

**CLOSED**

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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

**FEDERAL TRADE COMMISSION,**

Plaintiff,

v.

**DAVID J. ROMEO**, individually, and in his capacity as an officer of Stella Labs, LLC, and Nutraceuticals International, LLC; **STELLA LABS, LLC**, a limited liability company; **NUTRACEUTICALS INTERNATIONAL, LLC**, a limited liability company; **DEBORAH B. VICKERY**, individually, and as an employee of Stella Labs, LLC and Nutraceuticals International, LLC; **V. CRAIG PAYTON**, individually, and in his capacity as an officer of Stella Labs, LLC; and **ZOLTAN KLIVINYI**, individually, and in his capacity as an officer of Nutraceuticals International, LLC,

Defendants.

**CASE NO. 2:09-1262 (WJM)**

**STIPULATED FINAL JUDGMENT  
AND ORDER FOR INJUNCTIVE AND OTHER EQUITABLE RELIEF AS  
TO DEFENDANTS DAVID J. ROMEO, NUTRACEUTICALS  
INTERNATIONAL, LLC, AND STELLA LABS, LLC**

Plaintiff, the Federal Trade Commission (FTC or Commission), filed a Complaint for Injunctive and Other Equitable Relief against Defendants David J. Romeo, Stella Labs, LLC, Nutraceuticals International, LLC, Deborah B. Vickery, V. Craig Payton, and Zoltan Klivinyi pursuant to Section 13(b) of the Federal Trade Commission Act (FTC Act), 15 U.S.C. § 53(b), alleging deceptive acts or practices and false advertisements in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

The Commission and Defendants David J. Romeo, Nutraceuticals International LLC, and Stella Labs, LLC (Defendants) have stipulated to entry of the following agreement for permanent injunction and settlement of claims for monetary relief in settlement of the Commission's allegations against Defendants.

The Court, having been presented with this Stipulated Final Judgment and Order for Injunctive and Other Equitable Relief as to Defendants David J. Romeo, Nutraceuticals International, LLC, and Stella Labs, LLC (Order), finds as follows:

**FINDINGS**

1. This Court has jurisdiction over the subject matter of this case and jurisdiction over Defendants. Venue in the District of New Jersey is proper.

2. The acts and practices of Defendants are in or affecting commerce, as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

3. The Complaint states a claim upon which relief can be granted under Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52, and the Commission has the authority to seek the relief it has requested.

4. Defendants waive all rights to seek judicial review or otherwise challenge or contest the validity of this Order. Defendants also waive any claim that they may have held under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action to the date of this Order.

5. This Order reflects the negotiated agreement of the Commission and Defendants, and Defendants have entered into this Order freely and without coercion.

6. The Commission and Defendants stipulate and agree to entry of this Order under Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), without trial or final adjudication of any issue of fact or law. By entering into this stipulation, Defendants do not admit or deny any of the allegations set forth in the Complaint, other than jurisdictional facts.

7. The Commission and Defendants agree that entry of this Order resolves any and all disputes between them arising from the acts or practices

alleged in the Complaint in this action up to the date of entry of this Order.

8. Pursuant to Federal Rule of Civil Procedure 65(d), the provisions of this Order are binding upon Defendants, and their officers, agents, servants, representatives, employees, and all other persons or entities in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise.

9. Nothing in this Order obviates the obligation of Defendants to comply with Sections 5 and 12 of the FTC Act, 15 U.S.C. §§ 45 and 52.

10. The Commission's action against Defendants is an exercise of the Commission's police or regulatory power as a governmental unit.

11. The paragraphs of this Order shall be read as the necessary requirements for compliance and not as alternatives for compliance, and no paragraph serves to modify another paragraph unless expressly so stated.

12. Each party shall bear its own costs and attorneys' fees.

13. Entry of this Order is in the public interest.

### **ORDER**

### **DEFINITIONS**

1. "Advertising" and "promotion" mean any written or verbal statement, illustration, or depiction designed to effect a sale or create interest in the

purchasing of goods, whether it appears in a brochure, newspaper, magazine, pamphlet, leaflet, circular, mailer, book insert, free standing insert, letter, catalogue, poster, chart, billboard, public transit card, point of purchase display, packaging, package insert, label, film, slide, radio, television or cable television, audio program transmitted over a telephone system, program-length commercial (“infomercial”), the Internet, email, press release, video news release, or in any other medium.

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

3. “Competent and reliable scientific evidence” means tests, analyses, research, or studies that have been conducted and evaluated in an objective manner by qualified persons and are generally accepted in the profession to yield accurate and reliable results.

4. “Covered Product” means:

- a. Any dietary supplement, food, or drug;
- b. Any vitamin, mineral, herb or other botanical, or amino acid; or
- c. Any concentrate, metabolite, constituent, extract, or combination of any of the ingredients previously described in this Paragraph.

5. “Individual Defendant” means David J. Romeo.

6. “Corporate Defendants” means Nutraceuticals International, LLC and Stella Labs, LLC and their successors and assigns.

7. “Defendants” means the Individual Defendant and the Corporate Defendants, individually, collectively, or in any combination.

8. “Endorsement” means as defined in 16 C.F.R. § 255.0(b).

9. “Food” and “drug” mean as defined in Section 15 of the FTC Act, 15 U.S.C. § 55.

10. “Real Property” means the real property and dwelling house located at 82 North Brookwood Road, Stratton, Vermont 05115; together with any other structures, improvements, appurtenances, hereditaments, and other rights appertaining or belonging thereto.

11. “Real Property Net Proceeds” means the total proceeds from the sale or auction of the Real Property after payment of any reasonable and customary real estate agent fees and closing costs incurred in connection with such sale or auction that have been approved by counsel for the FTC, which approval shall not be unreasonably withheld.

12. The terms “and” and “or” in this Order shall be construed conjunctively or disjunctively as necessary, to make the applicable sentence or phrase inclusive rather than exclusive.

13. The term “including” in this Order means “including without limitation.”

I.

**PROHIBITED REPRESENTATIONS REGARDING  
WEIGHT LOSS**

IT IS HEREBY ORDERED that Defendants, directly or through any corporation, partnership, subsidiary, division, trade name, or other device, and their officers, agents, servants, employees, and all other persons or entities in active concert or participation with them who receive actual notice of this Order, by personal service or otherwise, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any Covered Product, in or affecting commerce, are hereby permanently restrained and enjoined from making any representation that such Covered Product, whether individually or in any combination, increases metabolism; suppresses appetite; or causes, assists in, or contributes to, weight or fat loss, weight maintenance, slimming, calorie reduction, or satiety.

**II.**

**PROHIBITED REPRESENTATIONS REGARDING  
COVERED PRODUCTS**

IT IS FURTHER ORDERED that Defendants, directly or through any corporation, partnership, subsidiary, division, trade name, or other device, and their agents, servants, employees, and all other persons or entities in active concert or participation with them who receive actual notice of this Order, by personal service or otherwise, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any Covered Product, in or affecting commerce, are hereby permanently restrained and enjoined from making, or assisting others in making, directly or by implication, including through the use of a product name, endorsement, depiction, or illustration, any representation about the health benefits, performance, efficacy, identity, or safety of any Covered Product, unless the representation is true, non-misleading, and, at the time it is made, Defendants possess and rely upon competent and reliable scientific evidence that is sufficient in quality and quantity based on standards generally accepted in the relevant scientific fields, when considered in light of the entire body of relevant and reliable scientific evidence, to substantiate that the claim is true.

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**III.**

**PROHIBITED REPRESENTATIONS REGARDING TESTS OR STUDIES**

IT IS FURTHER ORDERED that Defendants, directly or through any corporation, partnership, subsidiary, division, trade name, or other device, and their officers, agents, servants, representatives, employees, and all persons or entities in active concert or participation with them who receive actual notice of this Order, by personal service or otherwise, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any Covered Product, in or affecting commerce, are hereby permanently restrained and enjoined from misrepresenting, in any manner, expressly or by implication, including through the use of any product name or endorsement, the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research.

**IV.**

**MEANS AND INSTRUMENTALITIES**

IT IS FURTHER ORDERED that Defendants, directly or through any corporation, partnership, subsidiary, division, trade name, or other device, and their agents, servants, employees, and all persons or entities in active concert or participation with them who receive actual notice of this Order, by personal service or otherwise, in connection with the manufacturing, labeling, advertising,

promotion, offering for sale, sale, or distribution of any Covered Product, in or affecting commerce, are hereby permanently restrained and enjoined from providing the means and instrumentalities with which to make, directly or by implication, any false or misleading statement of material fact, including but not limited to the prohibited representations covered by Sections II and III above. For purposes of this Section, “means and instrumentalities” mean any information, document, or article referring or relating to any Covered Product, including, but not necessarily limited to, any advertising, labeling, promotional, or purported substantiation materials, for use by trade customers in their marketing of any Covered Product in or affecting commerce.

**V.**

**FDA-APPROVED CLAIMS**

IT IS FURTHER ORDERED that:

A. Except as provided in Section I of this Order, nothing in this Order shall prohibit Defendants from making any representation for any drug that is permitted in labeling for such drug under any tentative or final standard promulgated by the Food and Drug Administration, or under any new drug application approved by the Food and Drug Administration; and

B. Except as provided in Section I of this Order, nothing in this Order shall prohibit Defendants from making any representation for any product that is specifically permitted in labeling for such product by regulations promulgated by the Food and Drug Administration pursuant to the Nutrition Labeling and Education Act of 1990.

**VI.**

**MONETARY RELIEF**

IT IS FURTHER ORDERED that:

A. Judgment for equitable monetary relief is hereby entered against Defendants, jointly and severally, in the amount of TWENTY-TWO MILLION MILLION, FIVE-HUNDRED THOUSAND DOLLARS (\$22,500,000); *provided, however,* that this Judgment shall be suspended, subject to the provisions of Section VII, upon the satisfaction of the obligations imposed by Sections VI.B through VI.E.

B. Individual Defendant hereby assigns to the Federal Trade Commission, without any encumbrances, all rights and claims to money or other assets owed to him, including, but not limited to, the right to pursue any chose in action to recover:

1. Two-hundred twenty-five thousand dollars (\$225,000) owed to

Individual Defendant under the written agreement entered into on October 15, 2008 by and between Individual Defendant and Don M. Bosco; and

2. Four-hundred ten-thousand dollars (\$410,000) owed to Individual Defendant under the written agreement entered into on October 15, 2007 by and between Mad Capital LLC and DEP Lounge,

and shall execute any and all additional documents necessary to effectuate the foregoing assignments.

C. Individual Defendant shall, within twelve (12) months from the date of entry of this Order, sell the Real Property upon terms and conditions acceptable to the FTC and, within thirty (30) days of the sale of the Real Property, transfer the Real Property Net Proceeds to the Commission or its designated agent, or as otherwise provided in Section VI.E of this Order, pursuant to the following provisions:

1. Individual Defendant shall make all good faith efforts necessary to sell promptly the Real Property and shall comply with all reasonable requests from counsel for the FTC related to the sale of the Real Property, including, but not limited to, signing

listing contracts with a real estate agent approved by counsel for the FTC, which approval shall not be unreasonably withheld; keeping the Real Property in good repair; maintaining full replacement value insurance on the Real Property; keeping the Real Property in a condition suitable for showing to prospective purchasers; signing contracts for the sale of the Real Property; and signing all documents necessary or appropriate for the transfer of the Real Property to a new buyer.

2. Individual Defendant shall provide to counsel for the FTC as soon as possible, and in any event not later than one (1) week prior to the closing date for the sale of the Real Property: (a) a copy of the executed contract relating to the proposed sale; (b) written notice of the closing date; (c) contact information for the closing agent, including the name, address and telephone number of the individual closing agent; and (d) a copy of the Good Faith Estimate to be used in connection with the closing.
3. Individual Defendant shall provide to counsel for the FTC, within five (5) days of closing, a copy of the final HUD-1 settlement statement or, if a HUD-1 settlement statement is not

available, any similar such documents relating to the consummation of the sale of the Real Property.

4. Within thirty (30) days of the sale or auction of the Real Property, Individual Defendant shall provide counsel for the FTC with: (a) proof of such transfer, including the amount paid for the Real Property; and (b) proof of payment of any reasonable and customary brokerage fees, commissions, and closing costs.
5. In the event that the Real Property has not sold within twelve (12) months of the date of entry of this Order, Individual Defendant shall undertake the necessary steps to auction the property, including, but not limited to the following:
  - a. Individual Defendant shall retain an auction company and direct it to sell all interests in the property at a public auction to occur within fourteen (14) months from the date of entry of this Order;
  - b. Individual Defendant shall obtain from counsel for the FTC written approval of the auction company and the terms that Individual Defendant establishes for the

auction, which approval shall not be unreasonably withheld;

- c. Within thirty (30) days of the auction of the Real Property, Individual Defendant shall transfer the Real Property Net Proceeds, if any, to the Commission or its designated agent, or as otherwise provided in Section VI.E of this Order; and
- d. If the property remains unsold after auction, Individual Defendant shall market and re-auction the property until sold.

6. Individual Defendant hereby releases and waives any statutory, common law, or other homestead exemption that may apply to the Real Property, and shall not declare and claim any homestead exemption in the Real Property.

D. To secure performance of Individual Defendant's obligations under Section VI.C of this Order:

1. Individual Defendant grants to the Commission a lien on and a security interest in the Real Property, which shall terminate upon Individual Defendant's transfer of all interests in such

property and remittance of any resulting Real Property Net Proceeds to the Commission or its designated agent as provided for in Section VI.E of this Order. The Commission also shall promptly release a lien or security interest to the extent necessary to permit the sale of the Real Property, provided that Individual Defendant remits the Real Property Net Proceeds to the Commission or its designated agent as provided for in Section VI.E of this Order, upon closing of the sale.

2. Individual Defendant shall cooperate fully with the Commission and be responsible (at his expense) for preparing, executing, and recording the necessary instruments and documents, and undertake all reasonable efforts to perfect, evidence, continue, and terminate the lien and security interest granted herein. Individual Defendant also shall be responsible for paying all related fees and costs, including attorneys' fees and filing fees.
3. Individual Defendant shall deliver to the Commission copies of the instruments and documents necessary to perfect the lien and security interest granted herein, in form and substance



satisfactory to the Commission, no later than twenty (20) days after the date on which the Commission authorizes staff to sign this Order. Defendants shall record these documents and provide counsel for the FTC with proof thereof within thirty (30) days of the date of entry of this Order.

4. With the exception of the lien granted pursuant to Section VI.D.1 above, Defendants are hereby prohibited from encumbering the Real Property with any lien, mortgage, deed of trust, assignment, pledge, security interest, or other interest between the date of the execution of this Order and disposition of the Real Property under Section IV.C.

E. Individual Defendant shall transfer the Real Property Net Proceeds, if any, pursuant to the time periods provided in this Section to the Commission or its designated agent by wire transfer in accordance with wiring instructions to be provided by counsel for the FTC.

F. Defendants agree that they will not, directly or indirectly, take any deduction, capital loss, or other tax benefit on any federal, state, or local tax return for the assignments set forth in Section VI.B or for the payment made toward satisfaction of the judgment set forth in Section VI.C. Within thirty (30) days of

receipt of a written request from a representative of the Commission, Defendants must take all necessary steps, such as filing completed IRS Forms 4506 or 8821, to cause the Internal Revenue Service (IRS) or other tax authority to provide any requested tax information directly to the Commission. The requested information can include amended tax returns and any other filings that Defendants have the authority to release, including those of any businesses that any Defendant, individually or collectively with any other Defendant, is the majority owner of or directly or indirectly controls.

G. If Individual Defendant fails to transfer the Real Property Net Proceeds in accordance with this Section, then judgment in the amount of TWENTY-TWO MILLION, FIVE-HUNDRED THOUSAND DOLLARS (\$22,500,000) shall be entered and will become immediately due and payable, less any amounts already paid. *Provided, however,* that Individual Defendant shall have a fourteen (14) day period in which to cure his default following notice from a representative of the Commission.

H. All funds paid pursuant to this Order shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief as it determines to be reasonably related to Defendants' practices alleged in the Complaint, and any attendant expenses for the administration of such equitable

relief. Any funds not used for such equitable relief shall be deposited to the United States Treasury as disgorgement. Defendants shall have no right to challenge the Commission's choice of remedies under this Section. Defendants shall have no right to contest the manner of distribution chosen by the Commission. This judgment for equitable monetary relief is solely remedial in nature and is not a fine, penalty, punitive assessment, or forfeiture.

I. Defendants relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law. Defendants shall make no claim to or demand for return of the funds, directly or indirectly, through counsel or otherwise.

J. Defendants agree that the facts as alleged in the Complaint filed in this action shall be taken as true without further proof in any bankruptcy case or subsequent civil litigation pursued by the Commission to enforce its rights to any payment or money judgment pursuant to this Order, including but not limited to a nondischargeability complaint in any bankruptcy case. Defendants further stipulate and agree that the facts alleged in the Complaint establish all elements necessary to sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and that this Order shall have collateral estoppel effect for such purposes.

K. In accordance with 31 U.S.C. § 7701, Defendants are hereby required,

unless they have done so already, to furnish to the Commission their taxpayer identifying number and/or social security number, which shall be used for the purposes of collecting and reporting on any delinquent amount arising out of Defendants' relationship with the government.

L. Proceedings instituted under this Section are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any other proceedings the Commission may initiate to enforce this Order.

## **VII.**

### **RIGHT TO REOPEN**

IT IS FURTHER ORDERED that:

A. The Commission's agreement to this Order is expressly premised upon (1) Individual Defendant's material representation that he, through his 100% ownership of Stratton Landing, LLC, is the sole owner of the Real Property; that title to the Real Property is marketable; and that the Real Property is not encumbered by any lien, mortgage, deed of trust, assignment, pledge, security interest, or other interest; and (2) the truthfulness, accuracy, and completeness of the certified financial statements and supporting documents submitted to the Commission by the Defendants dated July 28, 2011 and July 29, 2011. Defendants stipulate that all of the materials they submitted are truthful, accurate, and

complete. These documents contain material information upon which the Commission relied in negotiating and agreeing to the terms of this Order.

B. If, upon motion by the Commission, a Court determines that any of the Defendants made a material misrepresentation or omitted material information concerning his or its financial condition, then the suspended judgment entered in Section VI, less any payments previously made pursuant to Section VI.C, shall become immediately due and payable, and interest computed at the rate prescribed under 28 U.S.C. § 1961, as amended, shall immediately begin to accrue on the unpaid balance, *provided, however*, that in all other respects this Order shall remain in full force and effect unless otherwise ordered by the Court; and *provided*, further, that proceedings instituted under this provision would be in addition to, and not in lieu of, any other civil or criminal remedies as may be provided by law, including but not limited to contempt proceedings, or any other proceedings that the Commission may initiate to enforce this Order.

#### **VIII.**

#### **COMPLIANCE MONITORING BY THE COMMISSION**

IT IS FURTHER ORDERED that, for the purpose of monitoring Defendants' compliance with this Order, including the financial representations upon which the judgment was suspended:

A. Within fourteen (14) days of receipt of a written request from a representative of the Commission, each Defendant must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents, for inspection and copying. The Commission is also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.

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

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

**IX.**

**COMPLIANCE REPORTING**

IT IS FURTHER ORDERED that Defendants make timely submissions to the Commission:

- A. One year after entry of this Order, each Defendant must submit a compliance report, sworn under penalty of perjury.
  1. Each Defendant must: (a) designate at least one telephone number and an email, physical, and postal address as points of contact, which representatives of the Commission may use to communicate with Defendant; (b) identify all of that Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the products and services offered, the means of advertising, marketing, and sales, and the involvement of any other Defendant (which Individual Defendant must describe if he knows or should know due to his own involvement); (d) describe in detail whether and how that Defendant is in compliance with each Section of this Order; and (e) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the

Commission;

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

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

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



2. Additionally, Individual Defendant must report any change in: (a) name, including aliases or fictitious name, or residence address; or (b) title or role in any business activity, including any business for which he performs services whether as an employee or otherwise and any entity in which he has any ownership interest, and identify its name, physical address, and Internet address, if any.

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

D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 18 U.S.C. § 1746, such as by concluding: "I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: \_\_\_\_\_" and supplying the date, signatory's full name, title (if applicable), and signature.

E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal

Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *FTC v. Romeo, Nutraceuticals International, LLC, and Stella Labs, LLC (X090043)*.

**X.**

**RECORDKEEPING**

IT IS FURTHER ORDERED that Defendants must create certain records for twenty (20) years after entry of the Order, and to retain each such record for five (5) years. Specifically, Corporate Defendants in connection with the subject matter of this Order and each Individual Defendant for any business in which that Defendant, individually or collectively with any other Defendant, is a majority owner or directly or indirectly controls, must maintain the following records:

A. Accounting records showing the revenues from all goods or services sold, all costs incurred in generating those revenues, and the resulting net profit or loss;

B. Personnel records showing, for each person providing services, whether as an employee or otherwise, that person's: name, addresses, and telephone numbers; job title or position; dates of service; and, if applicable, the reason for termination;

C. Customer files showing the names, addresses, telephone numbers,

dollar amounts paid, and the quantity and description of goods or services purchased;

D. Complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;

E. Tax records, including copies of the federal, state, and any local tax return filings, complete with all attachments, for each tax year in which payment or other asset transfer required by this Order is made.

F. Copies of all advertisements, promotional materials, sales scripts, training materials, websites, or other marketing materials utilized in the advertising, marketing, promotion, offering for sale, sale, or distribution of any Covered Product;

G. All materials that were relied upon in making any representations contained in the materials identified in Subsection E of this Section, including all documents evidencing or referring to the accuracy of any claim therein or to the efficacy of any Covered Product, including, but not limited to, all tests, reports, studies, demonstrations, or other evidence that confirm, contradict, qualify, or call into question the efficacy of each such product, including complaints and other communications with consumers or with governmental or consumer protection agencies;

H. Records accurately reflecting the name, address, and telephone number of each manufacturer or laboratory engaged in the development or creation of any testing obtained for the purpose of manufacturing, labeling, advertising, marketing, promoting, offering for sale, selling, or distributing any Covered Product;

I. Copies of all contracts concerning the manufacturing, labeling, advertising, marketing, promotion, offering for sale, sale, or distribution of any Covered Product; and

J. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission.

## **XI.**

### **ORDER ACKNOWLEDGMENTS**

IT IS FURTHER ORDERED that Defendants obtain acknowledgments of receipt of this Order:

A. Each Defendant, within seven (7) days of entry of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.

B. For five (5) years after entry of this Order, Individual Defendant, for any business that he, individually or collectively with any other Defendant, is the

majority owner or directly or indirectly controls, and each Corporate Defendant, must deliver a copy of this Order to: (1) all principals, officers, directors, and managers; (2) all employees, agents, and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Section titled "Compliance Reporting." Delivery must occur within seven (7) days of entry of this Order for current personnel. To all others, delivery must occur before they assume their responsibilities.

C. From each individual or entity to which a Defendant delivered a copy of this Order, that Defendant must obtain, within thirty (30) days, a signed and dated acknowledgment of receipt of this Order.

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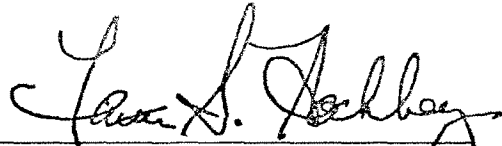
XII.

RETENTION OF JURISDICTION

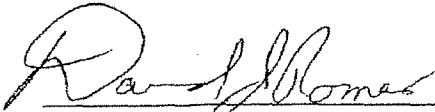
IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

IT IS SO ORDERED.

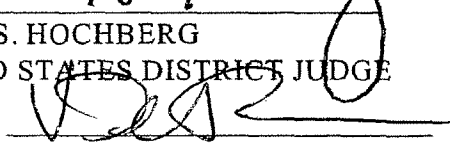
Dated: ~~OCTOBER~~ 25, 2011



FAITH S. HOCHBERG  
UNITED STATES DISTRICT JUDGE



DAVID ROMEO



Victor DeFrancis  
Federal Trade Commission



STELLA LABS, LLC, by David J. Romeo



Elizabeth Tucci  
Federal Trade Commission



NUTRACEUTICALS INTERNATIONAL,  
LLC, by David J. Romeo

ATTORNEYS FOR PLAINTIFF



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ATTORNEYS FOR DEFENDANTS