WILLIAM E. KOVACIC 1 General Counsel 2 DAVID M. NEWMAN CV-S-03-0676-RLH-LRL 3 JANICE L. CHARTER **Federal Trade Commission** 901 Market Street, Suite 570 San Francisco, CA 94103 Phone (415) 848-5100/ Fax (415) 848-5184 6 CHRISTA VECCHI MATTHEW DAYNARD KAREN MUOIO EDWARD B. GLENNON Federal Trade Commission _FILED ___RECEIVED
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_COUNSEL /FARTIES OF RECORD 600 Pennsylvania Avenue N.W. Washington, D.C. 20580 Phone (202) 326-3166/Fax (202) 326-3259 10 BLAINE T. WELSH Assistant United States Attorney 11 Bar No. 4790 333 Las Vegas Blvd, South, Suite 5000 Las Vegas, NV 89101 12 13 Phone (702) 388-6336/ Fax (702) 388-6787 14 Attorneys for Plaintiff Federal Trade Commission 15 16 17 UNITED STATES DISTRICT COURT DISTRICT OF NEVADA 18 19 FEDERAL TRADE COMMISSION, 20 Plaintiff, 21 v. 22 SEASILVER USA, INC. AMERICALOE, INC., BELA BERKES, 23 JASON BERKES, BRETT RADEMACHER, individually, and d/b/a 24 Netmark International and NetmarkPro. and DAVID R. FRIEDMAN, D.C., COMPLAINT FOR 25 INJUNCTIVE AND OTHER Defendants. **EQUITABLE RELIEF** 26 27 Plaintiff, the Federal Trade Commission ("FTC"), through its undersigned

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attorneys, alleges as follows:

1. Plaintiff FTC brings this action under Section 13(b) of the Federal Trade _ Commission Act ("FTC Act"), 15 U.S.C. § 53(b), to secure a permanent injunction, consumer redress, disgorgement, and other equitable relief against the Defendants for engaging in deceptive acts or practices in connection with the advertising, marketing, and sale of the liquid dietary supplement product Seasilver, which purports to treat, cure, prevent, or lower the risk of numerous serious diseases and health conditions, including cancer and AIDS, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

JURISDICTION AND VENUE

- 2. This Court has subject matter jurisdiction over this matter pursuant to 15 U.S.C. §§ 45(a), 52, and 53(b), and 28 U.S.C. §§ 1331, 1337(a), and 1345.
- 3. Venue in this district is proper under 15 U.S.C. § 53(b) and 28 U.S.C. §§ 1391(b) and (c).

THE PARTIES

- 4. Plaintiff, the Federal Trade Commission, is an independent agency of the United States Government created by statute. See 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. The FTC also enforces Section 12 of the FTC Act, 15 U.S.C. § 52, which prohibits false advertisements for food, drugs, devices, services, or cosmetics in or affecting commerce. The FTC may initiate federal district court proceedings to enjoin violations of the FTC Act and to secure such equitable relief, including consumer redress, as may be appropriate in each case. 15 U.S.C. § 53(b).
- 5. Defendant Seasilver USA, Inc. ("Seasilver USA") is a closely held Nevada corporation located at 2045 Corte del Nogal, Carlsbad, California 92009. At all times relevant to this Complaint, acting alone or in concert with others, Seasilver USA has manufactured, marketed, distributed, and sold Seasilver to consumers throughout the United States. Seasilver USA is incorporated in and resides in the District of Nevada.

- 6. Defendant Americaloe, Inc. ("Americaloe") is a closely held Nevada corporation located at 2045 Corte del Nogal, Carlsbad, California 92009. At all times relevant to this Complaint, acting alone or in concert with others, Americaloe has manufactured, marketed, distributed, and sold Seasilver to consumers throughout the United States. Americaloe is incorporated in and resides in the District of Nevada.
- 7. Defendant Jason Berkes is president, chief executive officer, and owner of Seasilver USA and president and owner of Americaloe. At all times relevant to this Complaint, acting alone or in concert with others, J. Berkes has formulated, directed, controlled or participated in the acts and practices of Seasilver USA and Americaloe, including the various acts and practices set forth herein.
- 8. Defendant Bela Berkes is the founder of Seasilver USA and the formulator of, and spokesperson for, Seasilver. At all times relevant to this Complaint, acting alone or in concert with others, B. Berkes has formulated, directed, controlled or participated in the acts and practices of Seasilver USA, including the various acts and practices set forth herein.
- 9. Defendant Brett Rademacher is a principal distributor of the Seasilver product and the founder of NetmarkPro. Through NetmarkPro and Netmark International (collectively, "Netmark"), he distributes personalized websites, brochures, and other marketing tools to Seasilver USA's downline distributors. Netmark is a d/b/a of Rademacher. At all times relevant to this Complaint, acting alone or in concert with others, Rademacher has participated in the acts and practices of Seasilver USA, including the various acts and practices set forth herein. His business address is 501 Donna Drive, Anchorage, Alaska 99504.
- 10. Defendant David R. Friedman., D.C., is co-chairman of the Seasilver USA medical advisory board. He is a doctor of chiropractic licensed to practice in the State of North Carolina. Friedman's business address is 1033-A S. Kerr Avenue, Wilmington, North Carolina 28403. Friedman has promoted Seasilver in advertisements and promotional materials, including an infomercial and websites. At all times relevant to

this Complaint, acting alone or in concert with others, Friedman has formulated, directed, controlled or participated in the acts and practices of Seasilver USA.

11. The foregoing Defendants have operated as a common enterprise to advertise, promote, offer for sale, sell, or distribute Seasilver.

COMMERCE

12. The acts and practices of the Defendants, as alleged herein, have been in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' COURSE OF CONDUCT

13. Since at least 1996, Defendants have manufactured, advertised, distributed, and sold Seasilver, a purported cure-all product, nationwide through, but not necessarily limited to, a 30-minute television infomercial, a 30-minute radio infomercial, Internet websites, including but not necessarily limited to www.seasilver.com, and www.myseasilver.com/main, recorded interviews, brochures, a toll-free telephone number, and unsolicited commercial e-mail. Defendants distribute brochures, interviews, and other marketing tools to downline distributors.

Seasilver

other ingredients, aloe vera, phyto-silver (purportedly a plant-based, non-metallic silver), sea vegetables, the herb Pau D'Arco, and cranberry extract. The Defendants offer one bottle of Seasilver (a one-month supply) for \$39.95, three bottles for \$100, and a twelve-bottle *Power-Pak* for \$300 directly to consumers primarily through a toll-free telephone number and the Defendants' Internet websites. The *Power Pak* also includes twelve bottles of the Seasilver product and twenty copies of the brochures *Seasilver Success System*, and *Journey Into the World of Foundational Health*. Seasilver also is available from numerous online distributors. Defendant B. Berkes publicly stated on March 3, 2003 that Defendant Seasilver USA earned \$15 million per month and \$180 million annually from selling Seasilver.

Defendants' Advertisements for Seasilver

disseminated or caused to be disseminated, among other things, promotional materials on Web sites, including www.seasilver.com and www.myseasilver.com/main, a company brochure entitled *Journey Into the World of Foundational Health*, a 30-minute radio infomercial, an hour-long interview with the founder and formulator of Seasilver, Defendant B. Berkes, and a 30-minute television infomercial featuring B. Berkes. These promotional materials include but are not limited to the attached Exhibits A through F and contain, among other things, the following statements or depictions:

a. [EXCERPTS FROM INTERNET WEB SITES AND BROCHURE]

(Alternatively titled Seasilver Success Stories, Seasilver Testimonials, and Testimonies in Exhibits A-C, respectively)

... I have shared your product with my family, especially my sister, who was diagnosed with **Multiple Myeloma** (blood cancer). She loved the overall feeling, the energy it gave her and the vitamins her body so badly needed. She is recovering now.

Tom Dunn

* * *

I was diagnosed with **lung cancer** approximately 14 months ago. . . . During my fifth month of chemo, I was given the distressing news that the cancer was **spreading** and the outcome did not look favorable. . . . **Eight weeks** after taking Seasilver, my lab tests were improving and the **cancer was no longer spreading**. I am off of chemo now, back to my normal weight and filled with energy. My doctor says that my cancer is in complete remission. . . . Norman Pentington

* * *

Last year I was diagnosed with **prostate cancer** that had already began to metastasize to the bone. . . . [My wife] had heard about Seasilver from a coworker and she came home that day with some information on the product. . . . I took four ounces of the product, per day, and **after a week** I could actually walk around the house without getting tired. . . . I have regained my weight and I AM CANCER FREE! . . .

Victor G. Tanser

* * *

I am fighting Non-Hodgkin's Lymphoma, a rather aggressive form of cancer. . . . I tried your Seasilver right in the store and immediately I felt like something was

"changing." All my cells were filled with new life and power. By the time I reached my office and sat in my chair, I felt wonderful. The next day I found my condition to be much stronger. My "life-force" was brighter. I continue to use the product and find that if a cold tries to start in me, I just take a whole cap full of Seasilver and the cold dies right away. . . . Tanya Anthony

* * *

Seasilver is a wonderful product and I have taken it since 1998.... This and prayer have given me two extra years of life. In 1998, after cancer surgery, the doctor said I had 3 months to live. I am still here and so thankful that I am. Kathleen Brame

* * *

I would like to take just a moment to thank everyone at Seasilver for the development of a naturopathic supplement that has healed me of **chronic obstructive pulmonary disease**.

Laurence Drury

* * *

I have several illnesses, one of them is **diabetes**. Since using Seasilver, I have been able to use 20 units a day **less insulin**. I have had numbness in my right leg that extended to my toes, for several years. The numbness was also in my right arm and hand that has gone too. I had dark brown lesions under my right eye, now all that is left is a pale freckle. . . . Carol Montenegro

* * :

.... A girl I know who had **lime (sic) disease** and **cancer**, is in remission. I am so glad Seasilver saves on drugs and doctor bills, and it works! I am truly grateful to all of you.

Mrs. Florio

* * *

I have had a lot of heart trouble since 1980 and had complete cardiac arrest in 1982; gone for 4 minutes. I had two open-heart surgeries in one year, in April of 1997 and April 1998. 1st quadruple and 2nd triple; 3 collapsed arteries. Now I have found my arteries are so deteriorated that the doctor could do nothing for me. It was too risky to try surgery again. So they put me on more heart medication. I lost my strength and was tired all the time. A friend told me about Seasilver and explained how it helped her. I took a bottle. I took 2 ounces per day. In four days I noticed a big difference in the way I felt. I got up in the morning feeling more tired than when I went to bed, but all of a sudden I wasn't as tired and I had lots of energy. I couldn't believe how good I felt. I don't take as much heart medicine as I did, but I do have to be careful or I try to do too much because I feel so good.

Glenn L. Osbun

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- Exhibit A, portions of Web site www.seasilver.com at /prdtctstmnls.htm Exhibit B, portions of Web site www.myseailver.com/main at /testimonials.html Exhibit C, portions of Journey Into the World of Foundational Health brochure [bolded language appears in the www.myseasilver.com/main site only]

b. [ADDITIONAL EXCERPTS FROM BROCHURE]

Pau D'Arco... Clinical studies show this herb has no contraindications or incompatibilities with any medications, and has been proven to be non-toxic. . . .

Scientific studies on Silver began in the late 1880's. It was used successfully to treat typhoid and anthrax...

> Exhibit C, portions of Journey Into the World of Foundational Health brochure

[EXCERPTS FROM RADIO INFOMERCIAL] c.

DAVID FRIEDMAN: One of the main things that also helps with the immune system is the colloidal silver involved in the product.

JOY DONIGAN: Right.

DAVID FRIEDMAN: Thousands of clinical studies have shown that colloidal silver boosts the immune system and destroys viruses, bacteria and fungus. Antibiotics prescribed by your doctor only kill about half a dozen different disease organisms. Well, research on colloidal silver has shown that it has been successful in the treatment of over 650 diseases, including cancer, AIDS
There's a physician named Dr. Beckard (phonetic), he's with the Upstate Medical Center at Syracuse. He concluded that presenting silver into the body causes the elimination of cancerous and other disease-forming cells.

JOY DONIGAN: Hmm.

BARRY NEVINS: Well, I'm using it with my mother, as a matter of fact, that has diabetes and what are your thoughts about that, the diabetes?

DAVID FRIEDMAN: Oh, with diabetes, I'll tell you, of all the ailments Seasilver has helped, I would have to put diabetes in the top five. . . . I'll tell you about my father-in-law who was the first diabetic we got on Seasilver. He's been a juvenile diabetic since he was

five years old. He's now in his mid-fifties. He has diabetic retinopathy, diabetic neuropathy... Anyway, we got him on Seasilver. Three months later he calls my wife in a panic... He said I tried to give myself an insulin shot and I'm going into insulin shock. He says, I'm off my insulin shots by 80 percent. He says, I've

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lost 46 pounds in three months. He says, I'm scared. My wife says, sounds to me like you're getting normal.

(Laughter.) . . .

BARRY NEVINS: Dr. Friedman, you know I've been working with my mother with the diabetes for quite a while and I've been using the Seasilver product.

DAVID FRIEDMAN: Right.

BARRY NEVINS: And this will be a surprise to you. We started about six weeks ago, I think. As of today, my mother is no longer on insulin. . . .

DAVID FRIEDMAN: The first person I ever got on the product was a man with metastatic lung cancer. He was given six months to live. That was a year ago. And thanks to Seasilver, he's in perfect health.

DAVID FRIEDMAN: ... She-said she's tried dieting in the past before and she'll lose 10 pounds here, 15 pounds there, but in the last six weeks she's lost 27 pounds and it scared her to death. She said she's not dieting, she's just losing for no reason.

DAVID FRIEDMAN: ...[I]t was a female patient that had metastatic breast cancer DAVID FRIEDMAN: ...[I] It was a remaie patient that had metastatic breast cancer her prognosis had dropped to poor. ... We got her on six ounces of Seasilver for eight days Eight days later, she got a new blood work-up. White blood cell, red blood cell, hematocrit and platelet count had normalized and her prognosis was changed to good. She did not get sick after chemo that time which was the first since she started chemotherapy. . . . Usually the day after chemo she slept the whole day and was sick and throwing up. It's remarkable. It just helped the bad side effects of chemo just disappear.

> Exhibit D, portions of transcript of radio infomercial, "The Donigan Nutrition Hour" with Dr. David Friedman

d. [EXCERPTS FROM BELA BERKES INTERVIEW]

BELA BERKES: [I]n every ounce of Seasilver, you're getting the equivalent of two cups of Pau D'Arco juice. In South America where the Indians have it, they drink it there like Americans drink coffee here. Traditionally, two cups a day for maintenance. If you have a chronic condition, four cups a day. If you have a life-threatening, [sic] like AIDS, cancer, inoperable tumors...they drink six cups a day. So, that kind of gives you an idea of what you're getting every time you drink an ounce of Seasilver. . . . Quecha...in Pau D'Arco...has the unique ability to disengage the oxygen molecule in cancer cells. That's why we see so much success with cancers and tumors being reduced.

BELA BERKES: ...anywhere from AIDS to cancer to fibromyalgia to Epstein Barr to chronic fatigue, to any of those things, inoperable brain tumors, cysts,

1	psoriasisarthritic conditions, high blood pressureoverweightI have seen Seasilver correct.	
2	***	
3	BELA BERKES:I know of no product by itself that has a track record of success that diabetes and Seasilver have. And let me tell you what it	
4	18. If you'll take one ounce four times a day, for 90 days, nine out of ten people g	
5 6	medication one day, one year, 20 years or 40 years, I have seen all those years of being on insulin and different medication 100 percent gone off of because of Seasilver.	

7	BELA BERKES:[t]his gentleman lost 37 pounds in one month on Seasilver	
8	lt line is permanent weight loss. This is not a fad diet So, this is permanent weight loss because you're reorganizing and balancing your body chemistry.	
9 10	you're balancing your metabolism, your thyroid starts to function properly, you're being able to utilize and burn the calories more efficient from the food that you eat. This is the key to all weight loss and permanent weight loss.	
	* * *	
11	BELA BERKES:the Seasilver offsets a majority of the negative side effects [of	
12	radiation and chemotherapy], and at the same time helps to build and strengthen your immune system so that you won't have those negative side effects	
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14	Exhibit E, portions of transcript of Bela Berkes Interview by Brett Rademacher	
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16	e. [EXCERPTS FROM TELEVISION INFOMERCIAL]	
17	MALE ANNOUNCER: Have you heard of Seasilver? Seasilver, not just another	
18	supplement, but a whole food foundational health program that balances, cleanses, purifies, nourishes, oxygenates, protects and strengthens. How many products do	
19	you need to do all this?	
20	ON SCREEN: SEASILVER Does it all! Complete Multi-Vitamin, Mineral,	
21	Enzyme, Whole Food Product	
22	MALE ANNOUNCER: Just one, Seasilver	
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24	BELA BERKES: Okay. Well, have a seat, Neil. But before you go, I want to give you a bottle of Seasilver and thank you for coming up and helping me,	
25	okay? ON SCREEN: We do not make any claims: Our purpose is to educate on	
26	supplementation.	
27	BELA BERKES: These are all things that are found in God's creation,	
28	designed to nourish and strengthen our body. When you combine them with the	

body that has the ability to succeed, not to fail, you have an unlimited potential. The only boundaries that you have are those you allow the medical community to put in your head. It's truly just that simple. I have seen everything from cancer to AIDS to pneumonia... cured with the power of nature, with the power of nature.

Exhibit F, portions of transcript of TV Infomercial

DEFENDANTS' VIOLATIONS OF THE FTC ACT

16. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits unfair or deceptive acts or practices in or affecting commerce. Section 12(a) of the FTC Act, 15 U.S.C. § 52(a), prohibits the dissemination of any false advertisement in or affecting commerce for the purpose of inducing, or which is likely to induce, the purchase of food, drugs, devices, services, or cosmetics. For the purposes of Section 12 of the FTC Act, 15 U.S.C. § 52, Seasilver is a "food" or "drug" pursuant to Section 15(d) of the FTC Act, 15 U.S.C. § 55(d). As set forth below, the Defendants have engaged and are continuing to engage in such unlawful practices in connection with the marketing and sale of Seasilver.

COUNT I

False Cancer and Diabetes Claims for Seasilver

- 17. Through the means described in Paragraph 15, including through the statements contained in the advertisements attached as Exhibits A through E, Defendants have represented, expressly or by implication, that:
 - Seasilver treats, causes remission in, or cures cancer, including but not limited to, multiple myeloma, non-Hodgkin's lymphoma, lung,
 - breast, and prostate cancer, and inoperable brain tumors; and
 - b. Seasilver enables nine out of ten diabetes patients to completely stop their insulin medication.
 - 18. In truth and in fact:

- Seasilver does not treat, cause remission in, or cure cancer, including but not limited to, multiple myeloma, non-Hodgkin's lymphoma, lung, breast, or prostate cancer, or inoperable brain tumors; and
- b. Seasilver does not enable nine out of ten diabetes patients to completely stop their insulin medication.

Therefore, Defendants' representation as set forth in Paragraph 17 are false or misleading and constitute a deceptive act or practice, and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

COUNT II

False Weight Loss Claims for Seasilver

- 19. Through the means described in Paragraph 15, including through the statements contained in the advertisements attached as Exhibits A through E, Defendants have represented, expressly or by implication, that:
 - Seasilver causes rapid and substantial weight loss, without the need to reduce caloric intake;
 - b. Seasilver enables users to lose as much as 37 pounds in one month, or 27 pounds in six weeks, or 46 pounds in three months; and
 - c. Seasilver causes permanent weight loss.
 - 20. In truth and in fact,
 - a. Seasilver does not cause rapid and substantial weight loss, without the need to reduce caloric intake;
 - b. Seasilver does not enable users to lose as much as 37 pounds in one month, or 27 pounds in six weeks, or 46 pounds in three months;

and

c. Seasilver does not cause permanent weight loss.

Therefore, Defendants' representations as set forth in Paragraph 19 are false or misleading and constitute a deceptive act or practice, and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

COUNT III

False Clinical Studies Claims for Seasilver

- 21. Through the means described in Paragraph 15, including through the statements contained in the advertisements attached as Exhibits A through E, Defendants have represented, expressly or by implication, that:
 - a. Clinical studies prove that Seasilver successfully treats over 650 diseases, including cancer and AIDS;
 - b. Clinical studies prove that Seasilver is non-toxic; and
 - c. Scientific studies prove that Seasilver treats or cures typhoid and anthrax.
 - 22. In truth and in fact,
 - Clinical studies do not prove that Seasilver successfully treats over
 650 diseases, including cancer and AIDS;
 - b. Clinical studies do not prove that Seasilver is non-toxic; and
 - c. Scientific studies do not show that Seasilver treats or cures typhoid and anthrax.

Therefore, Defendants' representations as set forth in Paragraph 21 are false or misleading and constitute a deceptive act or practice, and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC

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COUNT IV

Unsubstantiated Disease and Safety Claims for Seasilver

- 23. Through the means described in Paragraph 15, Defendants have represented, expressly or by implication, that Seasilver:
 - a. Treats or cures AIDS;
 - b. Cures chronic obstructive pulmonary disease;
 - c. Treats or cures lyme disease;
 - d. Enables post-heart attack patients to reduce their heart medication;
 - e. Eliminates high blood pressure;
 - f. Is 100% safe for pregnant and lactating women, senior citizens, children, and infants;
 - g. Treats, causes remission in, or cures cancer, including but not limited to, multiple myeloma, non-Hodgkin's lymphoma, lung, breast, and prostate cancer, and inoperable brain tumors;
 - h. Treats or cures diabetes;
 - i. Causes rapid and substantial weight loss, without the need to reduce caloric intake; and
 - j. Causes permanent weight loss.
- 24. Defendants did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 23 at the time the representations were made. Therefore, the making of the representations set forth in Paragraph 23 constitutes a deceptive practice, and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a), 52.

COUNT V

Providing the Means and Instrumentalities for Deception

- 25. Defendants have provided advertisements and promotional materials to distributors for use in their marketing and sale of Seasilver, including but not necessarily limited to the attached Exhibits B through E.
- 26. Through the means described in Paragraph 25, Defendants have provided means and instrumentalities to distributors of Defendants' products in furtherance of the deceptive acts or practices alleged in Paragraphs 19 through 24.

CONSUMER INJURY

27. Consumers throughout the United States have suffered and continue to suffer substantial monetary loss and may suffer physical injury as a result of Defendants' unlawful acts and practices. In addition, Defendants have been unjustly enriched as a result of their unlawful practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

28. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of the FTC Act. The Court, in the exercise of its equitable jurisdiction, may award other ancillary relief, including consumer redress, disgorgement, and restitution, to prevent and remedy injury caused by Defendants' law violations.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff FTC, pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), and the Court's own equitable powers, requests that this Court:

1. Permanently enjoin and restrain Defendants from violating Sections 5(a)

and 12 of the FTC Act in connection with the advertising or sale of food, drugs, dietary_supplements, devices, cosmetics, or other products, services, or programs.

- 2. Award Plaintiff such temporary and preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective and final relief, including, but not limited to, temporary and preliminary injunctions and an asset freeze;
- 3. Award such equitable relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of Sections 5(a) and 12 of the FTC Act, including, but not limited to, rescission of contracts and restitution, other forms of redress, and the disgorgement of unlawfully obtained monies; and
- 4. Award the Plaintiff the costs of bringing this action, and such other equitable relief as the Court may determine to be just and proper.

June 12, 2003

Dated:

Respectfully Submitted,

DAVID M. NEWMAN
JANICE L. CHARTER
CHRISTA VECCHI
MATTHEW DAYNARD
KAREN MUOIO
EDWARD B. GLENNON

BLAINE T. WELSH Assistant United States Attorney

Attorneys For Plaintiff Federal Trade Commission