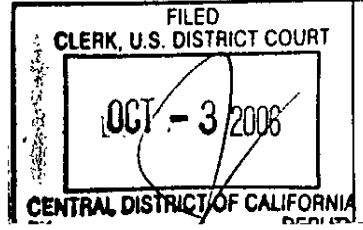


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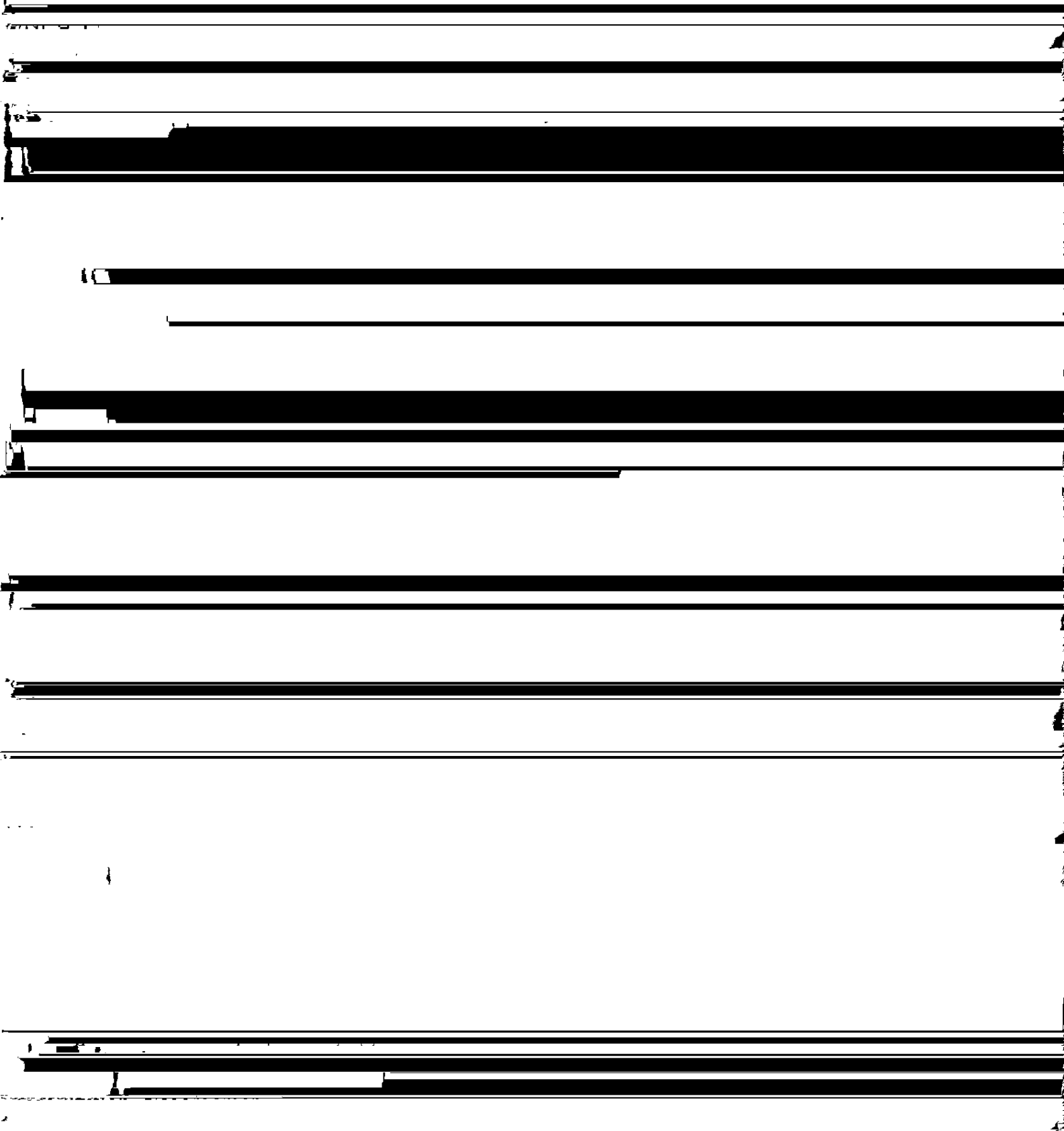
1 WILLIAM BLUMENTHAL
 General Counsel
 2
 3 PETER B. MILLER
 CHRISTINE J. LEE
 CA Bar No. 211462
 4 Federal Trade Commission
 600 Pennsylvania Ave. NW. Room NJ-3212



CLAIMED

1 The Federal Trade Commission ("Commission") filed a complaint,
2 subsequently amended (as amended, "Complaint"), pursuant to Section 13(b) of

SCANNED



4 [redacted] Window Dock waives all rights to seek judicial review or otherwise.



SCANNED

1 acknowledges that the collection of the monetary judgment against Window Rock
2 in Part VI, below, is subject to the automatic stay and that the Commission will

3 The court shall determine whether the Commission is acting within its rights under the Bankruptcy Code

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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- b. "Stephen Cheng" shall mean Stephen F. Cheng, individually and in his capacity as an officer and the sole interest holder of Window Rock.
- 2. "Advertising" and "promotion" shall mean any written or verbal

SCANNED

1 objective manner by persons qualified to do so, using procedures generally
2 accepted in the professions to yield accurate and reliable results.

3 6. "CortiSlim" shall mean the dietary supplement CortiSlim and any
4 other product that

5 a. contains one or more of the following ingredients present in
6 current or previous formulations of CortiSlim: magnolia bark
7 extract, beta-sitosterol, theanine, green tea leaf extract, bitter
8 orange peel extract, Panax ginseng, banaba leaf extract,
9 chromium, or vanadium; and

10 b. is marketed with claims that it has a weight effect or reduces or
11 manages stress.

12 7. "CortiSlim Study" shall mean the study conducted by Defendant
13 Talbott and others as reported, at least in part, under the title "Effect of a
14 Stress/Cortisol-Control Dietary Supplement on Weight Loss," by Shawn Talbott,

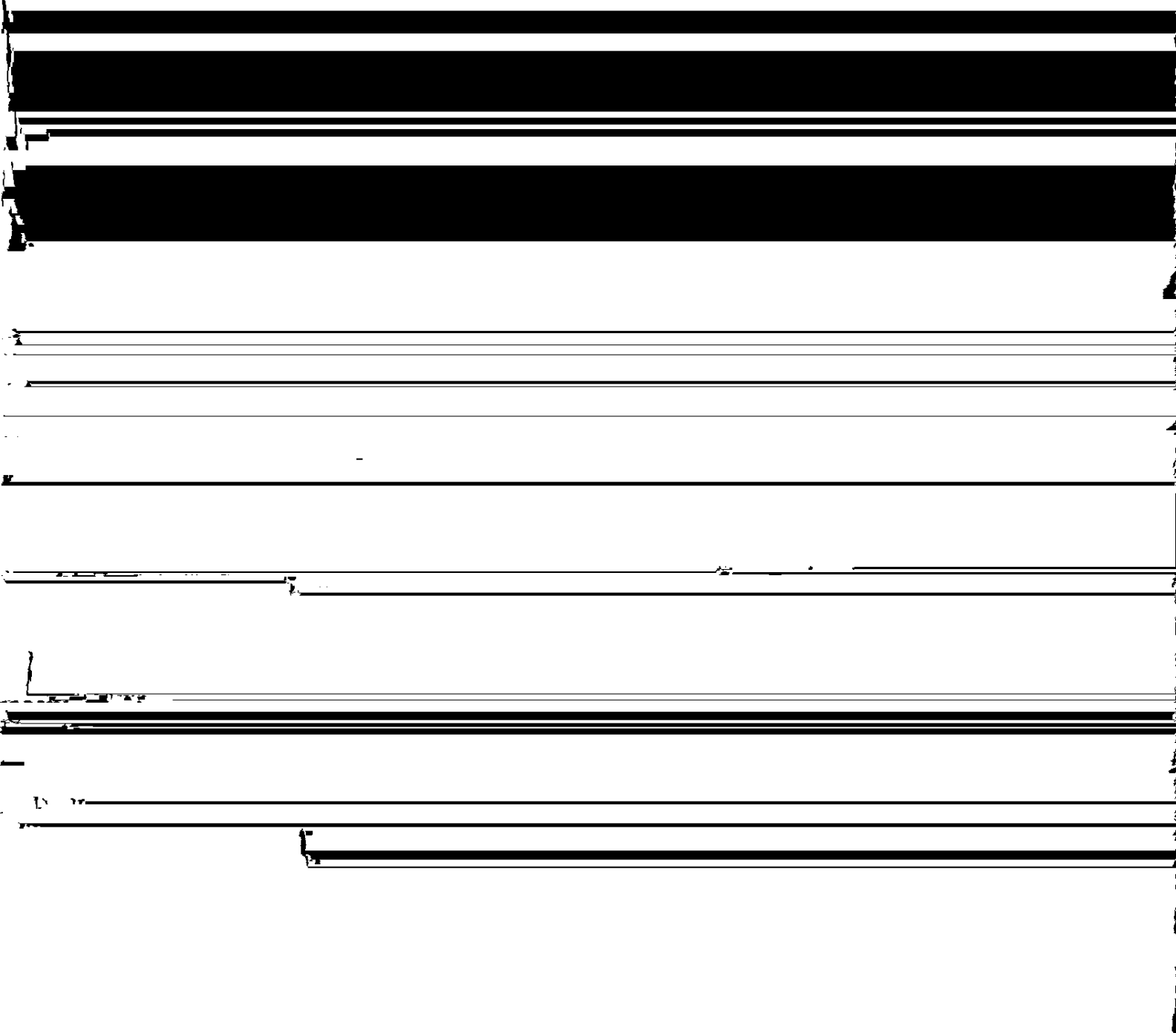
SCANNED

1 11. "Food," "drug," "cosmetic," and "device" shall mean as defined in
2 Section 15 of the FTC Act; 15 U.S.C. § 55.

3 12. "Commission" shall mean the Federal Trade Commission.

4 13. "Related Party" shall mean one or more of Pinnacle Marketing

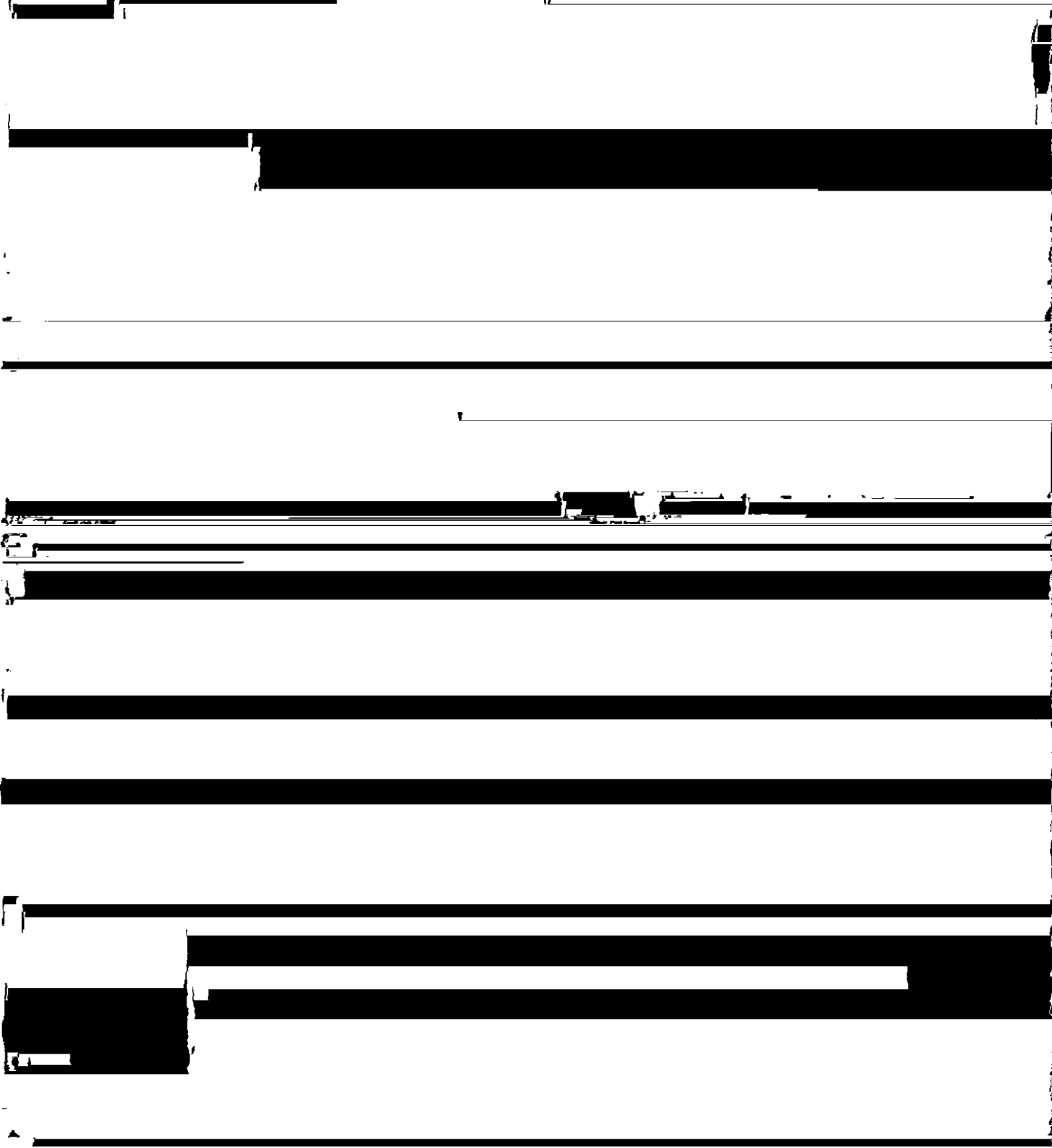
Company, Inc. also d/b/a DMC Health Products, Infinity Advertising, Inc.



SCANNED

1 limited to reorganization under Chapter 11, liquidation under Chapter 7, or
2 dismissal, but shall not include any new or subsequent bankruptcy cases involving
3 Window Rock.

4 20 "Window Rock Plan" shall mean any Chapter 11 plan of



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1 IT IS STIPULATED, AGREED, AND ORDERED THAT:

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I.

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PROHIBITED REPRESENTATIONS REGARDING

[REDACTED]

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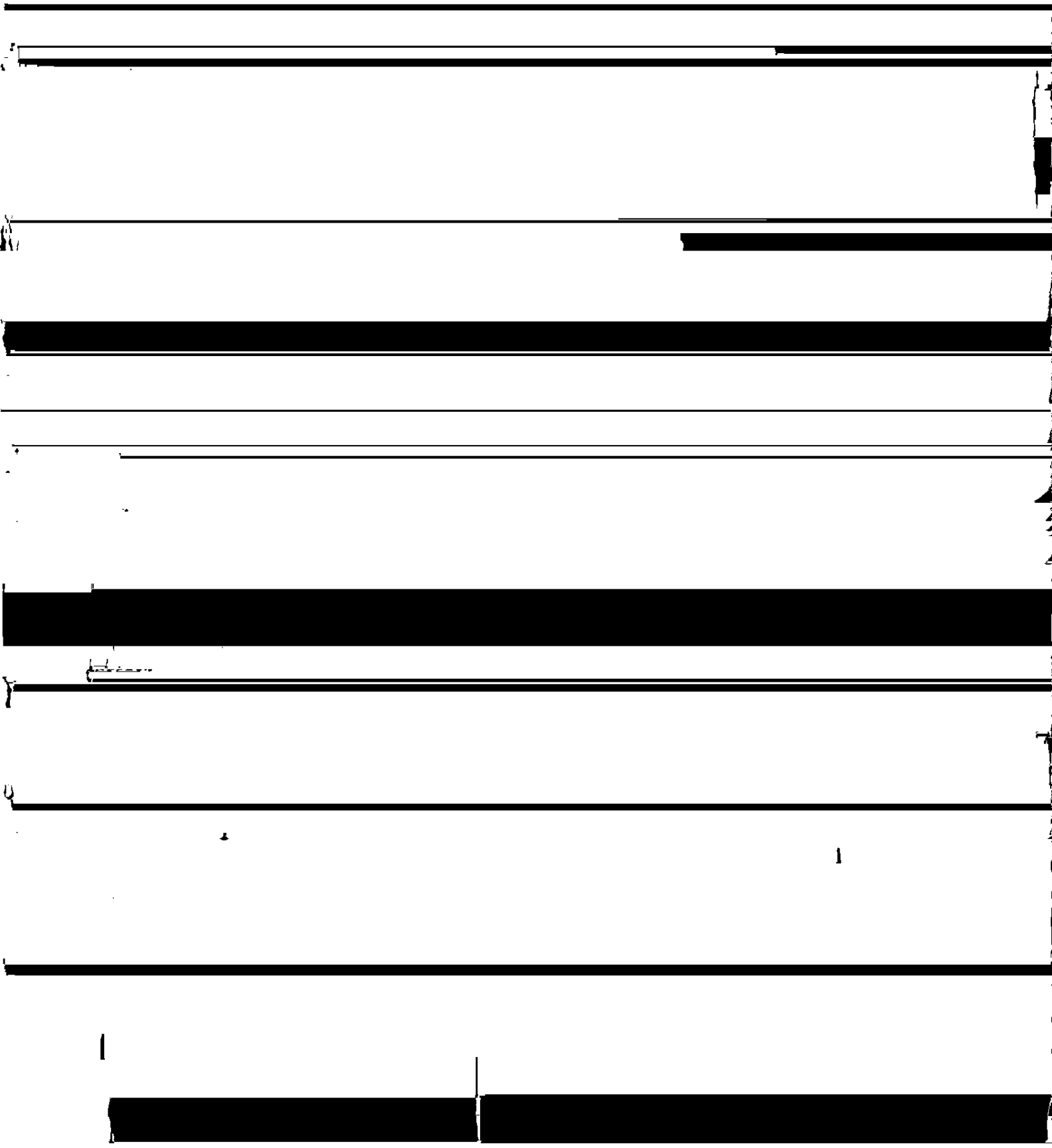
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. 8. Has been demonstrated effective, is supported by, or is otherwise the product of over 15 years of scientific research.

B. Window Rock, directly or through any corporation, partnership, subsidiary, division, trade name, or other entity, and its officers, agents, servants, employees, and all persons and entities in active concert or participation with them

SCANNED

1 performance, or efficacy of any Covered Product unless the representation is true
2 and non-misleading, and, at the time it is made, Window Rock possesses and relies
3 upon competent and reliable scientific evidence that substantiates the



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

SCANNED

1 cadence sufficient for an ordinary consumer to hear and comprehend it, within the
2 first thirty (30) seconds of the commercial and immediately before each
3 presentation of ordering instructions for the product, program, or service, the
4 following disclosure:

5 “YOU ARE LISTENING TO A PAID ADVERTISEMENT FOR
6 [THE PRODUCT, PROGRAM, OR SERVICE].”

SCANNED

1 and Drug Administration, or under any premarket approval application approved
2 by the Food and Drug Administration.

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4 **VI.**

5 **MONETARY JUDGMENT AND CONSUMER REDRESS**

6 Judgment for equitable monetary relief is hereby entered against Window
7 Rock in the amount of one hundred sixty million dollars (\$160,000,000), which
8 amount represents consumer sales of CortiSlim and CortiStress from inception
9 through September 30, 2004. *Provided however*, that this amount shall not be
10 binding in proceedings by the Commission against any non-settling Defendant.
11 *Provided further*, that this judgment shall be suspended and, subject to the
12 provisions of Part VII, shall be deemed to be fully satisfied upon completion of the

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a. A final settlement agreement between the Commission and Defendant Stephen Cheng has been approved by the

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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g. The Window Rock Plan provides that no more than one million dollars (\$1,000,000) from the Settlement Payment shall be disbursed for costs, fees, and expenses relating to settling the private class action case *Toni*

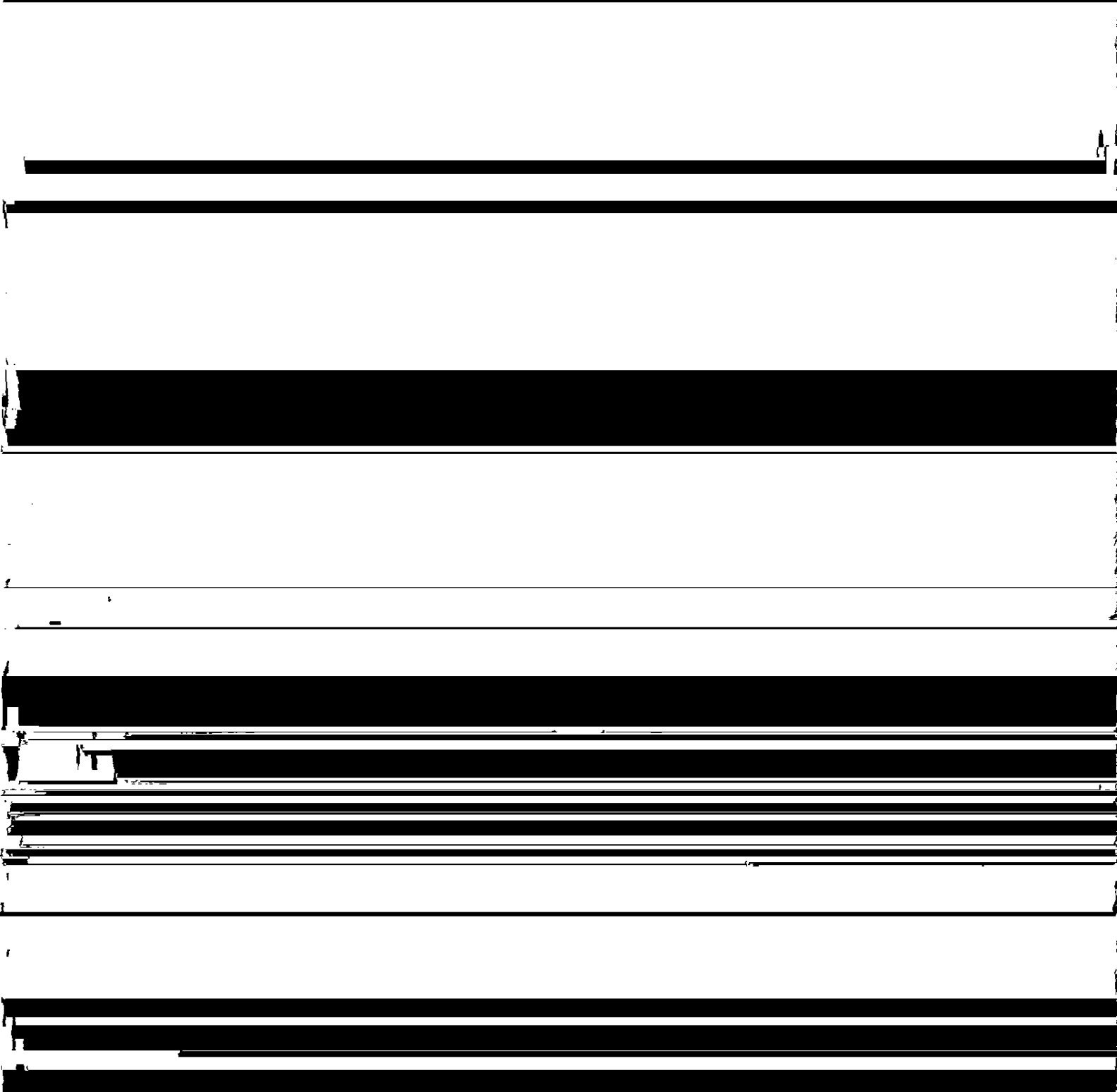
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Action, all consumers in the Breedlove Class Action who do not opt out of a settlement with Window Rock ("Eligible Breedlove Consumers") shall be entitled to participate in a redress program administered by the Commission ("FTC Redress Program") from the funds it recovers from Window

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shall have the right to contest the Commission's
selection of the Redress Administrator; and
d. The Commission shall consult with counsel in the
Breedlove Class Action with regard to content and scope

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

SUMMED

1 and iii) a statement of the date(s) on which each tax payment to a state or federal
2 tax authority was made. All 2003, 2004, and 2005 tax payments and any 2006
3 estimated tax payments that are reported to the Commission as being owed to a
4 state or federal tax authority must be paid in full either i) in accordance with the
5 Bankruptcy Code in connection with the Window Rock Bankruptcy; or ii) no later
6 than sixty (60) days from the date of entry of this Order. The financial information
7 and documents referenced in this paragraph F shall be designated as confidential.

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9 **VII.**

10 **RIGHT TO REOPEN**

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- c. All Monthly Operating Reports submitted in connection with the Window Rock Bankruptcy;
- d. "Debtor's Third Amended Chapter 11 Plan of Reorganization," dated June 30, 2006, the accompanying disclosure statement approved by the Court, and all subsequent versions of the Window Rock Plan; and
- e. All financial information submitted by Window Rock in

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C. Solely for purposes of this Part, Window Rock waives any right to

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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the Creditor Trust in accordance with the terms of the Creditor Trust Agreement and Window Rock Plan in the event that Window Rock commits a material breach of its obligation to retail creditors. *Provided, however,* that cash in an amount equal to the tax refund or tax deduction received by Window Rock that exceeds the amount necessary to satisfy Stephen Cheng's Creditor Trust obligations shall be transferred by or on behalf of Window Rock to the Commission by electronic funds transfer within thirty (30) days of seeking such refund or other cash benefit based on carry back of the 2006 net operating loss.

VIII.

ACKNOWLEDGMENT OF RECEIPT OF ORDER

Within five (5) business days after receipt of this Order as entered by the

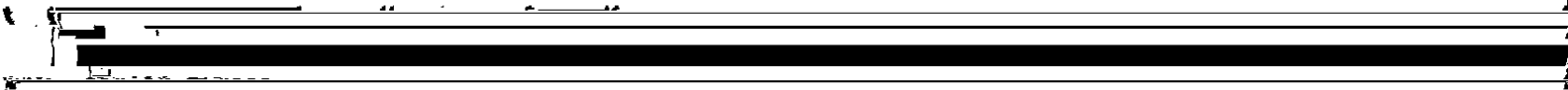
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1 business with that media placement company, broadcasting company, or other
2 entity or individual in connection with any Target Product in the event that
3 Window Rock becomes aware that the media placement company, broadcasting
4 company, or other entity or individual is using or disseminating any advertisement
5 or promotional material that contains any representation prohibited by this Order
6 subsequent to receipt of the notice required by paragraph A of this Part, if that
7 media placement company, broadcasting company, or other entity or individual
8 fails to take prompt corrective action, if it continues to use any advertisement or
9 promotional material that contains any representation prohibited by this Order, or
10 if it engages in conduct prohibited by this Part on more than two separate
11 occasions; and

12 C. Terminate all placements for any Target Product with any media
13 placement company, broadcasting company, or other entity or individual that
14 Window Rock used to place television, radio print, or on-line advertisements for

1 the date of mailing, to each retailer, distributor, and reseller who purchased any
2 Target Product from Window Rock between September 30, 2004, and the date of
3 entry of this Order. This mailing shall not include any other document or

SCANNED



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 testimony, or information relevant to unfair or deceptive acts or practices in or

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[REDACTED]

1 promotional materials in use at any point from the date of entry of the Order until

2 submission of the written report required by this paragraph D.

INDEX

[REDACTED]

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G. Records accurately reflecting the name, address, and telephone

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number of each manufacturer or laboratory engaged in the development of

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XVI.

RETENTION OF JURISDICTION

This Court shall retain jurisdiction over Window Rock for purposes of construction, modification, and enforcement of this Order and for issues relating to the Complaint and to non-settling Defendants.

IT IS SO ORDERED this 2^d day of October, 2006.

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XVI.

RETENTION OF JURISDICTION

This Court shall retain jurisdiction over Window Rock for purposes of construction, modification, and enforcement of this Order and for issues relating to the Complaint

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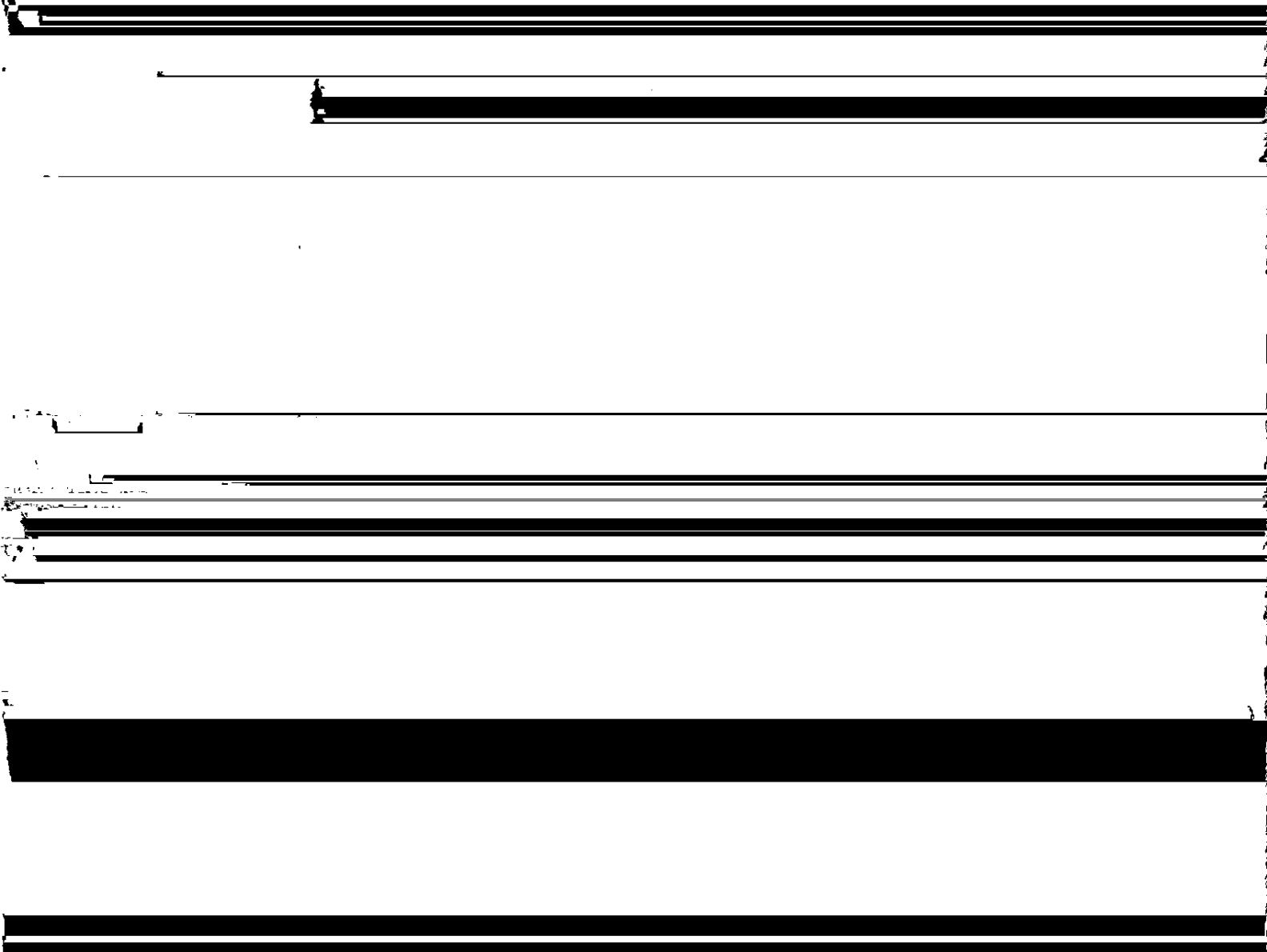
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XVI.

RETENTION OF JURISDICTION

This Court shall retain jurisdiction over Window Rock for purposes of



ATTACHMENT A-1

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

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FEDERAL TRADE COMMISSION,

Plaintiff,

v.

WINDOW ROCK ENTERPRISES, INC.,
also d/b/a WINDOW ROCK HEALTH

CIVIL NUMBER

CV-04-8190-DSF (JTLx)

DECLARATION OF

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I declare under penalty of perjury that the foregoing is true and correct.

Executed on [DATE].

 STEPHEN CHENG
 Officer and sole interest holder in
 Window Rock Enterprises, Inc.

SCANNED

ATTACHMENT A-2

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

WINDOW ROCK ENTERPRISES, INC.,
also d/b/a WINDOW ROCK HEALTH
LABORATORIES, also d/b/a
CORTISLIM, INFINITY
ADVERTISING, INC., STEPHEN F.
CHENG, SHAWN M. TALBOTT,
REGINA S. CYNALIMON

CIVIL NUMBER

CV-04-8190-DSF (JTLx)

DECLARATION OF
ADAM MICHELIN
ON BEHALF OF
DEFENDANT
WINDOW ROCK
ENTERPRISES INC

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SCANNED

1 Executed on [DATE].

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ADAM MICHELIN
Interim Chief Executive Officer
Window Rock Enterprises, Inc.

ATTACHMENT A-3

10/03/06

THE STATE OF CALIFORNIA

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

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SCOTT WELKER
Vice President – Finance
Window Rock Enterprises, Inc.

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ATTACHMENT B
(To be printed on Window Rock's Letterhead)

BY FIRST CLASS MAIL, RETURN RECEIPT REQUESTED

[DATE]

Dear [name of media placement company, broadcasting company, or other entity
or individual used to place television, radio, print, or on-line advertisements for
CortiSlim between September 30, 2004, and the date of entry of Order]:

Our records indicate that you placed one or more television, radio, print, or

1 g) CortiSlim causes weight loss;
2 and 2) that advertisements for CortiStress made false or unsubstantiated claims
3 that taking the recommended daily dosage of CortiStress will reduce the risk of or
4 prevent conditions such as osteoporosis, obesity, diabetes, Alzheimers' disease,
5 cancer, and cardiovascular disease.

6 Window Rock and Stephen Cheng deny the Federal Trade Commission's
7 allegations and do not admit to any wrongdoing or violation of law. Nonetheless,

SCANNED

SCANNED

ATTACHMENT C
(To be printed on Window Rock's Letterhead)

BY FIRST CLASS MAIL, RETURN RECEIPT REQUESTED

[DATE]

Dear [name of retailer/distributor/reseller who purchased CortiSlim from Window Rock between September 30, 2004, and the date of entry of Order]:

Our records indicate that you purchased CortiSlim from Window Rock Enterprises, Inc. ("Window Rock") between September 30, 2004, and [date of entry of Order].

1 prevent conditions such as osteoporosis, obesity, diabetes, Alzheimers' disease,
2 cancer, and cardiovascular disease.

3 Window Rock and Stephen Cheng deny the Federal Trade Commission's

SCANNED