

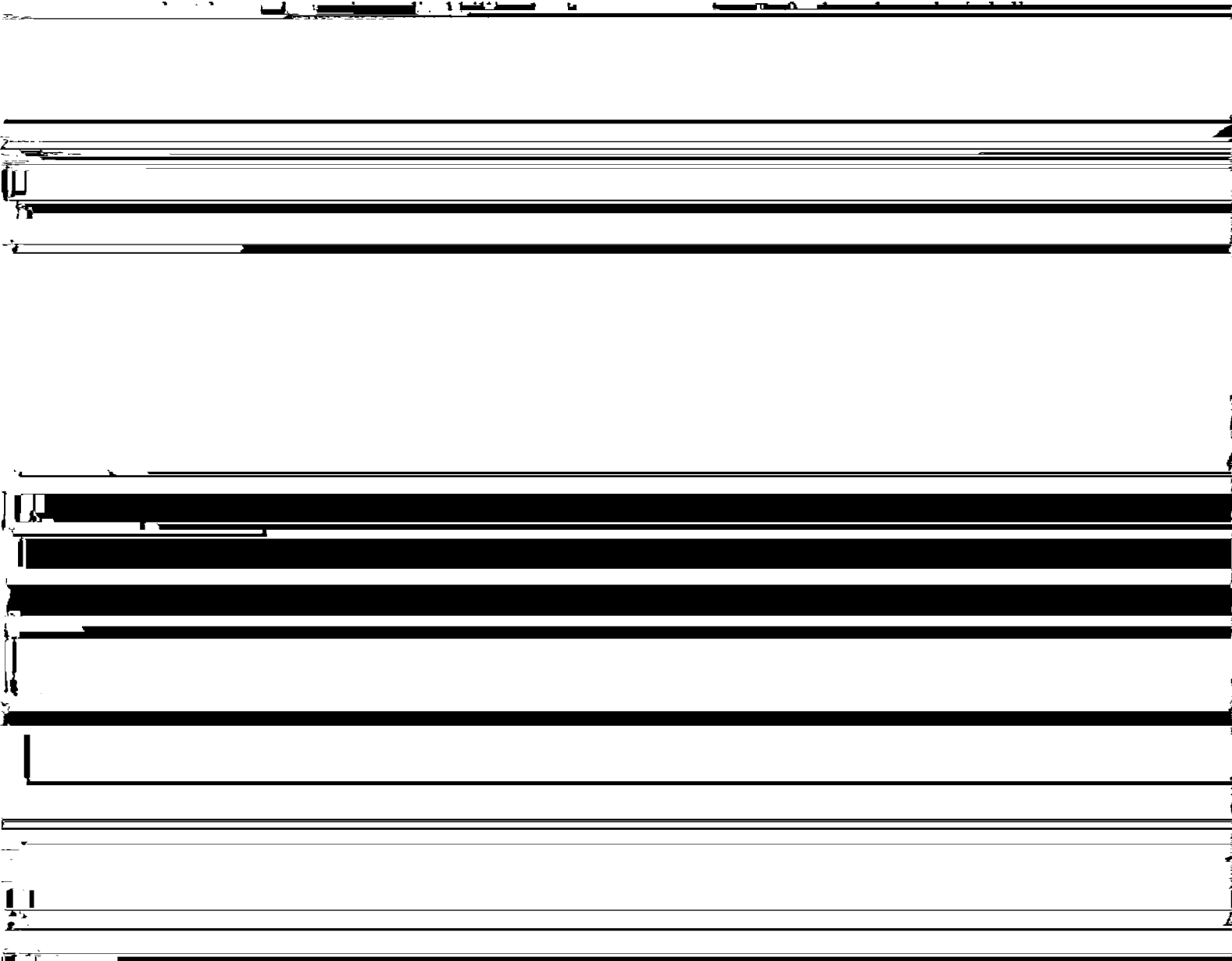
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The Commission alleges that Defendants engaged in deceptive acts and practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45(a), and the Commission's Rule entitled Disclosure Requirements and Prohibitions Concerning Franchise and Business Opportunity Ventures (the "Franchise Rule"), 16 C.F.R. Part 436, in the marketing and sale of a



allegations of wrongdoing in the Commission's complaint, have contested the Commission's authority to seek certain requested relief and have denied any liability in any amount under any

4. The Second Amended Complaint states a claim upon which relief may be granted under Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the Commission's Franchise Rule.

5. Defendants have entered into this Final Order freely and without coercion. Defendants further acknowledge that they have read the provisions of this Final Order and are prepared to abide by them.

6. The Commission and Defendants agree that the entry of this Final Order resolves all ~~matters of dispute between them arising from the conduct which is the subject of the Second~~

Amended Complaint in this action, up to the date of entry of this Final Order.

7. ~~Defendants waive all rights to seek appellate review or otherwise challenge or contest the~~

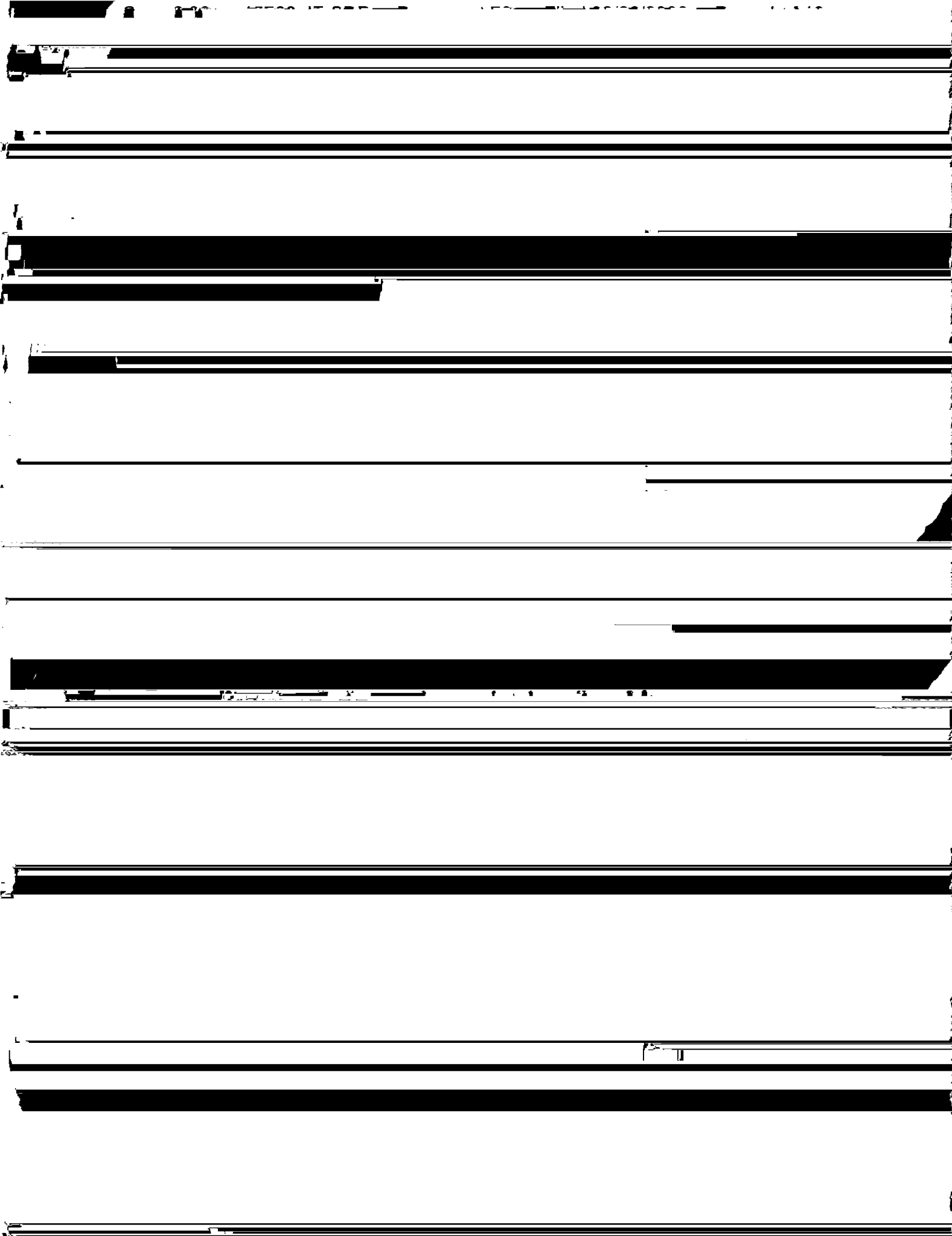
validity of this Final Order. Defendants further waive and release any claim they may have

against the Commission, its employees, representatives, or agents.

8. Defendants agree that this Final Order does not entitle Defendants to seek or to obtain attorneys' fees as a prevailing party under the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996), and Defendants further waive any rights to attorneys' fees that may arise under said provision of law.

9. This Final Order is in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law.

10. Entry of this Final Order is in the public interest.



provisions of Chapter 7 of the Bankruptcy Code, 11 U.S.C. §§ 101, et seq., in the United States Bankruptcy Court for the Eastern District of Michigan, Case No. 07-47294-pjs.

7. "Receiver" shall mean Phillip S. Stenger.

**ORDER**

**PROHIBITION AGAINST VIOLATION OF SECTIONS OF THE FEDERAL TRADE**

**COMMISSION ACT**

**IT IS ORDERED** that, in connection with the offering for sale or sale of any Business Venture, Defendants, directly or through any corporation, partnership, subsidiary, division, trade

B. Providing substantial assistance to any third party to make any material misrepresentation, including, but not limited to, those misrepresentations prohibited by Paragraph I.A., above.

**II. PROHIBITION AGAINST VIOLATION OF THE FRANCHISE RULE OR BUSINESS OPPORTUNITY RULE**

**IT IS FURTHER ORDERED** that Defendants, directly or through any corporation, partnership, subsidiary, division, trade name, or other entity, and their officers, agents, servants,

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(“advertised”) Learning claim or financial performance representation information required by

the Franchise Rule or Business Opportunity Rule, including the number and percentage of prior purchasers known by the franchisor or business opportunity seller to have achieved the same or better results, as required by the Franchise Rule or Business Opportunity Rule.

down the business of EDI. Other than winding down the business of EDI, the Receiver shall have no further obligations under the TRO or the Preliminary Injunction and is hereby discharged from any liability in connection therein by the Corporate Defendants, the Individual Defendants and the Court. The Individual Defendants shall be responsible for filing tax returns and paying taxes, interest and penalties owing (if any) in connection with the Individual and Corporate Defendants. Upon completion of the winding down of EDI, and the payment of all outstanding fees and expenses of the receivership, the Court shall enter an order discharging the Receiver of all liabilities in connection with his duties as receiver and directing the Receiver to pay all

remaining funds in his possession to the Federal Trade Commission.

B. Any and all funds paid pursuant to this Final Order, including this Paragraph III and Paragraph IV, 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, restitution, and any



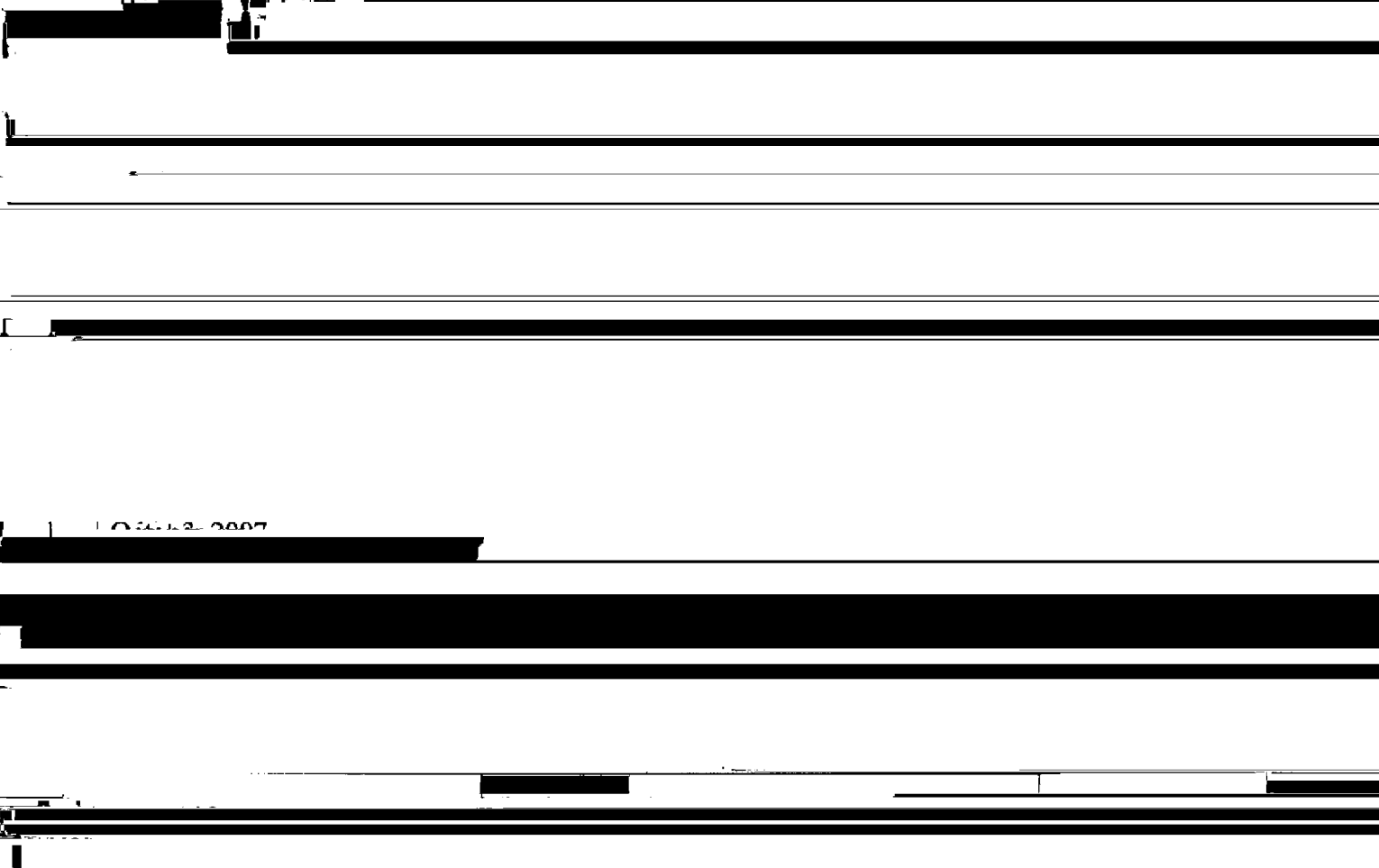
by this Paragraph, including the conditions set forth in Paragraph IV of this Final Order, will be nondischargeable pursuant to Section 523 of the Bankruptcy Code, 11 U.S.C. § 523.

D. Defendant Mazzoni further stipulates and agrees, pursuant to Section 502 of the Bankruptcy Code, 11 U.S.C. § 502, to the allowance of a general unsecured claim in the Mazzoni Bankruptcy Case in favor of the FTC in the amount of \$17,660,000.00, less the sum of any payments previously made, and that the FTC is entitled to participate in any payments in the Mazzoni Bankruptcy Case paid on account of such allowed general unsecured claim.

**IV. RIGHT TO REOPEN**

A. The Commission’s agreement to this Final Order is expressly premised upon the financial condition of Defendants as represented in the sworn financial statements and supporting documents they provided to the Commission as follows:

Defendant	Date(s)
Breeze Freeze, Inc.	September 25, 2007, with corrections dated October 3, 2007
Four Seasons Beverage & Equipment, Inc.	September 24, 2007, with corrections dated



B. If, upon motion by the Commission, this Court finds that Defendants made a material misrepresentation or omitted material information concerning their financial condition, then the Court shall direct the Clerk to enter judgment against Defendants and in favor of the Commission for the full amount of \$17,660,000 immediately due and payable, together with interest computed at the rate prescribed under 28 U.S.C. § 1961, as amended, less the sum of any payments previously made pursuant to this Final Order.

C. Any proceedings instituted under this Paragraph IV are in addition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including any other proceedings that the FTC may initiate to enforce this Final Order.

#### V. ACKNOWLEDGMENT OF RECEIPT OF ORDER

**IT IS FURTHER ORDERED** that, within five (5) business days of receipt of this Final

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Order as entered by the Court, Defendants shall submit to the Commission truthful sworn statements acknowledging receipt of this Final Order.

#### VI. DISTRIBUTION OF ORDER BY DEFENDANTS

**IT IS FURTHER ORDERED** that, for a period of five (5) years from the date of entry of this Final Order, Defendants shall deliver copies of this Final Order as directed below:

A. **Corporate Defendants:** Corporate Defendants shall deliver a copy of this Final Order to all of their principals, officers, directors, and managers. Corporate Defendants also

process in conduct related to the subject matter of the Final Order. For current personnel

delivery shall be within five (5) days of service of this Final Order upon Individual Defendant

assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Final Order; the filing of a bankruptcy petition; or a change in the

with respect to any proposed change in the corporation about which a Defendant learns less than thirty (30) days prior to the date such action is to take place, the Defendant shall notify the

D. For the purposes of this Paragraph VII, "employment" includes the performance

of the

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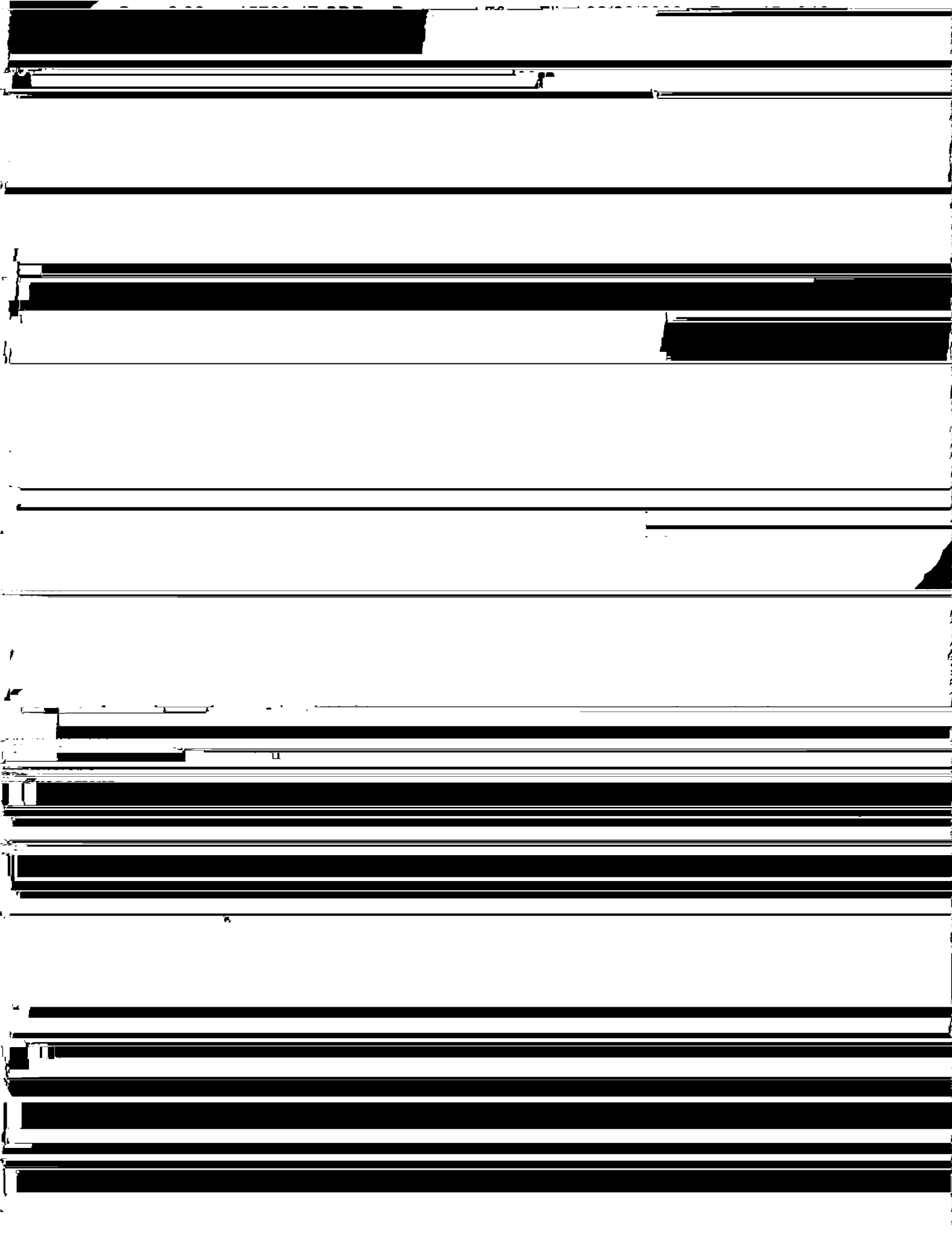
**BY COMPLIANCE MONITORING**

**IT IS FURTHER ORDERED** that, for the purpose of monitoring and investigating

compliance with any provision of this Final Order,

A [REDACTED] Within ten (10) days of receipt of written notice from a representative of the

[REDACTED]



FOR THE PLAINTIFF:

FOR THE DEFENDANTS:

[REDACTED]

[REDACTED]

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Appendix A

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN

SOUTHERN DIVISION

In Re:

Case No. 07-17204

Debtor.

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Hon. Phillip J. Shefferly

Adv. Proceeding No. \_\_\_\_\_

2. Venue in the Eastern District of Michigan is proper under 28 U.S.C. § 1409(a).
3. This Adversary Proceeding is a core proceeding pursuant to 28 U.S.C.

§ 157(b)(2)(I).

4. This Adversary Proceeding relates to In re Chapter 7, Mazzoni, Inc., Case No. 07

47294-bis (Bankr. E.D. Mich.) (Chapter 7), now pending in this Court. The FTC is an

unsecured creditor with a claim against the Debtor pursuant to a Stipulated Final Judgment and Order for Permanent Injunction as to All Defendants (the "Final Order") entered by the United States District Court for the Eastern District of Michigan in the case FTC v. Mazzoni & Son,

In re, et al., Case No. 06-15766 (Honorable John Fallone) (the "Enforcement Action").

for the termination of the suspension of the Final Order in accordance with the terms of Paragraph IV of the Final Order.

8. All other provisions of the Final Order in the Enforcement Action, including the injunctive provisions, remain in full force and effect.

9. The persons executing this Stipulated Judgment for Nondischargeability

acknowledges that he has authority to bind the parties to this Adversary Proceeding

KIMBERLY BOSS CLAYSON (PA9804)

SARA C. DEPAJTO (Ohio Bar 0077820)