

UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND  
NORTHERN DIVISION

FEDERAL TRADE COMMISSION, 600  
Penn Ave. N.W., Wash DC  
20580

Case No. \_\_\_\_\_

Plf

v

AGORA FINANCIAL, LLC, 808 St Paul St  
Baltimore, MD 21202

COMPLAINT FOR PERMANENT  
INJUNCTION AND OTHER

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1. The FTC brings this action under Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), to obtain preliminary and permanent injunctive relief, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for Defendants’ acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), in connection with the marketing and sale of financial and health newsletters, publications, and subscription services.

### JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345.

3. Venue is proper in this District under 28 U.S.C. § 1391(b)(2) and (c)(2), and 15 U.S.C. § 53(b).

### PLAINTIFF

4. The FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce.

5. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and to secure such equitable relief as may be appropriate in each case, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies. 15 U.S.C. § 53(b).

DEFENDANTS

6. Defendant Agora Financial, LLC (“Agora Financial”) is a Maryland corporation with its principal place of business at 808 St. Paul Street, Baltimore, Maryland 21202. Agora Financial transacts or has transacted business in this District and throughout the District of Columbia.



16. Since at least December 2018 and continuing to the present, Defendants Agora Financial, NewMarketHealth, NewMarket Health Publishing, Health Sense Media, Health Sense Publishing and Dr. Richard Gerhause (collectively, the "Reverse Diabetes Defendants") have advertised, marketed, promoted, offered for sale, sold, published, distributed, and promoted The Doctor's Guide to Reversing Diabetes in 28 Days ("The Doctor's Guide") to consumers.

17. The Doctor's Guide is a compilation of 11 pamphlets totaling under 100 pages, authored by Dr. Richard Gerhause. Reverse Diabetes Defendants advertise The Doctor's Guide as a simple, doctor-guided, and scientifically proven protocol that can permanently reverse type 2 diabetes in 28 days.

glucose from the bloodstream to the body's cells. Changes in the production of insulin or the action of insulin can lead to diabetes. Type 1 and type 2 diabetes are the most common forms of this disease. Type 1 diabetes occurs when the immune system destroys the insulin-producing beta cells in the pancreas, resulting in a nearly complete loss of insulin. With beta cells destroyed, glucose builds up in the blood stream. Type 1 diabetes must be treated with insulin. In type 2 diabetes, insulin's action is impaired. Type 2 diabetes starts with insulin resistance, where the body needs higher levels of insulin to move glucose from the blood stream in the cells.

25. Reverse Diabetes Defendants primarily, if not exclusively disseminate advertisements for The Doctor's Guide online, through email distribution lists, online newsletters, affiliate networks, and their own websites.

26. In their advertisements, Reverse Diabetes Defendants expressly target consumers with ty d-42 (i)-6 (ab)-14 (et)-6 (es)]TJ 0 Tc 0 Tw 8024 0 Td (, )Tj 0.002 Tc -0.002 Tw [(c)6 (ae)6 (i)-10 (

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features Dr. Gerhauser. The video is copyrighted to Health Sense Media and features a header in the top center of the screen, stating “Shocking study shows 100% cure rate. Stay on this page for details.”

29. If a consumer attempts to click out of the video, a pop-up ad appears warning, “Wait! By clicking out of this page, you’ll forfeit the chance to learn about this powerful solution for your health. Click Watch Video to continue watching. Or click Read Transcript to read about this solution instead. Consumers must watch the video or scroll to the bottom of the transcript in order to purchase The Doctor’s Guide. The transcript is also copyrighted to Health Sense Media.

30. Both the video and transcript contain the same representations regarding The Doctor’s Guide

31. In both the video and transcript, Reverse Diabetes Defendants state that “mainstream solutions” to type 2 diabetes such as (1) diet and exercise, (2) oral medications, (3) insulin, (4) bariatric surgery, (5) and (6) are both ineffective and



Non-Ionizing Radiation (NIR”), which, in turn, causes diabetes. Reverse Diabetes Defendants make the following representations and depictions in the video and transcript:

34.

Imagine how you'll feel when your doctor tells you your diabetes is gone  
Now imagine hearing those words just 28 days from today...Take out a calendar,  
flip exactly 4 weeks from today, and circle the date. That's EXACTLY when  
you'll finally be free from Type II Diabetes.

\* \* \*

My 3-step protocol is specifically designed to reverse the effects of this new type  
of radiation.

\* \* \*

I've made it my life mission to help people rather than chasing every last dollar.  
And it's why I'm putting my career on the line to share this with you today. You  
see, as I mentioned earlier, I developed a simple 3-step "protocol" to reverse  
Type II Diabetes in 28 days. It's specifically designed to protect you from  
"NIR"... boost your insulin production... and 'reset' your body's ability to  
process insulin.

\* \* \*

Can this new treatment really reverse Type II Diabetes in 28 days?

Without diet, exercise, or a single drug?

Sure, it sounds impossible...

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guarantee...if you read this report to the end...[a]nd follow ~~the~~ instructions I'm about to give you...[j]ust 28 days from now, that dream can be your reality.

38. Agora Financial also made the following statements and representations in email advertisements to consumers

How to Reverse Diabetes Without Dieting Sure, it sounds impossible, but according to a new Study from the University of Kansas, it's true... On Tuesday, December 1~~st~~ 1:00pm EST my colleague Dr. Richard Gerhauser, M.D. will reveal every step of this brand new treatment with you. You'll hear exactly ~~own~~ it works, he'll walk you through every step of this simple protocol, and, finally, he'll share exactly how you can start using this treatment—today. Space for this webinar is extremely limited, so if you're interested in learning this ~~28~~ 28 day plan to ~~cur~~ reverse Type II Diabetes I urge you to claim your spot now.

Shocking new "protocol" reverses Type II Diabetes in 28 days.

Dear Tech Profits Reader,

Can this new treatment really reverse Type II Diabetes in 28 days?

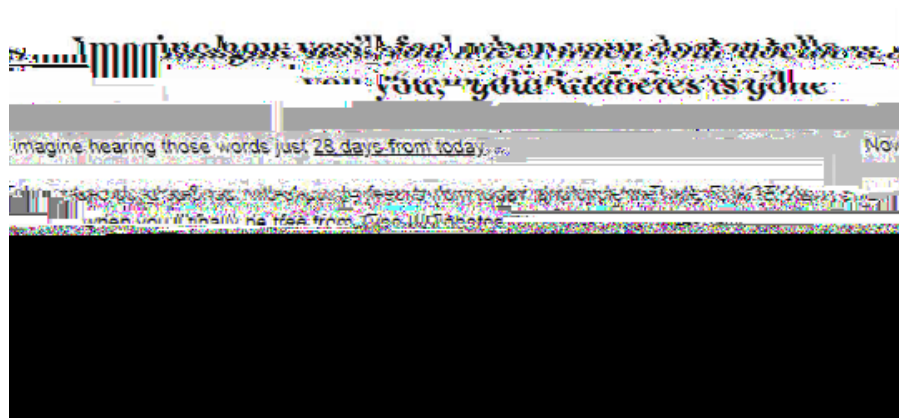
Without diet, exercise, or a single drug? Sure, it sounds impossible... But, according to a new Stue (e)4 9u (ut)-2utes8(S)- 0.32 T4 (s8(S)-3. (S)-

40. According to Reverse Diabetes Defendants, the protocol contained in The Doctor's Guide cures type 2 diabetes with natural ingredients such as "Himalayan Silk," "Epsom Blue," and "Chromanium" as well as various "Non-ionizing Radiation blockers."

41. Reverse Diabetes Defendants indicate that these items are difficult to obtain, claiming that they will reveal "the only place" to get Himalayan Silk, and the "best place" to get Epsom Blue.

42. Reverse Diabetes Defendants state that Himalayan Silk, the first step in their protocol, works by "activating the pancreas...allowing it to pump insulin in to the blood stream." Reverse Diabetes Defendants tell consumers to "[t]hink of [Himalayan Silk] as an all-natural 'jumpstart'...[r]evving up your body's ability to create insulin...[c]leaning excess sugar out of your body...And completely reversing Type II Diabetes in just 28 days."

43. Reverse Diabetes Defendants also make the following representations and depictions concerning Himalayan Silk, among others:



44. Reverse Diabetes Defendants tout "Epsom Blue" and "Chromanium Sugar Companions," the second step in their protocol. They state that Epsom Blue, a natural molecule, is the "key that unlocks the insulin receptors" in the body, giving them to open up

and accept sugar again” while “Chromanite forces cells to “open up,” accept insulin and “start cleaning sugar” out of the bloodstream.

45. Reverse Diabetes Defendants claim that together Chromanite and Epsom Blue “work in perfect harmony” to reset insulin sensitivity, “clean[] glucose” out of the blood stream and “completely reverse[] diabetes.”

46. The final step in Reverse Diabetes Defendants’ protocol and the “one final thing” they claim consumers “need to make sure [they] truly reverse [their] diabetes...and make sure it never comes back” are “Nonionizing Radiation blockers.”

47. According to Reverse Diabetes Defendants, there are paints, window coverings, cell phone cases and computer cases that “block” NIR.

48. Reverse Diabetes Defendants further state that these blockers “work like a shield” to deflect NIR and “diabetes proof” your entire body – without changing your lifestyle at all.”

49. Reverse Diabetes Defendants claim they have several more easy tips” in The Doctor’s Guide that will limit consumers’ exposure to NIR to “make sure you reverse your diabetes – for good” in 28 days.

50. Reverse Diabetes Defendants reiterate that with Himalayan Salt, Epsom Blue and Chromanite, and the “simple tips to avoid NIR exposure,” consumers will “finally have everything [they] need to defeat the root cause of diabetes allowing [them] to reverse virtually every symptom of [] diabetes – in just 28 days.”

51. Consumers who attempt to research Himalayan Salt, Epsom Blue, or Chromanite online, including how to find or purchase them, dosage suggestions or other instructions, only

find references to these products on Reverse Diabetes Defendants' websites, which redirects consumers to purchase The Doctor's Guide. Consumers cannot purchase The Doctor's Guide at any store because it is only available on Reverse Diabetes Defendants' website.

52. Reverse Diabetes Defendants typically charge consumers \$249.00 for The Doctor's Guide. Reverse Diabetes Defendants claim that this represents a "\$750 discount," as ordinarily, patients would pay \$1,000 to receive the advice contained in The Doctor's Guide.

53. Consumers who purchase The Doctor's Guide are able to view and download it immediately on Reverse Diabetes Defendants' website.

54. Contrary to Reverse Diabetes Defendants' advertising claims, The Doctor's Guide involves several dietary changes or restrictions including intermittent fasting (i.e., waiting at least 12 hours between dinner and breakfast), a low-carbohydrate diet (eg, nuts, and

57. Mulberry extract alone or in combination with magnesium and chromium does not cure, treat, or mitigate type 2 diabetes.

58. Magnesium alone or in combination with mulberry extract or chromium does not cure, treat, or mitigate type 2 diabetes.

59. Chromium alone or in combination with mulberry extract or magnesium does not cure, treat, or mitigate type 2 diabetes.

60. NIR, or exposure to electronic devices, does not cause type 2 diabetes.

61. Non-Iodizing Radiation “blockers,” as described in Paragraphs 46-48 and 56 above, will not prevent, cure, treat, or mitigate type 2 diabetes.

62. Avoiding certain electronic devices or engaging in any of the activities described in Paragraph 56 alone or in conjunction with mulberry extract, magnesium and chromium, will not prevent, cure, treat or mitigate type 2 diabetes.

63. Based on the facts and violations of law alleged in this Complaint, the FTC has reason to believe that the Reverse Diabetes Defendants are violating or are about to violate laws enforced by the Commission

CONGRESSIONAL CHECKS DEFENDANTS' MARKETING OF CONGRESSIONAL CHECKS AND REPUBLICAN CHECKS

64. Since at least January 2018, and continuing to present, Congressional Checks Defendants have claimed that consumers are legally entitled to hundreds to thousands of dollars per month in “Congressional Checks” or “Republican Checks.”

65. Before October 2018, Congressional Checks Defendants referred to these payouts as Congressional Checks. In or about October 2018, they started to refer to Republican

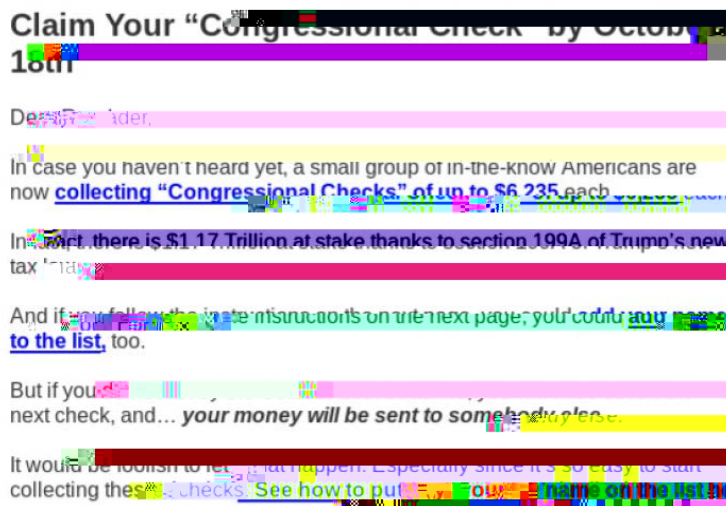


Checks. In many instances, Congressional Checks Defendants make the same representations about Congressional Checks and Republican Checks.

66. Congressional Checks Defendants market Congressional and Republican Checks in connection with advertisements and promotional materials related to their monthly financial newsletter, Lifetime Income Report, and their book, Congress' Secret \$1.17 Trillion Giveaway

67. Congressional Checks Defendants primarily, if not exclusively, advertise Congressional Checks and Republican Checks online, through their distribution lists, online newsletters, Internet banner ads, affiliate networks, and their own websites.

68. These online advertisements prompt consumers to learn how to "claim" their Congressional Checks or Republican Checks. For example, Congressional Checks Defendants' advertisements contain the following statements and depictions, among others:



\* \* \*



the video and the transcript make the same representations. Consumers must watch the video or scroll down to the bottom of the transcript to purchase Congress' Secret \$1.17 Trillion Giveaway.

71. Congressional Checks Defendants announce at the beginning of both the video and transcript that “[o]n December 15, 2017, lawmakers added a last-minute provision to the just-passed tax plan [o]ne that could put an extra \$6235 or more in your pocket this month... [a]nd every month after that, if you choose.”

72. Congressional Checks Defendants further claim that most taxpayers “don’t even know about this little known tax provision” because it “was buried in more than 500 pages of

76. Congressional Checks Defendants claim that “Bloomberg called [this provision] a multimillion -dollar windfall ” and that the former chief of staff of Congress’ Joint Committee on Taxation claimed it was “a complete giveaway.”

77. Congressional Checks Defendants tell consumers ~~that~~ several members of Congress are already taking advantage of this “loophole” and collecting thousands to millions of dollars.

78. In order for everyday consumers to collect ~~their~~ Congressional Checks or Republican Checks, Congressional Checks Defendants tell consumers they “just need to add [their] name to the list of check payees.”

79. Congressional Checks Defendants make the following representations and statements, among ~~others~~

You just need to add your name to the list of check payees before October 18<sup>th</sup>...[b]ecause according to the law, if you don’t act by the predetermined date, ‘you will not collect the next payment.’

\* \* \*

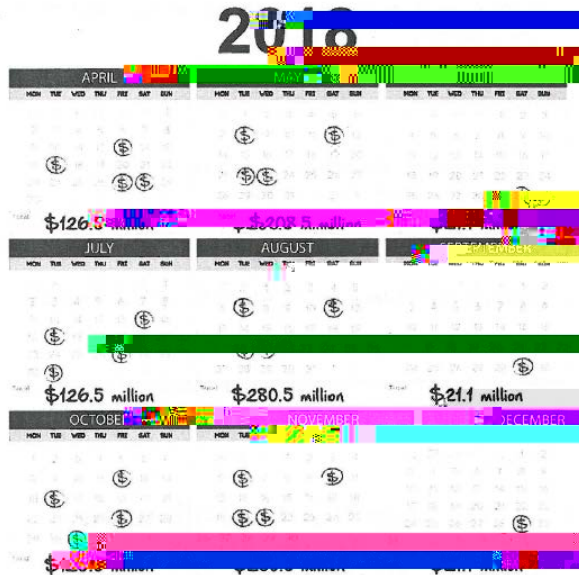
As you’re about to see, this couldn’t be easier. Anyone can collect these checks. You just need to add your name to the list of check payees before October 18th.

\* \* \*

82. Congressional Check Defendants also make the following representations and depictions, among others:

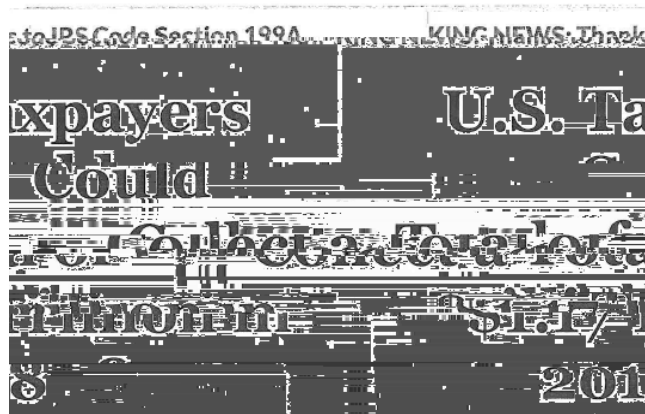
I've already mapped out how much could be distributed in Congressional Checks in 2018...

Take a look...



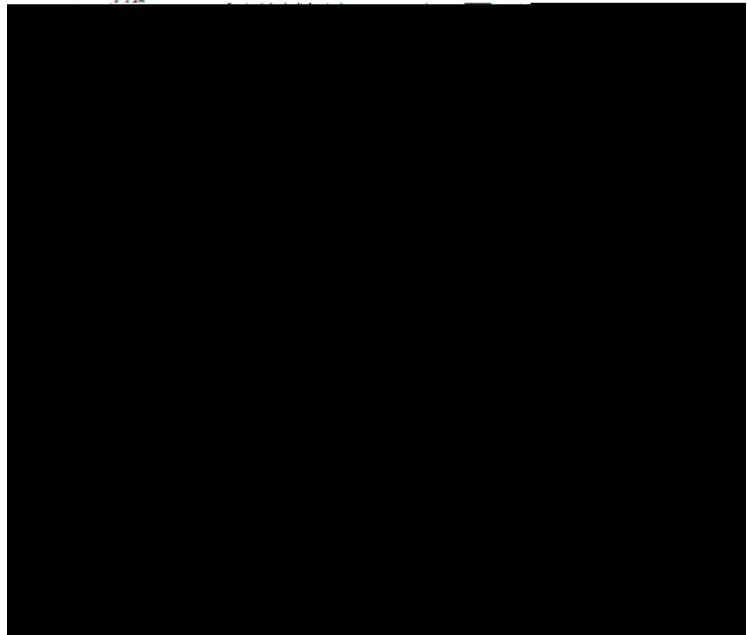
As you can see, there are millions to be distributed every single month.

\* \* \*



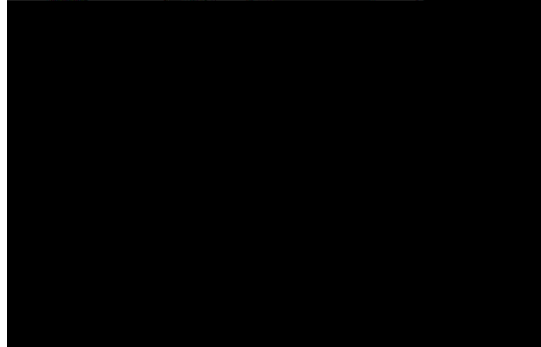
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Availability Through Social &  
... take a look at this



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\* \* \*

83. Through express statements, including purported consumer testimonials, Congressional Checks Defendants tell consumers that they can expect to collect hundreds to thousands of dollars, ranging from \$900 to over \$20,000, in Congressional or Republican Checks, every single month. They also claim that consumers can use Congressional Checks or Republican Checks “just a few days from now” to pay for their medical expenses, mortgage, or other bills.

84. For example, Congressional Checks Defendants make the following representations:

Act before October 18<sup>th</sup>, and YOU too could pocket \$939, \$6235 and even \$21,538 in extra income...this month and every month after that.

\* \* \*

Kevin Larry, from Chicago.... [is] set to collect a massive check for \$44,577 this month. Imagine if that happened to you.

\* \* \*

Harry F., an 88 year old retiree from San Francisco, says he collected close to \$12,000. I’m using the extra income to pay my bills.”

\* \* \*

People like Chris T., a 73 year old retiree from Colorado, he sent me a note saying that he already collected more than \$20,000 from what I’m calling “Republican Checks.” And because these are not one time payments... He’s not done yet. He’s set to collect another check for \$900 in the coming days.

\* \* \*

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88. In these images, “Congressional Check” or “Republican Check” is blazoned across the checks in large writing, and each check includes the seal of the U.S. Congress in the upper left corner of the check’s face. In some instances, they depict the U.S. Capitol building and United States flag in the background of the check. Congressional Checks Defendants make the following (f)-151pesD



89. In reality, the images of both the consumers and the checks are stock photos—available publicly online—that Congressional Checks

91. In reality, both image of Congressman Issa's report are doctored. Congressman Issa's actual Financial Disclosure Report is publicly available on the U.S. House of Representatives' website and there is no "Congressional" or "Republican" Check identified anywhere in the report.

92. Towards the end of the video and transcript, Congressional Checks Defendants claim that Congress could close the "loophole" creating the opportunity for Congressional Checks and Republican Checks if too many Americans take advantage of it.

93. Thus, Congressional Checks Defendants state, they do not "want this information to leak online" and would "like to reserve this information for a small group." They claim however, that all of the information about how to collect these checks as Schmidt's book, "Congress' Secret \$1.17 Trillion Giveaway."

94. Congress' Secret \$1.17 Trillion Giveaway is not available in bookstores. Consumers can only obtain a copy of this book by ordering it on Congressional Checks Defendants' website.

95. Congressional Checks Defendants claim the book is "free," but require consumers to pay a "small shipping fee of \$4.95."

96. Congressional Checks Defendants automatically enroll consumers who pay the \$4.95 shipping fee for this purportedly free book in their subscription newsletter, Lifetime Income Report

97. Under the earlier "Congressional Checks" version of the marketing, consumers purportedly had 30 days to cancel before being charged \$99 for an annual subscription to Lifetime Income Report



104. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

COUNT I

False or Unsubstantiated Efficacy Claims Regarding The Doctor's Guide

105. In numerous instances in connection with the advertising, marketing, promotion, offering for sale, or sale of The Doctor's Guide including through the means described in Paragraphs 256, Reverse Diabetes Defendants have represented, directly or indirectly, expressly or by implication, that:

- a. The protocol described in The Doctor's Guide will cure, treat or mitigate type 2 diabetes or its symptoms;
- b. The protocol described in The Doctor's Guide does not require consumers to restrict or make changes to their diets;
- c. Supplements, including Himalayan Silk, Epsom Blue, and Chromanite, will, either alone or in combination, cure, treat, or mitigate type 2 diabetes or its symptoms;
- d. Type 2 diabetes is caused by NIR exposure;
- e. Consumers can prevent type 2 diabetes through the use of Non-Ionizing Radiation "blockers," or by otherwise avoiding NIR.

106. The representations set forth in Paragraph 105 are false, misleading, or were not substantiated at the time the representations were made.

107. Therefore, the making of the representations as set forth in Paragraph 105 constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT II

False Establishment Claim Regarding The Doctor's Guide

108. In numerous instances in connection with the advertising, marketing, promotion, offering for sale, or sale of The Doctor's Guide, including through the means described in Paragraphs 26, 28, 36, and 39, Reverse Diabetes Defendants have represented, directly or indirectly, expressly or by implication, that the protocol described in The Doctor's Guide is scientifically proven to cure, treat, or mitigate type 2 diabetes or its symptoms in 28 days.

109. The representations set forth in Paragraph 108 are false, misleading, or were not

- c. Consumers can collect hundreds to thousands of dollars per month in Congressional Checks or Republican Checks with little or no risk;
- d. Congressional Checks or Republican Checks are affiliated or furnished by Congress or another government agency or program;
- e. Anyone can collect hundreds to thousands of dollars in Congressional or Republican Checks;

112. Congressional Checks Defendants' representations described in Paragraph 111 are false or misleading. In truth and in fact:

- a. Consumers are not entitled, by law or otherwise, to money from Congressional Checks or Republican Checks;
- b. Consumers cannot collect money from Congressional Checks or Republican Checks just by adding their name to "the list of check payees;"
- c. Consumers cannot collect hundreds to thousands of dollars per month in Congressional Checks or Republican Checks with little to no risk;
- d. Congressional Checks or Republican Checks are not affiliated or furnished by Congress or another government agency or program;
- e. Anyone cannot collect hundreds to thousands of dollars in Congressional Checks or Republican Checks because of the cost of doing so.

113. Therefore, the making of the representations set forth in Paragraph 111 constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT IV





Dated: October 24, 2019

Respectfully submitted,

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General Counsel

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