

1 WILLIAM BLUMENTHAL
2 General Counsel

FILED
CLERK U.S. DISTRICT COURT

[REDACTED]

[REDACTED]

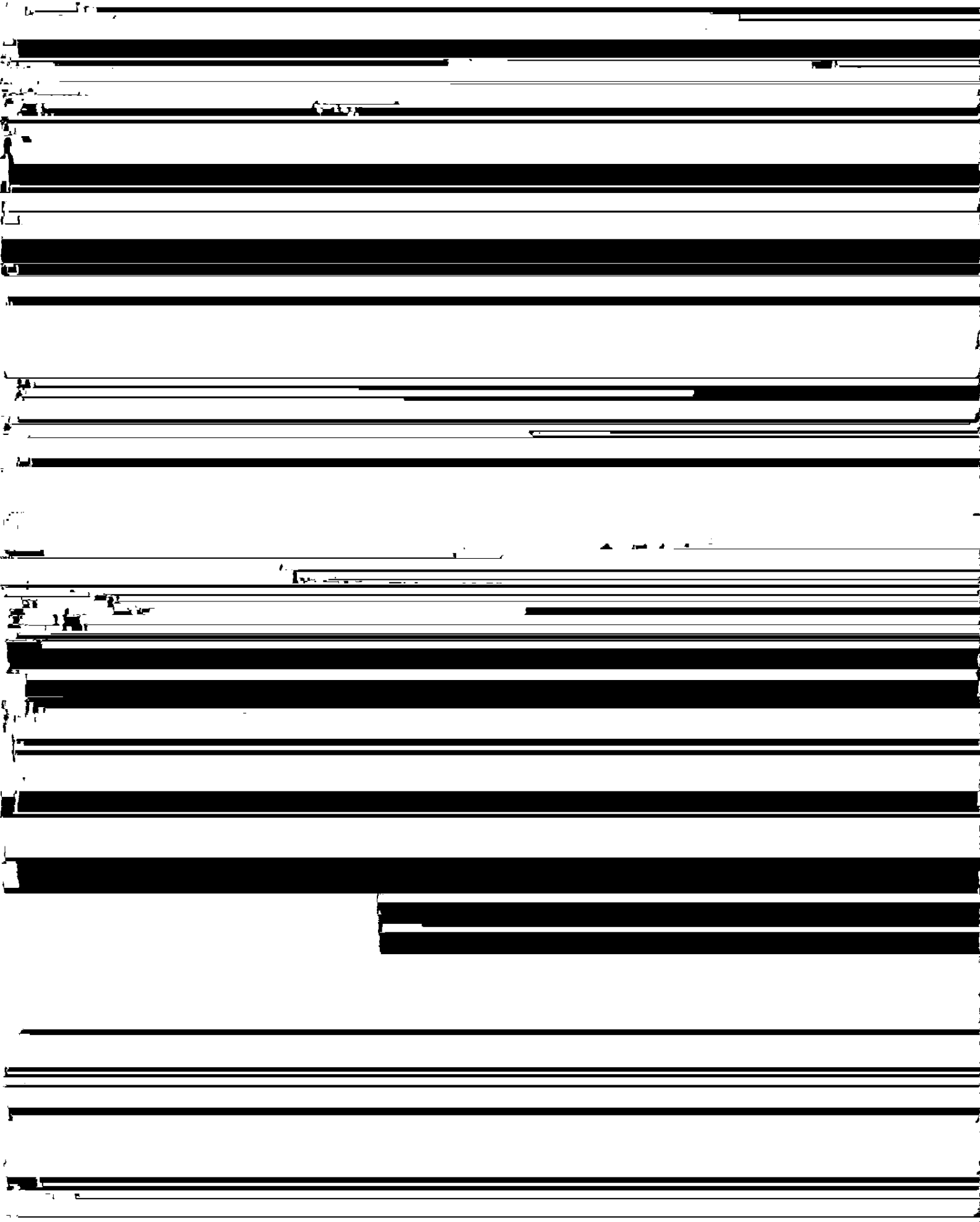
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1 Final Order. Defendant Revel also waives any claims that he may
2 have held under the Equal Access to Justice Act, 28 U.S.C. § 2412,
3 concerning the prosecution of this action to the date of this Settlement
4 Agreement and Final Order.

5 5. Each party shall bear its own costs and attorneys' fees.

6 This Settlement Agreement and Final Order is in the public

proceedings as may be necessary to enforce the provisions of this



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4. "Covered product or service" shall mean any food, drug, device, or dietary supplement, whether sold individually or as part of a program, or any health-related service.

5. "Commerce" shall mean "commerce" as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

6. "Endorsement" shall mean "endorsement" as defined in 16 C.F.R. §

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1 **CONDUCT PROHIBITIONS AND REQUIRED DISCLOSURES**

2 **Representations Regarding Respiratory Products**

3 **I.**

4 **IT IS HEREBY ORDERED** that Defendant Revel, directly or through any
5 corporation, partnership, subsidiary, division, trade name, or other device, and his
6 agents, representatives, employees, and all persons or entities in active concert or
7 participation with him who receive actual notice of this Settlement Agreement and
8 Final Order, by personal service or otherwise, in connection with the
9 manufacturing, labeling, advertising, promotion, offering for sale, sale, or
10 distribution of Lung Support Formula, or any other respiratory product, are hereby
11 permanently restrained and enjoined from making any representation, in any
12 manner, expressly or by implication, including through the use of trade names or
13 endorsements, that such product:

- 14 A. Cures or treats lung diseases or respiratory problems, including
15 allergies, asthma, colds, influenza, bronchitis, sinus problems, chest

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1 **Representations Regarding Diabetes and Blood Sugar Products**

2 **II.**

3 **IT IS FURTHER ORDERED** that Defendant Revel, directly or through

CONFIDENTIAL

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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1 or participation with him who receive actual notice of this Settlement Agreement
2 and Final Order, by personal service or otherwise, in connection with the
3 manufacturing, labeling, advertising, promotion, offering for sale, sale, or
4 ~~the manufacture, labeling, advertising, promotion, offering for sale, sale, or~~

[REDACTED]

V.

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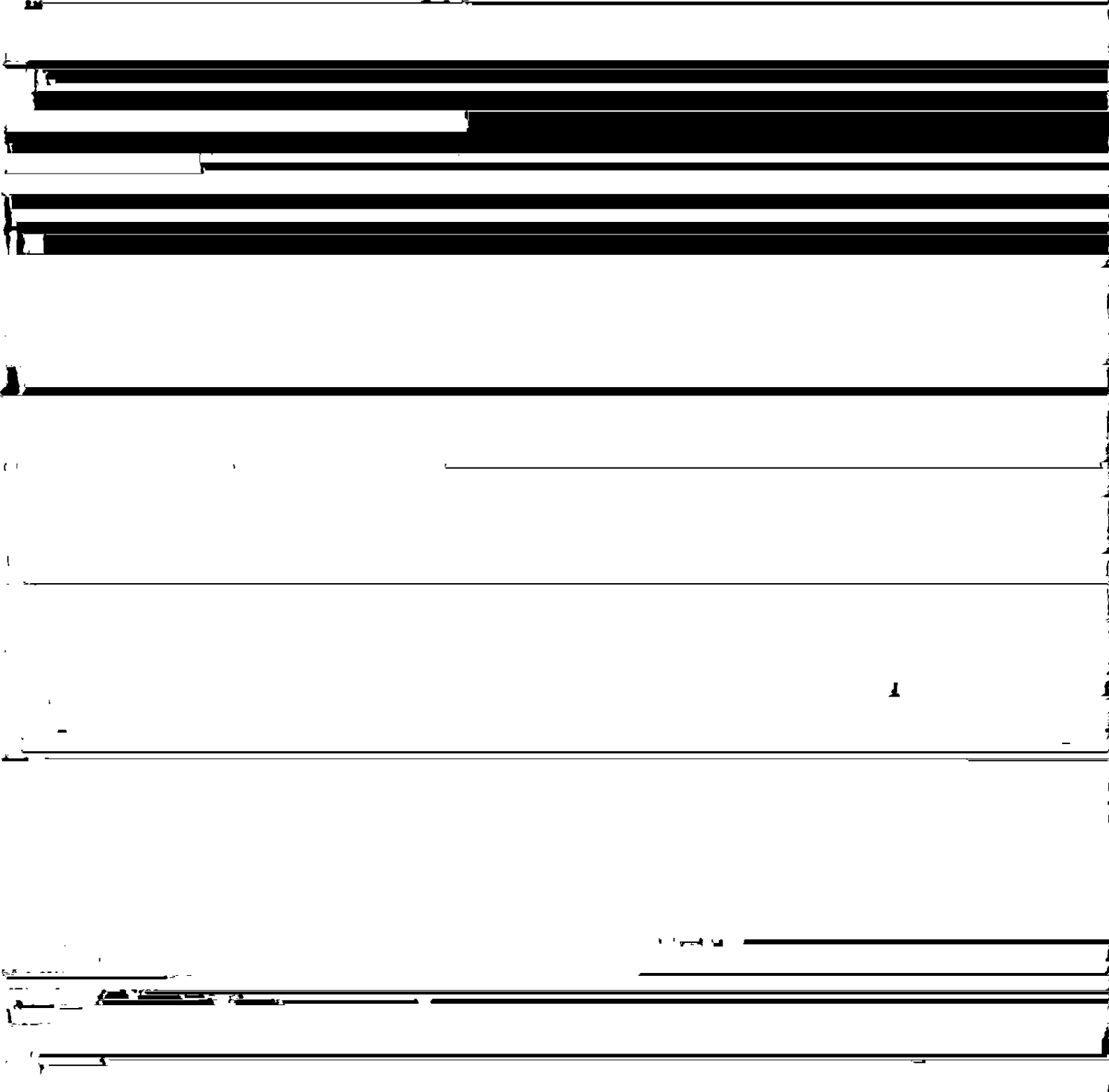
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Advertising Formats

VII.

IT IS FURTHER ORDERED that Defendant Revel, directly or through any corporation, partnership, subsidiary, division, trade name, or other device, and his agents, servants, employees and all persons or entities in active concert or

_____ who receive actual notice of this Settlement Agreement and



1 message unless:

2 A. The endorser is an existing person, organization, or group whose

name is listed in the information that the endorser is represented as

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1 Defendant owns or controls or its subsidiaries or affiliates, or receives
2 a royalty or percentage of sales of the endorsed product; or the
3 endorser is an employee, agent, representative, officer, director, or
4 shareholder of any business Defendant owns or controls or its
5 subsidiaries or affiliates.

6 **BOND REQUIREMENT FOR CHASE REVEL**

7 **X.**

8 **IT IS FURTHER ORDERED** that:

- 9 A. Defendant Revel, whether directly, or in concert with others, or
10 through any business, entity, corporation, subsidiary, division or other
11 device, in which he has a direct or indirect ownership interest or
12 controlling interest, or for which he holds a managerial post or serves
13 as an officer, director, consultant, or employee is hereby permanently
14 enjoined and restrained from participating or assisting others in any

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implementation, or designing or preparing or assisting in
the preparation of product labeling or packaging;

- b. formulating or providing, or arranging for the
formulation or provision of, any sales script or any other
advertising or marketing material for any person or
entity;

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- b. Holds a Federal Certificate of Authority As Acceptable Surety on Federal Bond and Reinsuring;
- 5. The bond shall be in favor of the Commission for the benefit of any consumer or consumers injured as a result of any violation of the provisions of this Settlement Agreement and Final Order or of Sections 5(a) or 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52, related to a Bond Covered Activity;
- 6. The bond required pursuant to this Paragraph is in addition to and not in lieu of any other bond required by federal, state or local law. The bond requirements of this Settlement Agreement and Final Order shall not be construed to limit or preempt the regulatory powers of any other federal, state or local governmental agency or authority;
- 7. At least ten (10) days before commencing any Bond Covered Activity, Defendant Revel shall provide a copy of any bond required by this section to the Associate Director for Enforcement at the Federal Trade Commission by overnight courier; and
- 8. Defendant Revel, directly or through any other persons acting

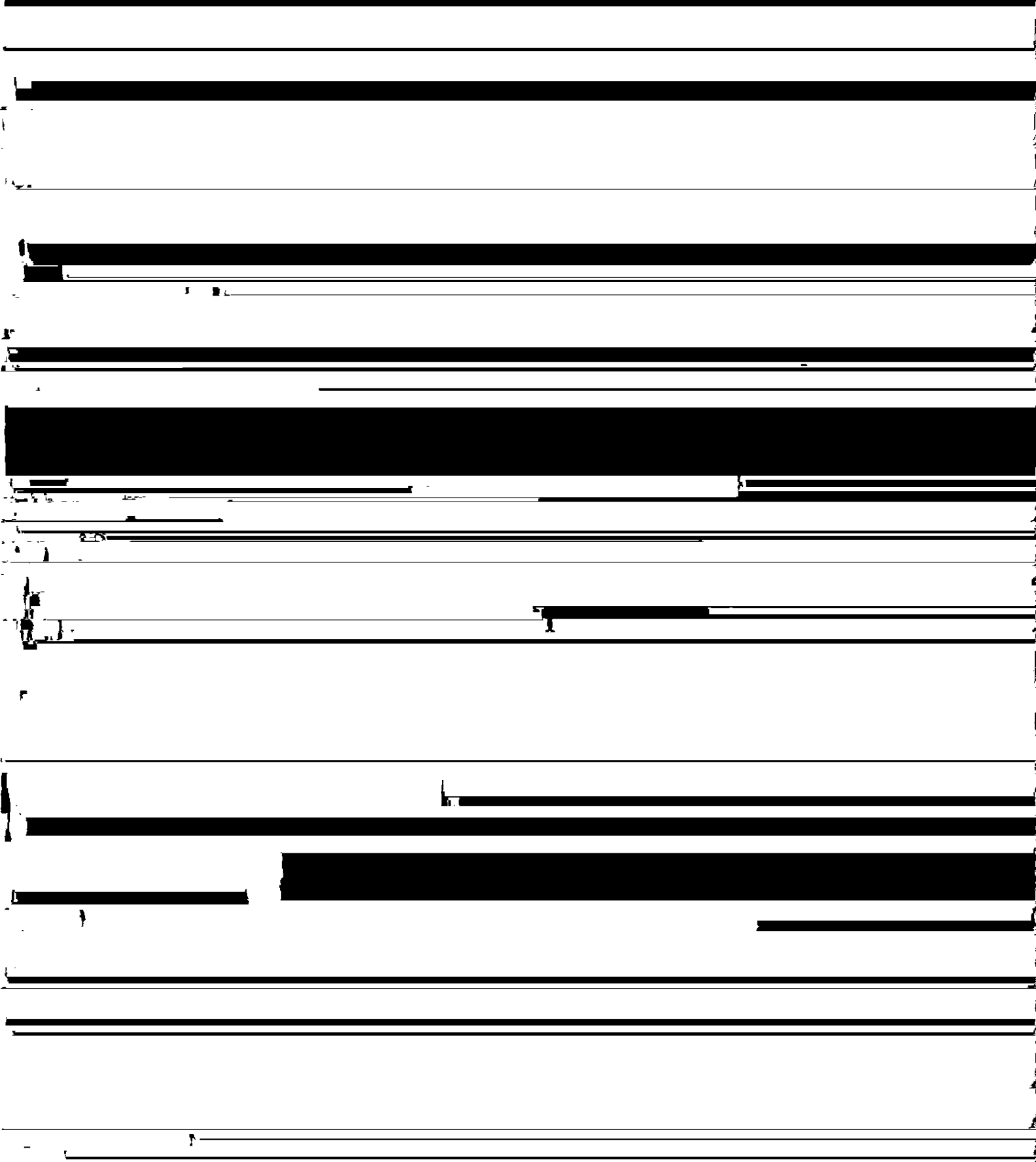
in connection with him or under his authority

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Such disclosure shall be made clearly and prominently, and in close proximity to any statement disclosing the existence of the bond.

C In lieu of the bond required by Subparagraph A hereof Defendant

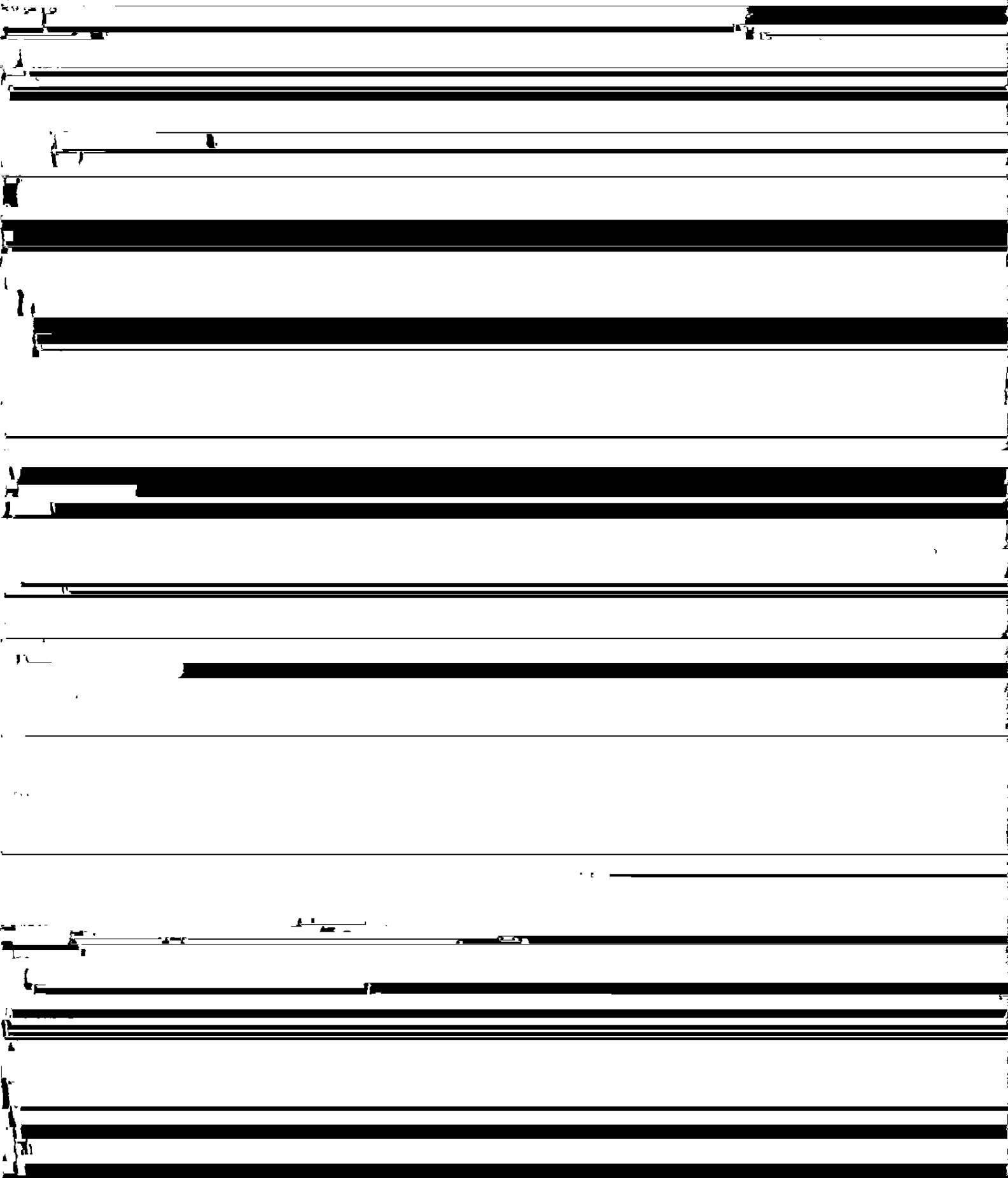
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Agreement and Final Order or the provisions of the Federal Trade
Commission shall not be necessary. A copy of the notice provided

ANNEX



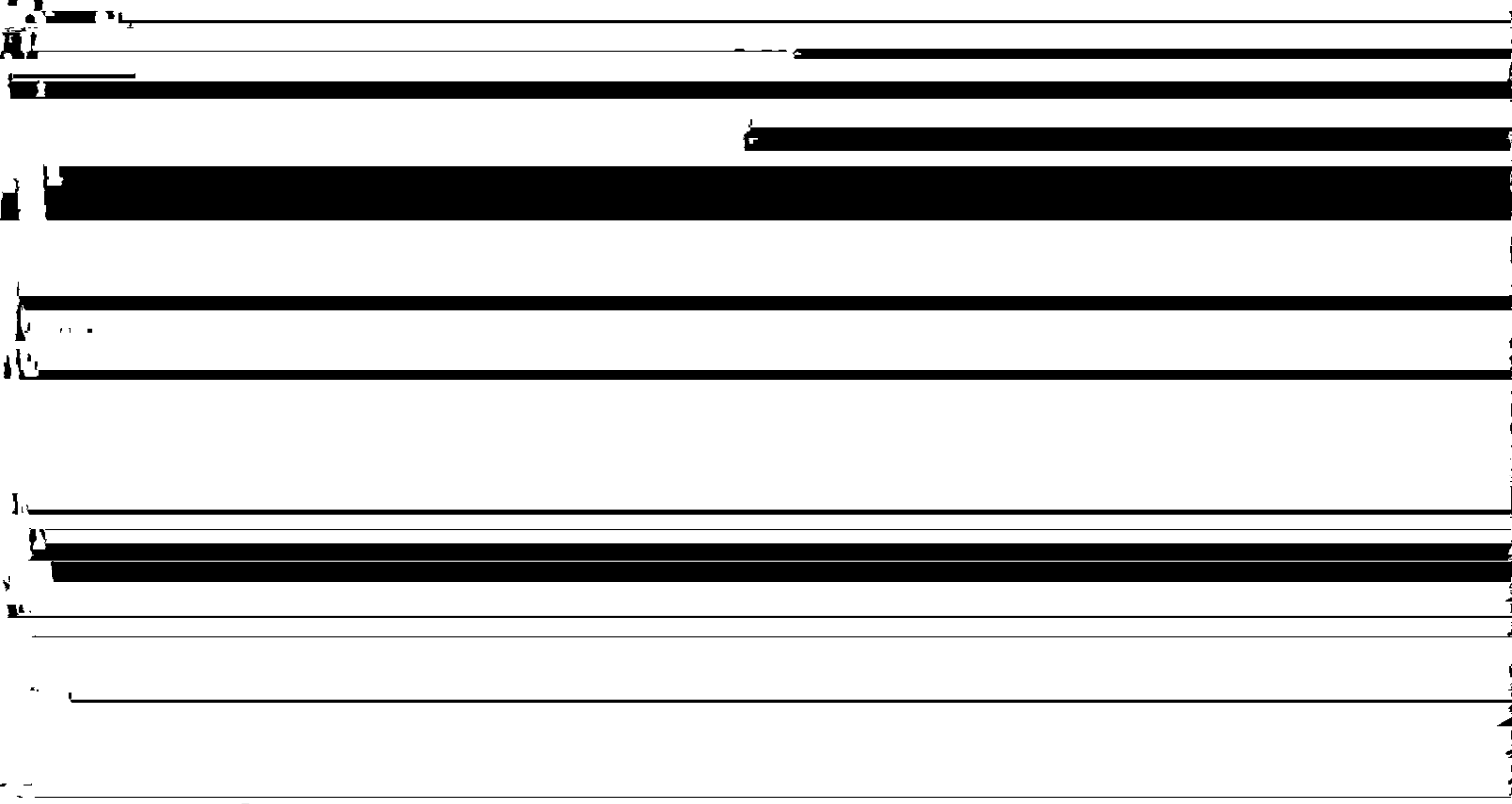
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such trust account and transferred within five (5) business days after entry of this Settlement Agreement and Final Order, by electronic funds transfer into an account to be designated by the Commission in accord with directions provided by the Commission.

2. All funds paid pursuant to this Settlement Agreement and Final Order shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including but not limited to consumer redress and any attendant expenses for the administration of such equitable relief. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for such other equitable relief (including consumer information remedies) as

... shall be applied to the Defendant's



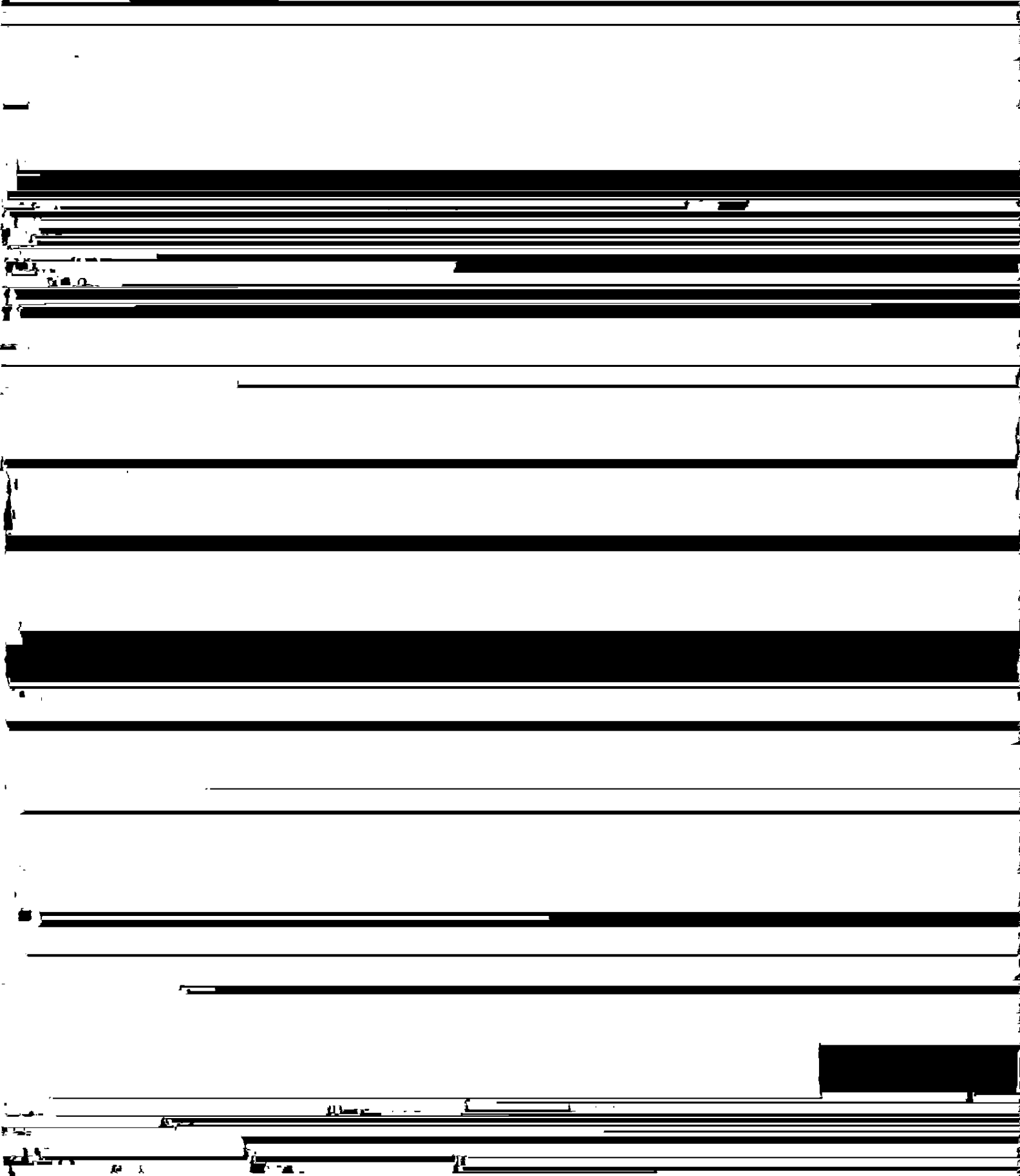
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1 collecting and reporting on any delinquent amount arising out
2 of Defendant's relationship with the government.

3 5. Defendant relinquishes all dominion, control, and title to the
4 funds paid into the account established pursuant to this
5 Settlement Agreement and Final Order, and all legal and
6 equitable title to the funds shall vest in the Treasurer of the
United States unless and until such funds are disbursed to

1 Order is expressly premised upon Defendant's financial condition as
2 represented by Defendant Revel or his counsel in submissions made
3 to the Commission to wit:

ANNEX



1 enforce this Settlement Agreement and Final Order. For purposes of

proceedings to enforce payment

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- persons in advertising for the product or service;
3. Maintain a procedure for receiving, maintaining, and responding to consumer complaints; and
 4. Maintain a procedure for taking action against any employee or agent who engages in any conduct prohibited by Paragraphs I through IX of this Settlement Agreement and Final Order, including, but not limited to, warning each such employee or agent upon the first instance of non-compliance and termination, as specified below in Subparagraph B of this Paragraph.

Defendant's ownership of any business entity engaged in

1. ~~advertising, labeling, advertising, promotion~~

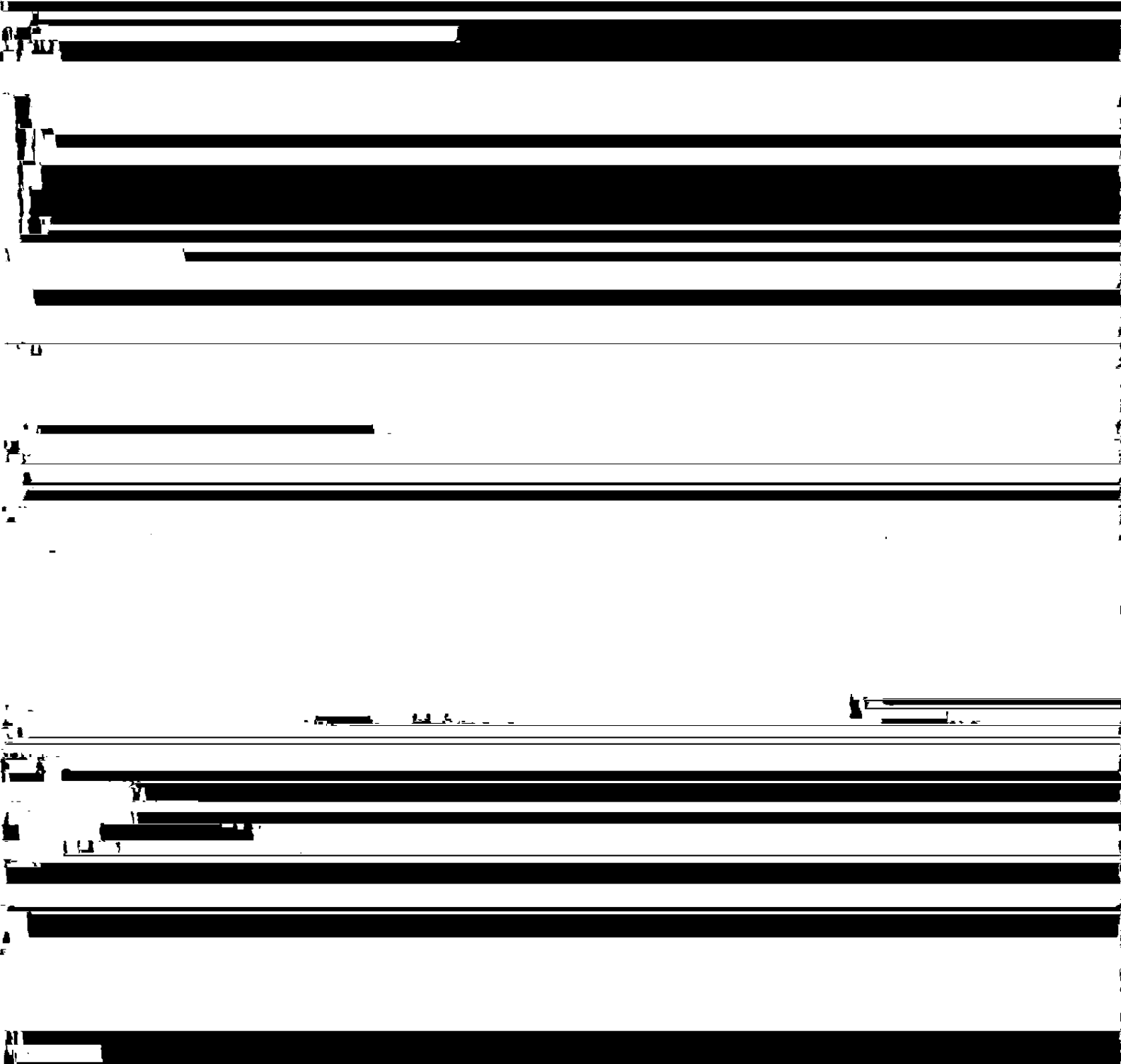
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1 about which Defendant Revel learns less than thirty (30) days
2 prior to the date such action is to take place, Defendant Revel
3 shall notify the Commission as soon as is practicable after
4 obtaining such knowledge.

5 B. Sixty (60) days after the date of entry of this Settlement Agreement
6 and Final Order, Defendant Revel shall provide a written report to the
Commission, under penalty of perjury, setting forth in detail



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performance of services as an employee, consultant, or independent contractor; and "employers" include any individual or entity for whom Defendant Revel performs services as an employee, consultant, or independent contractor.

C. For purposes of this Settlement Agreement and Final Order,

Defendant Revel shall, unless otherwise directed by the

11. ... to any business location

[REDACTED]

[REDACTED]

1 date of entry of this Settlement Agreement and Final Order. Defendant Revel and
2 his agents, employees, officers, corporations, successors, and assigns, and those
3 persons in active concert or participation with them who receive actual notice of

ANNEX

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1 including, but not limited to, all tests, reports, studies,
2 demonstrations, as well as all evidence in Defendant Revel's
3 possession that confirms, contradicts, qualifies, or calls into question
4 the accuracy of such claims regarding the efficacy of such covered
5 product or service;

6 G. Records accurately reflecting the name, address, and telephone
7 number of each manufacturer or laboratory engaged in the
8 development or creation of any testing obtained for the purpose of
9 advertising, marketing, promoting, offering for sale, distributing, or
10 selling any product; and

11 H. All records and documents necessary to demonstrate full compliance
12 with each provision of this Settlement Agreement and Final Order,
13 including but not limited to, copies of acknowledgments of receipt of
14 this Settlement Agreement and Final Order and all reports submitted
15 to the FTC pursuant to this Settlement Agreement and Final Order.

16 **DISTRIBUTION OF ORDER**

17 **XVIII.**

18 **IT IS FURTHER ORDERED** that, for a period of five (5) years from the
19 date of entry of this Settlement Agreement and Final Order, Defendant Revel shall
20 deliver copies of the Settlement Agreement and Final Order as directed below:

21 A. **Defendant Revel as Control Person:** For any business engaged in
22 the advertising, promotion, marketing, offering for sale, or sale of any
23 food, drug, dietary supplement, device, or any health-related service
24 that Defendant Revel controls, directly or indirectly, or in which such
25 Defendant has a majority ownership interest, Defendant Revel must
26 deliver a copy of this Settlement Agreement and Final Order to all

includes officers, directors, and managers of that business. For

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1 this Settlement Agreement and Final Order upon Defendant Revel.
2 For new personnel, delivery shall occur prior to them assuming their
3 position or responsibilities.

4 **B. Defendant Revel as Employee or Non-Control Person:** For any
5 business engaged in the advertising, promotion, marketing, offering
6 for sale, or sale of any Bond Covered Activity where Defendant
7 Revel is not a controlling person of a business but otherwise engages
8 in conduct related to the subject matter of this Settlement Agreement
9 and Final Order either as an employee, consultant, contractor, or

COURT'S RETENTION OF JURISDICTION

XX.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for purposes of construction, modification, and enforcement of this Settlement Agreement and Final Order.

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DO NOT SIGN UNTIL YOU HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS ORDER.