



- a. Any further procedural steps;
- b. The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law;
- c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement; and
- d. Any claim under the Equal Access to Justice Act.

5. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it will be placed on the public record for a period of thirty (30) days and information about it publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify respondents, in which event it will take such action as it may consider appropriate, or issue and serve its Decision and Order in disposition of the proceeding.

6. This agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in the complaint, or that the facts as alleged in the complaint, other than the jurisdictional facts, are true.

7. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 3.25(f) of the Commission's Rules, the Commission may, without further notice to respondents, (1) issue its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery of the Decision and Order to each respondent's address as stated in this agreement by any means specified in Section 4.4(a) of the Commission's Rules shall constitute service. Respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order. No agreement, understanding, representation, or interpretation not contained in the order or the agreement may be used to vary or contradict the terms of the order.

8. Respondents have read the complaint and consent order. They understand that they may be liable for civil penalties in the amount provided by law and other appropriate relief for each violation of the order after it becomes final.

## **ORDER**

### **DEFINITIONS**

For purposes of this Order, the following definitions shall apply:

- A. Unless otherwise specified, “respondents” shall mean Dynamic Health of Florida, LLC (“Dynamic Health”), its successors and assigns and its officers; Chhabra Group, LLC (“Chhabra Group”), its successors and assigns and its officers; and Vineet K. Chhabra a/k/a Vincent K. Chhabra, individually and as a director or officer of Dynamic Health or Chhabra Group; and each of the above’s agents, representatives, and employees.
- B. “Competent and reliable scientific evidence” shall mean tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that has been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.
- C. “Pedia Loss” shall mean “Pedia Loss Dietary Supplement” and any other product containing one or more of the ingredients in the current product that is marketed for weight loss or control.
- D. “Fabulously Feminine” shall mean “Fabulously Feminine Dietary Supplement” and any other product containing one or more of the ingredients in the current product that is marketed for sexual enhancement.
- E. “Food” and “drug” shall mean as “food” and “drug” are defined in Section 15 of the Federal Trade Commission Act, 15 U.S.C. § 55.
- F. “Covered product” shall mean any dietary supplement, food, or drug.
- G. “Commerce” shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.
- H. “Endorsement” shall mean as defined in 16 C.F.R. § 255.0(b).
- I The term “including” in this Order shall mean “without limitation.”
- J. The terms “and” and “or” in this Order shall be construed conjunctively or disjunctively as necessary, to make the applicable phrase or sentence inclusive rather than exclusive.

## I.

**IT IS ORDERED** that:

A. Respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of Pedia Loss or any other covered product, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, including through the use of endorsements or the product name, that:

1. Such product causes weight loss, suppresses appetite, increases fat burning, or slows carbohydrate absorption;
2. Such product causes weight loss in overweight or obese children ages 6 and over; or
3. Such product, when taken by overweight or obese children ages 6 and over, suppresses appetite, increases fat burning, or slows carbohydrate absorption,

unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

B. Respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of Fabulously Feminine or any other covered product, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, including through the use of endorsements or the product name, that such product will increase a woman's libido, sexual desire, or sexual satisfaction, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

## II.

**IT IS FURTHER ORDERED** that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any covered product, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, including through the use of endorsements or the product name, about the benefits, performance, or efficacy of such product, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

### III.

**IT IS FURTHER ORDERED** that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any covered product, in or affecting commerce, shall not misrepresent, in any manner, directly or by implication, the existence, contents, validity, results, conclusions, or interpretations of any test or study.

### IV.

**IT IS FURTHER ORDERED** that:

A. Nothing in this Order shall prohibit respondents from making any representation for any drug that is permitted in labeling for such drug under any tentative final 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. Nothing in this Order shall prohibit respondents 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.

### V.

**IT IS FURTHER ORDERED** that respondents Dynamic Health, Chhabra Group, and their successors and assigns, and respondent Vineet K. Chhabra shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All advertisements and promotional materials containing the representation;
- B. All materials that were relied upon in disseminating the representation; and
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

## VI.

### **IT IS FURTHER ORDERED** that:

A. For a period of three (3) years after the date upon which this order becomes final, respondents Dynamic Health, Chhabra Group, and their successors and assigns shall deliver a copy of this order to all current and future principals, officers, directors, and managers;

B. For a period of three (3) years after the date upon which this order becomes final, respondent Vineet K. Chhabra shall deliver a copy of this order to all current and future principals, officers, directors, and managers of any business where (1) he is the majority owner of the business, or directly or indirectly manages or controls the business, and (2) the business is engaged in the advertising, marketing, promotion, offering for sale, sale, or distribution of any covered product;

C. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities; and

D. Respondents shall obtain a signed and dated statement acknowledging the receipt of the order as required in subparts A, B, and C above.

## VII.

**IT IS FURTHER ORDERED** that respondents Dynamic Health, Chhabra Group, and their successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the corporation that may affect compliance obligations arising under this order, including, but not limited to, a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. ***Provided, however,*** that, with respect to any proposed change in the corporation about which respondent learns less than thirty (30) days prior to the date such action is to take place, respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580. Attention: In the Matter of Dynamic Health of Florida, LLC.

## VIII.

**IT IS FURTHER ORDERED** that respondent Vineet K. Chhabra, for a period three (3) years after the date of issuance of this order, shall notify the Commission of the

discontinuance of his current business or employment, or of his affiliation with any new business or employment. The notice shall include respondent's new business address and telephone number and a description of the nature of the business or employment and his duties and responsibilities. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580. Attention: In the Matter of Dynamic Health of Florida, LLC.

## IX

**IT IS FURTHER ORDERED** that respondents Dynamic Health, Chhabra Group, and their successors and assigns, and respondent Vineet K. Chhabra shall, within sixty (60) days after service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

## X.

This order will terminate twenty (20) years from the date of its issuance, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; *provided, however*, that the filing of such a complaint will not affect the duration of:

- A. Any Part in this order that terminates in less than twenty (20) years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this Part.

*Provided, further*, that if such complaint is dismissed or a federal court rules that the respondents did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2005.

DYNAMIC HEALTH OF FLORIDA, LLC

By: \_\_\_\_\_  
Vineet K. Chhabra

CHHABRA GROUP, LLC

By: \_\_\_\_\_  
Vineet K. Chhabra

\_\_\_\_\_  
VINEET K. CHHABRA, individually and as an officer and  
director of Dynamic Health of Florida, LLC and Chhabra  
Group, LLC

By: \_\_\_\_\_  
Max Kravitz  
Kravitz, Gatterdam & Brown, LLC  
Attorney for Respondents

FEDERAL TRADE COMMISSION

\_\_\_\_\_  
Janet M. Evans  
Counsel for the Federal Trade Commission

\_\_\_\_\_  
Sydney M. Knight  
Counsel for the Federal Trade Commission



APPROVED:

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Mary K. Engle  
Associate Director  
Division of Advertising Practices

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Lydia B. Parnes  
Director  
Bureau of Consumer Protection