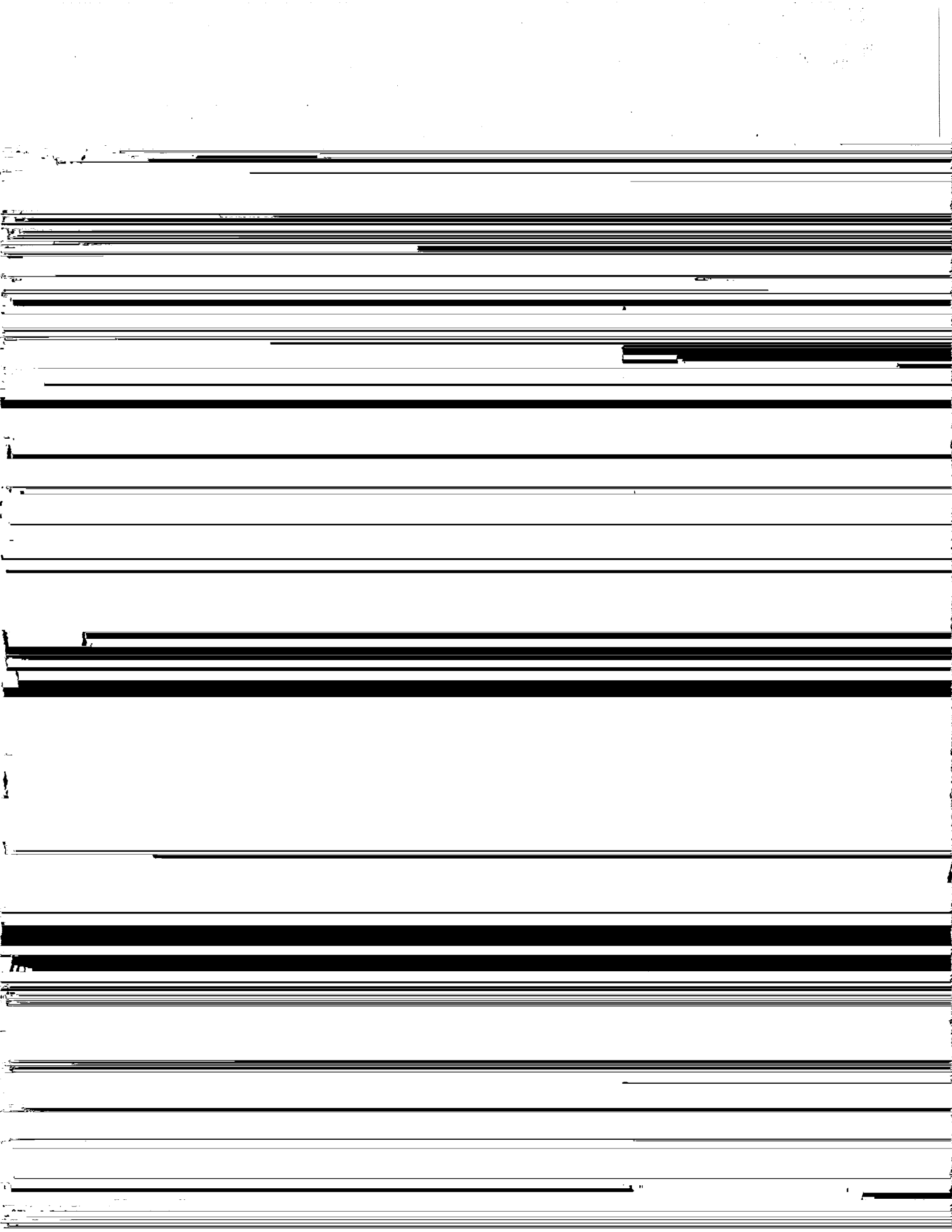


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THE DEFENDANTS' BUSINESS PRACTICES

from the Television Infomercial and my machine is making over \$125.00 per week! Vend Direct

defendants fail to disclose additional information, including the number and percentage of prior

purchasers known by defendants to have achieved the same or better results.

13. The written material that defendants send to prospective purchasers includes a basic franchise disclosure document. This disclosure document, however, is incomplete or inaccurate because it fails to disclose *inter alia* information concerning other business venture

general basis for the earnings claim is available to franchisees

franchisees, 16 C.F.R. § 436.1(b)(2) and (c)(2);

(c) provide, as prescribed by the Rule, an earnings claim document containing

information that constitutes general basis for the earnings claim

injunctive and other ancillary relief, including consumer redress, disgorgement and restitution, to prevent and remedy any violations of any provision of law enforced by the Federal Trade

Commission.

23 Section 5(m)(1)(A) of the FTC Act, 15 U.S.C. § 45(m)(1)(A), as modified by

Section 4 of the Federal Civil Penalties Inflation Adjustment Act of 1990, 28 U.S.C. § 2461 note,

as amended, and as amended by 16 C.F.R. § 1.2061 (1997)

14. Franchise Rule by defendant

7. Award plaintiff monetary civil penalties from each defendant for every

violation of the Franchise Rule:

4. Award such relief as the Court finds necessary to redress injury to

14. ~~Grant relief for violations of the FTC Act and the Franchise Rule~~

EUGENE M. THIROLF
Director
Office of Consumer Litigation

/s Amy E. Goldfrank
AMY E. GOLDFRANK
Trial Attorney