERN INTERACTIVE** TECHNOLOGY, INC., MARK LEVINE, AND DAVID RICHMOND

## <u>AFFIDAVIT OF MARK LEVINE</u>

My name is Mark Levine. I am a citizen of the United States and am-1. over the age of eighteen. I have personal knowledge of the matters discussed in this affidavit, and if called as a witness, I could and would competently testify as

1	to the matters stated herein. I am a defendant in the above-captioned action.	
2	2. On (date), 2005, I received a copy of the	
3   4	Stipulated Final Order and Settlement of Claims for Monetary Relief as to	
5	Defendants Modern Interactive Technology, Inc., Mark Levine, and David	
6 7	Richmond, which was signed by the Honorable Gary A. Feess, United States	
8	District Court Judge for the Central District of California. A true and correct copy	
9	of the Order that I received is appended to this Affidavit.	
10 11	3. I reaffirm and attest to the truthfulness, accuracy and completeness of	
12	the financial statements referenced in Part VIA of the Order.	
13 14	I hereby declare under penalty of perjury that the foregoing is true and -	
15	correct. Executed on (date), at (city, state),	
16		
17		
18		
19		
<ul><li>20</li><li>21</li></ul>	Mark Levine	
22		
23		
24		
25		
26		
27	D 22 - f. 22	
28	Page 23 of 23	

### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on February 15, 2005, a true and correct copy of

AND SETTLEMENT OF CLAIMS FOR MONETARY RELIEF AS TO

DEFENDANTS MODERN INTERACTIVE TECHNOLOGY, INC., MARK

LL VINL, AIND DA VID KICIIIVIOND was served in the mainter indicated on.

<u> Edward F. Glynn. Ir. Esq. (via Federal Exnress, priority overnight)</u>

575 7<sup>th</sup> Street, N.W. Washington, D.C. 20004-1601 ATTORNEY FOR DEFENDANTS

Harvey Saferstein (via Federal Express - priority overnight)
Mintz Levin
Water Garden Phase I
1620 26<sup>th</sup> Street, suite 2068 North
Santa Monica, CA 90404

Devenette Cox, Investigator Federal Trade Commission

Division of Advertising Tractices