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1 **DEFINITIONS**

2 For the purpose of this Order, the following definitions apply:

3 A. **“Defendants”** means all of the Individual Defendants and the Corporate
4 Defendant, individually, collectively, or in any combination.

5 1. **“Corporate Defendant”** means Wellness Support Network, Inc., and its
6 successors and assigns.

7 2. **“Individual Defendants”** means Robert Held and Robyn Held.

8 B. **“Commerce”** means as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

9 C. **“Covered Product”** means Diabetic Pack, Insulin Resistance Pack, WSN
10 Glucose Support Formula, or any other drug, food, or dietary supplement.

11 D. **“Dietary supplement”** means:

12 1. any product labeled as a dietary supplement or otherwise represented as a
13 dietary supplement; or

14 2. any pill, tablet, capsule, powder, softgel, gelcap, liquid, or other similar form
15 containing one or more ingredients that are a vitamin, mineral, herb or other
16 botanical, amino acid, probiotic, or other dietary substance for use by humans
17 to supplement the diet by increasing the total dietary intake, or a concentrate,
18 metabolite, constituent, extract, or combination of any ingredient described
19 above, that is intended to be ingested, and is not represented to be used as a
20 conventional food or as a sole item of a meal or the diet.

21 E. **“Disease”** means impairment of an organ, part, structure, or system of the body
22 such that it does not function properly (e.g., cardiovascular disease), or a state of health leading
23 to such dysfunctioning (e.g. hypertension); including (a) the characteristic signs or symptoms of
24 a specific disease or class of diseases; and (b) abnormal conditions associated with a natural state
25 or process, if the abnormal condition is uncommon or can cause significant or permanent harm.

26 F. **“Endorsement”** means as defined in 16 C.F.R. § 255.0(b).
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G. **“Essentially Equivalent Product”** means a product that contains the identical ingredients, except for inactive ingredients (e.g., in

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- H. prevents or reduces the risk of insulin resistance;
- I. reverses metabolic syndrome;
- J. manages metabolic syndrome; or
- K. prevents or reduces the risk of metabolic syndrome,

unless the representation is non-misleading and, at the time it is made, Defendants possess and rely upon competent and reliable scientific evidence that substantiates that the representation is true. For purposes of this Part, “competent and reliable scientific evidence” shall consist of at least two adequate and well-controlled human clinical trials of the Covered Product, or of an Essentially Equivalent Product, conducted by different researchers, independently of each other, that conform to acceptable designs and protocols and whose results, when considered in light of the entire body of relevant and reliable scientific evidence, are sufficient to substantiate that the representation is true. Such studies shall be randomized, double-blind, and placebo-controlled; utilize, if applicable, valid surrogate endpoints generally recognized by experts in the relevant disease field; yield statistically significant between-group results; and be conducted by researchers, qualified by training and experience to conduct such studies and who are experts who have specialized in the specific disease at issue. Defendants shall have the burden of proving that a product satisfies the definition of an Essentially Equivalent Product.

II.

1 B. Nothing in this Order shall prohibit Defendants from making any representation
2 for any drug that is permitted in the labeling for such drug under any tentative
3 final or final standard promulgated by the Food and Drug Administration, or
4 under any new drug application approved by the Food and Drug Administration.

5 **V. MONETARY JUDGMENT**

6 IT IS FURTHER ORDERED that:

- 7 A. Judgment in the amount of Two Million, One Hundred and Ninety Eight
8 Thousand, Six Hundred and Twelve Dollars and Twelve Cents (\$2,198,612.12) is
9 entered in favor of the Commission against Individual Defendants and Corporate
10 Defendant, jointly and severally, as equitable monetary relief.
- 11 B. Defendants relinquish dominion and all legal and equitable right, title, and interest
12 in all assets transferred pursuant to this Order and may not seek the return of any
13 assets.
- 14 C. All money paid to the Commission pursuant to this Order may be deposited into a
15 fund administered by the Commission or its designee to be used for equitable
16 relief, including consumer redress and any attendant expenses for the
17 administration of any redress fund. If a representative of the Commission decides
18 that direct redress to consumers is wholly or partially impracticable or money
19 remains after redress is completed, the Commission may apply any remaining
20 money for such other equitable relief (including consumer information remedies)
21 as it determines to be reasonably related to Defendants' practices alleged in the
22 Complaint. Any money not used for such equitable relief is to be deposited to the
23 U.S. Treasury as disgorgement. Defendants have no right to challenge any
24 actions the Commission or its representatives may take pursuant to this
25 Subsection.

26 **VI. CUSTOMER INFORMATION**

27 IT IS FURTHER ORDERED that Defendants, their officers, agents, servants, employees,
28 and attorneys, and all other persons in active concert or participation with any of them, who

1 receive actual notice of this Order, are permanently restrained and enjoined from directly or
2 indirectly failing to provide sufficient customer information to enable the Commission to
3 efficiently administer consumer redress. If a representative of the Commission requests in
4 writing any information related to redress, Defendants must provide it, in the form prescribed by
5 the Commission, within 14 days.

6 **VII. ORDER ACKNOWLEDGMENTS**

7 **VII.** IT IS FURTHER ORDERED that Defendants obtain acknowledgments of receipt of this
8 Order:

9 A. Each Defendant, within 7 days of entry of this Order, must submit to the
10 Commission an acknowledgment of receipt of this Order

1 1. Each Defendant must: (a) identify the primary physical, postal, and email
2 address and telephone number, as designated points of contact, which representatives
3 of the Commission may use to communicate with Defendant; (b) identify all of that
4 Defendant's businesses by all of their names, telephone numbers, and physical,
5 postal, email, and Internet addresses; (c) describe the activities of each business,
6 including the goods and services offered, the means of advertising, marketing, and
7 sales, and the involvement of any other Defendant (which Individual Defendants must
8 describe if they know or should know due to their own involvement); (d) describe in
9 detail whether and how that Defendant is in compliance with each Section of this
10 Order; and (e) provide a copy of each Order Acknowledgment obtained pursuant to
11 this Order, unless previously submitted to the Commission.

12 2. Additionally, each Individual Defendant must: (a) identify all telephone
13 numbers and all physical, postal, email and Internet addresses, including all
14 residences; (b) identify all business activities, including any business for which such
15 Defendant performs services whether as an employee or otherwise and any entity in
16 which such Defendant has any ownership interest; and (c) describe in detail such
17 Defendant's involvement in each such business, including title, role, responsibilities,
18 participation, authority, control, and any ownership.

19 B. For 20 years after entry of this Order, each Defendant must submit a compliance
20 notice, sworn under penalty of perjury, within 14 days of any change in the following:

21 1. Each Defendant must report any change in: (a) any designated point of
22 contact; or (b) the structure of the Corporate Defendant or any entity that Defendant
23 has any ownership interest in or controls directly or indirectly that may affect
24 compliance obligations arising under this Order, including: creation, merger, sale, or
25 dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts
26 or practices subject to this Order.

27 2. Additionally, each Individual Defendant must report any change in: (a)
28 name, including aliases or fictitious name, or residence address; or (b) title or role in

1 any business activity, including any business for which such Defendant performs
2 services whether as an employee or otherwise and any entity in which such Defendant
3 has any ownership interest, and identify the name, physical address, and any Internet
4 address of the business or entity.

5 C. Each Defendant must submit to the Commission notice of the filing of any
6 bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Defendant
7 within 14 days of its filing.

8 D. Any submission to the Commission required by this Order to be sworn under
9 penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by
10 concluding: “I declare under penalty of perjury under the laws of the United States of America
11 that the foregoing is true and correct. Executed on: _____” and supplying the date, signatory’s
12 full name, title (if applicable), and signature.

13 E. Unless otherwise directed by a Commission representative in writing, all
14 submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or
15 sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement,
16 Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW,
17 Washington, DC 20580. The subject line must begin: FTC v. Wellness Support Network (FTC
18 File No. (X110009).

19 IX. RECORDKEEPING

20 IT IS FURTHER ORDERED that Defendants must create certain records for 20 years
21 after entry of the Order, and retain each such record for 5 years. Specifically, Corporate
22 Defendant, in connection with the manufacturing, labeling, advertising, promotion, offering for
23 sale, sale, or distribution of any Covered Product, and each Individual Defendant for any
24 business that such Defendant, individually or collectively with any other Defendants, is a
25 majority owner or controls directly or indirectly, must create and retain the following records:

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1 without further leave of court, using any of the procedures prescribed by Federal Rules of Civil
2 Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.

3 B. For matters concerning this Order, the Commission is authorized to communicate
4 directly with each Defendant. Defendant must permit representatives of the Commission to
5 interview any employee or other person affiliated with any Defendant who has agreed to such an
6 interview. The person interviewed may have counsel present.

7 C. The Commission may use all other lawful means, including posing through its
8 representatives as consumers, suppliers, or other individuals or entities, to Defendants or any
9 individual or entity affiliated with Defendants, without the necessity of identification or prior
10 notice. Nothing in this Order limits the Commission's lawful use of compulsory process,
11 pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

12 **XI. RETENTION OF JURISDICTION**

13 IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for
14 purposes of construction, modification, and enforcement of this Order.

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16 IT IS SO ORDERED, this 19th day of February, 2014.

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19 JOSEPH C. SPERO
20 UNITED STATES MAGISTRATE JUDGE
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