

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF FLORIDA  
Miami Division  
Case No. 04-22431-CIV-MARTINEZ/BROWN

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

AMERICAN ENTERTAINMENT  
DISTRIBUTORS, INC., et al.,

Defendants.

**STIPULATED FINAL ORDER AND  
PERMANENT INJUNCTION AS TO  
DEFENDANT MIRIAM SOPHIA  
ANDREONI**

This matter comes before the Court on the stipulation of Plaintiff Federal Trade Commission (“FTC” or “Commission”) and Defendant Miriam Sophia Andreoni *a.k.a.* Masha Tango and Miriam Smolyansky (hereinafter “Defendant Andreoni”).

The Commission and Defendant Andreoni consent to the entry of the following Stipulated Final Order and Permanent Injunction (“Final Order”) as a settlement of the claims against Defendant Andreoni in Plaintiff’s Complaint for Injunctive and Other Equitable Relief, alleging violations of Section 5(a) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 45(a), and the FTC’s Franchise Rule, 16 C.F.R. Part 436. In stipulating to the entry of this Final Order, Defendant Andreoni does not admit liability nor does she admit having engaged in the unlawful or deceptive conduct alleged in the Complaint. Defendant Andreoni consents to this Stipulated Final Order only in her individual capacity and not in her capacity as the Personal Representative of the Estate of Anthony Rocco Andreoni. Accordingly, the terms of this Final Order apply only to claims against Defendant Andreoni in her individual capacity and do not

apply to claims for which Miriam Sophia Andreoni is the defendant in her capacity as the Personal Representative for the Estate of deceased Defendant Anthony Rocco Andreoni.

Upon the joint motion of the Commission and Defendant Andreoni, the Court makes the following findings and enters judgment in this action as set forth below.

#### FINDINGS

1. This Court has jurisdiction of the subject matter of this case and over Defendant Andreoni.
2. The Southern District of Florida is a proper venue for this action.
3. The activities of Defendant Andreoni described in the Complaint in this action were in or affecting commerce within the meaning of the FTC Act, 15 U.S.C. §§ 44, 45.
4. Defendant Andreoni enters into this Final Order freely and without coercion. Defendant Andreoni further acknowledges that she has read the provisions of this Final Order and is prepared to abide by them.
5. Defendant Andreoni waives all rights to seek appellate review or otherwise challenge or contest the validity of this Final Order.
6. Each party shall bear its own costs and attorneys' fees. Defendant Andreoni further waives and releases any claims she may have against the Commission, its employees, representatives, or agents. Defendant Andreoni agrees that this Final Order does not entitle her to seek or to obtain attorneys' fees as a prevailing party under the Equal Access to Justice Act, 28 U.S.C. § 2412, *amended by* Pub. L. No. 104-121, 110 Stat. 847, 863-64 (1996), and she further waives any rights to attorneys' fees that may arise under said provision of law.

7. This Final Order is in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any proceedings that the FTC may initiate to enforce this Final Order.

8. This Final Order should not be construed as providing for payment of a fine, penalty, punitive assessment, or forfeiture, and the monetary judgment provided herein is based on the amount of money the Commission could have sought as restitution for consumers if the parties had not stipulated to this Final Order.

9. Entry of this Final Order is in the public interest.

10. Pursuant to Federal Rule of Civil Procedure 54(b), the Court finds there is no just reason for delay in entering this Order as a final judgment and the Clerk of Court immediately shall enter this Order as a final judgment as to Defendant Andreoni.

#### DEFINITIONS

A. "Assets" means any legal or equitable interest in, right to, or claim to any real or personal property, including, but not limited to, chattel, goods, instruments, equipment, fixtures, general intangibles, inventory, checks, notes, leaseholds, effects, contracts, mail or other deliveries, shares of stock, accounts, credits, lines of credit, premises, receivables, funds, and cash, wherever located, whether in the United States or abroad.

B. "Business Opportunity Rule" means the FTC Trade Regulation Rule titled "Disclosure Requirements and Prohibitions Concerning Business Opportunities," codified at 16 C.F.R. Part 437, or as it may be amended.

C. "Business venture" means any written or oral business arrangement, however denominated, that is covered by the Franchise Rule or the Business Opportunity Rule, or that consists of the payment of any consideration in exchange for:

1. the right or means to offer, sell, or distribute goods or services (regardless of whether identified by a trademark, service mark, trade name, advertising, or other commercial symbol); and
2. more than nominal assistance to any person or entity in connection with or incident to the establishment, maintenance, or operation of a new business or the entry by an existing business into a new line or type of business.

D. “Defendant’s Financial Statement” means the Federal Trade Commission Financial Statement questionnaire signed by Defendant Andreoni and dated April 6, 2010.

E. “Document” is synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a) and includes writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which information can be obtained and translated, if necessary, through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term.

F. “Franchise Rule” means the FTC Trade Regulation Rule titled “Disclosure Requirements and Prohibitions Concerning Franchising,” codified at 16 C.F.R. Part 436, or as it may be amended.

G. “Investment opportunity” means anything, tangible or intangible, that is offered, offered for sale, sold, or traded based wholly or in part on representations, either express or implied, about past, present, or future income, profit, or appreciation.

H. “Receiver” means Gerald B. Wald, Esq., the receiver appointed in this action for the Receivership Defendants.

I. "Receivership Defendants" means Defendants American Entertainment Distributors, Inc., Automated Entertainment Dispensers, Inc., Automated Entertainment Machines, Inc., Universal Cybercom Corporation, and Universal Technical Support, Inc.

J. "Representatives" means successors, assigns, officers, agents, servants, and employees of Defendant Andreoni and those persons in active concert or participation with her.

## **ORDER**

### **I. PROHIBITIONS AGAINST FALSE OR MISLEADING STATEMENTS**

**IT IS THEREFORE ORDERED** that, in connection with the advertising, marketing, promoting, offering for sale, or sale of any business venture or investment opportunity, or any other good or service, Defendant Andreoni, whether acting directly or through any corporation, limited liability company, subsidiary, division, or other device, and any Representatives of Defendant Andreoni who receive actual notice of this Order by personal service or otherwise (*see* Fed. R. Civ. P. 65(d)(2)), are permanently enjoined from:

A. Making any statement of material fact that is false, fraudulent, or misleading, including, but not limited to, making any false, fraudulent, or misleading statement concerning any of the following:

1. The income, profits, or sales volume that a prospective purchaser is likely to achieve;
2. The income, profits, or sales volume actually achieved by prior purchasers;
3. The length of time that it is likely to take to recoup the entire purchase price or investment;
4. The availability, existence, or quality of profitable locations or accounts in a geographic area;

5. Whether any person has purchased a business venture or investment opportunity of the type offered by Defendant or operated a business venture or investment opportunity of the type offered by Defendant;
  6. Whether any person will provide an independent and reliable report about the business venture or investment opportunity of the type offered by Defendant, or will provide an independent and reliable report of the experience of one or more prior purchasers;
  7. The availability or effectiveness of any location service offered in connection with a business venture or investment opportunity, or the terms and conditions, refund rights, cancellation rights, exchange rights, repurchase policies, or guarantees of profitability that relate to any such location service;
  8. The quantity of and the total cost to purchase, receive, or use any goods or services that are subject to the sales offer;
  9. Any material restriction, limitation, or condition to purchase, receive, or use any business venture, investment opportunity, or any other good or service;
  10. Any material aspect of the performance, efficacy, nature, or central characteristic of any business venture, investment opportunity, or any other good or service; and
- B. Substantially assisting any person in making any statement of material fact that is false, fraudulent, or misleading, including, but not limited to, a false, fraudulent, or misleading statement concerning any of the matters listed in Paragraph A, above.

**II. PROHIBITION AGAINST VIOLATION OF THE FRANCHISE RULE OR BUSINESS OPPORTUNITY RULE**

**IT IS FURTHER ORDERED** that Defendant Andreoni, whether acting directly or through any corporation, limited liability company, subsidiary, division or other device, and any Representatives of Defendant Andreoni who receive actual notice of this Order by personal service or otherwise (*see* Fed. R. Civ. P. 65(d)(2)), are permanently enjoined from violating any provisions of the Franchise Rule or Business Opportunity Rule, including, but not limited to:

- A. Failing to provide each prospective purchaser with a complete and accurate disclosure document as prescribed by the Franchise Rule or Business Opportunity Rule;
- B. Failing to have a reasonable basis for any earnings claim or financial performance representation at the time such claim or representation is made, as required by the Franchise Rule or Business Opportunity Rule;
- C. Failing to provide prospective purchasers with required disclosures for any earnings claim or financial performance representations, as required by the Franchise Rule or Business Opportunity Rule;
- D. Failing to disclose, in immediate conjunction with any earnings claim or financial performance representation, and in a clear and conspicuous manner, that material which constitutes a reasonable basis for the earnings claim or financial performance representation is available to prospective purchasers, as required by the Franchise Rule or Business Opportunity Rule;
- E. Failing to provide material which constitutes a reasonable basis for any earnings claim or financial performance representation to prospective purchasers, the Commission, or its staff upon reasonable demand, as required by the Franchise Rule or Business Opportunity Rule;

F. Failing to disclose, in immediate conjunction with any generally disseminated earnings claim or financial performance representation, information required by the Franchise Rule or Business Opportunity Rule, including the number and percentage of prior purchasers known by the franchisor or business opportunity seller to have achieved the same or better results, as required by the Franchise Rule or Business Opportunity Rule;

G. Making any claim or representation, orally, visually, or in writing, that contradicts the information required to be disclosed under the Franchise Rule or Business Opportunity Rule; and

H. Substantially assisting any person in violating any provisions of the Franchise Rule or Business Opportunity Rule, including, but not limited to, failing to make the disclosures or making the claims described in Paragraphs A through G, above.

### **III. BAN AGAINST DISCLOSURE OF CUSTOMER INFORMATION**

**IT IS FURTHER ORDERED** that Defendant Andreoni and any Representatives of Defendant Andreoni who receive actual notice of this Order by personal service or otherwise (*see* Fed. R. Civ. P. 65(d)(2)) are permanently restrained and enjoined from selling, renting, leasing, transferring, or otherwise disclosing the name, address, telephone number, credit card number, bank account number, electronic mail address, or other identifying information of any person who paid any money to any of the Defendants named in the Complaint in this action, at any time prior to the entry of this Final Order, in connection with the advertising, promotion, offering for sale, or sale of business opportunities or ventures, franchises, or location services; *provided*, however, that Defendant and her Representatives may disclose such identifying information to a law enforcement agency, or as required by any law, regulation, or court order.



#### IV. MONETARY JUDGMENT AND SURRENDER OF ASSETS

**IT IS FURTHER ORDERED** that:

A. Defendant Andreoni is liable to the FTC for nineteen million two hundred one thousand four hundred three dollars (\$19,201,403), which represents the amount of consumer injury caused by Defendants' alleged unlawful practices, and the FTC is awarded a monetary judgment in that amount.

B. All assets paid to the FTC or its designated agent to satisfy this monetary judgment shall be deposited into a redress fund, administered by the FTC or its designated agent, to be used for equitable relief including but not limited to consumer redress and any attendant expenses for the administration of any redress fund. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the FTC may apply any remaining funds to such other equitable relief (including consumer education remedies) as it determines to be reasonably related to the practices alleged in the Complaint in this action. All funds not so used for such equitable relief shall be paid to the United States Treasury as disgorgement. The FTC in its sole discretion may use a designated agent to administer consumer redress. Defendant Andreoni shall have no right to challenge the Commission's choice of remedies under this Order or other Orders in this action transferring assets to the FTC.

C. Effective upon the entry of this Final Order, Defendant Andreoni transfers and assigns to the FTC any and all right, title, or interest that she may have as a beneficiary of life insurance policy number TRTU00941 of Reassure America Life Insurance Company f/k/a Valley Forge Life Insurance Company, insuring the life of Anthony R. Andreoni. Any proceeds collected by the Commission or the United States as a result of this assignment shall be treated as partial payment of the judgment against Defendant Andreoni. Defendant Andreoni further agrees that

she (1) will not object to the substitution of the FTC or the United States for her as the real party in interest with respect to any right, title or interest that she may have as a beneficiary of life insurance policy number TRTU00941 of Reassure America Life Insurance Company f/k/a Valley Forge Life Insurance Company in the pending litigation, *Reassure America Life Insurance Company v. Damian Shomers et al*, C.A. No. 1:08-cv-22664-JEM; (2) will not oppose any effort by the FTC to withdraw or strike any pleadings by her in that action; and (3) will not seek the approval of any settlement or other agreement regarding the disposition of the proceeds of policy number TRTU00941 of Reassure America Life Insurance Company f/k/a Valley Forge Life Insurance Company unless the settlement or agreement has been endorsed by the FTC or the United States, including the Settlement Agreement and Release filed as D.E. 54 in *Reassure America Life Insurance Company v. Damian Shomers et al*, C.A. No. 1:08-cv-22664-JEM.

D. Effective upon entry of this Order, Defendant Andreoni surrenders to the FTC all control, title, dominion, and interest she may have in the funds held by Bank of America, N.A., in account number xxxxxx8067 of Automated DVD Machines, Inc.

E. Defendant Andreoni agrees that she shall not claim any interest in assets of Box Office Express, Inc., DVD Now Corporation, Automated DVD Machines, Inc., or the Receivership Defendants, including all assets of the Receivership Defendants under the control of the Receiver. Defendant Andreoni acknowledges and agrees that the Receiver has authority under this Final Order to take any steps necessary to dissolve and wind down the Receivership Defendants and liquidate their assets.

F. In the event that it is necessary to execute additional documents to transfer or assign Defendant Andreoni's right, title, or interest as a beneficiary of life insurance policy number TRTU00941 of Reassure America Life Insurance Company f/k/a Valley Forge Life Insurance

Company, funds held by Bank of America, N.A., in account number xxxxxx8067 of Automated DVD Machines, Inc., the assets of the Receivership Defendants, or any other assets that are to be surrendered under this Order; or to dissolve and wind down the Receivership Defendants, Defendant Andreoni shall execute such documents within three business days of a request from the Receiver or the FTC.

**V. CONDITIONAL STAY OF JUDGMENT AGAINST DEFENDANT ANDREONI**

**IT IS FURTHER ORDERED** that:

A. The unpaid portion of the monetary judgment is stayed with respect to Defendant Andreoni, but this stay shall be lifted if the Commission subsequently discovers and, upon motion of the Commission, this Court finds that Defendant Andreoni has (i) materially misstated the value of any asset disclosed in Defendant's Financial Statement; (ii) materially misstated Defendant's financial condition by failing to disclose any asset that should have been disclosed in Defendant's Financial Statement; (iii) has made any other material misstatement or omission in Defendant's Financial Statement; or (iv) failed to fulfill her obligations with respect to the transfer and assignment of any rights pursuant to this Order, including any rights that she may have as a beneficiary of life insurance policy number TRTU00941 of Reassure America Life Insurance Company f/k/a Valley Forge Life Insurance Company, insuring the life of Anthony R. Andreoni. If the stay is lifted, the full amount of the monetary judgment, less any amount previously collected to pay judgments in this action or the joint and several criminal monetary judgments for restitution imposed in S.D. Fla. Docket Nos. 06-cr-60249-Marra, 06-cr-60250-Dimitrouleas, 05-cr-20677-Martinez, and 05-cr-60203-Martinez, shall become immediately due and payable with interest computed at the rate prescribed under 28 U.S.C. § 1961, as amended, on the unpaid balance. The Commission's agreement to stay the monetary

judgment with respect to Defendant Andreoni pursuant to this paragraph is expressly premised upon the truthfulness, accuracy and completeness of Defendant's Financial Statement.

B. In the event that the stay of the monetary judgment is lifted, Defendant Andreoni must (1) provide the Commission with federal and, if applicable, state tax returns for the preceding two years within ten business days of receiving a request from the Commission to do so; (2) complete new financial disclosure forms fully and accurately within ten business days of receiving a request from the Commission to do so; and (3) cooperate fully with the Commission and its agents in all attempts to collect the judgment.

C. In accordance with 31 U.S.C. § 7701, Defendant Andreoni has furnished to the Commission her taxpayer identification number (Social Security numbers and employer identification numbers), which shall be used for purposes of collecting and reporting on any delinquent amount arising out of Defendant Andreoni's relationship with the government.

D. Defendant Andreoni agrees 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. Defendant Andreoni further stipulates and agrees that the facts alleged in the Complaint establish all elements necessary to sustain an action pursuant to, and that this Order shall have collateral estoppel effect for purposes of, Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C.

§ 523(a)(2)(A). This subparagraph does not apply to facts that may be at issue in *Reassure America Life Insurance Company v. Damian Shomers et al*, C.A. No. 1:08-cv-22664-JEM.

E. The asset freeze imposed by the Stipulated Preliminary Injunction with Asset Freeze, Appointment of Receiver and Other Equitable Relief as to Defendants Automated Entertainment

Dispensers, Inc., Universal Technical Support, Inc., Anthony Rocco Andreoni, and Miriam Smolyansky, a.k.a. Masha Tango, entered by this Court on January 5, 2005 (DE 101) and the Amendment thereto (DE 100) is not altered by this Final Order except that the asset freeze is lifted with respect to any assets owned by Defendant Miriam Andreoni in her own name, and not as representative, trustee, officer or agent of any other entity.

#### VI. PRODUCTION OF EVIDENCE AND DISCOVERY

IT IS FURTHER ORDERED that:

- A. In connection with any trial, pretrial or other proceedings in this action or *Reassure America Life Insurance Company v. Damian Shomers et al*, C.A. No. 1:08-cv-22664-JEM, the FTC's service of a subpoena or discovery request upon the undersigned counsel for Defendant Andreoni shall constitute valid service upon Defendant Andreoni, and she shall produce documents requested and provide testimony in accordance with such subpoena or discovery request, but nothing in this Order shall preclude or prevent Defendant Andreoni from asserting her rights under the Fifth Amendment in response to any question in lieu of testimony; and
- B. Within thirty days after the entry of this Order, Defendant Andreoni shall produce to the FTC any documents that she has regarding the designation of the beneficiary for life insurance policy number TRTU00941 of Reassure America Life Insurance Company f/k/a Valley Forge Life Insurance Company, and appear at a location within this district, without service of a subpoena, to be interviewed by counsel for the FTC concerning her knowledge of events and documents concerning this insurance policy.

## VII. COMPLIANCE MONITORING

**IT IS FURTHER ORDERED** that, for the purpose of (i) monitoring and investigating compliance with any provision of this Order; and (ii) investigating any discrepancies in the accuracy of Defendant's financial statements upon which the Commission's agreement to this Order is expressly premised:

A. Within ten (10) days of receipt of written notice from a representative of the Commission, Defendant Andreoni shall submit additional written reports, sworn to under penalty of perjury; produce documents for inspection and copying; appear for deposition; and/or provide entry during normal business hours to any business location in Defendant's possession or direct or indirect control to inspect the business operation;

B. In addition, the Commission is authorized to monitor compliance with this Order by all other lawful means, including but not limited to the following:

1. obtaining discovery from any person, without further leave of court, using the procedures prescribed by Fed. R. Civ. P. 30, 31, 33, 34, 36 and 45;
2. posing as consumers and suppliers to Defendant Andreoni, her employees, or any entity managed or controlled in whole or in part by Defendant Andreoni, without the necessity of identification or prior notice; and

C. Defendant Andreoni shall permit representatives of the Commission to interview any employer, consultant, independent contractor, representative, agent, or employee who has agreed to such an interview, relating in any way to any conduct subject to this Order. The person interviewed may have counsel present.

***Provided, however,*** that nothing in this Order shall limit 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, to

obtain any documentary material, tangible things, testimony, or information relevant to unfair or deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

#### VIII. COMPLIANCE REPORTING BY DEFENDANT

**IT IS FURTHER ORDERED** that, in order that compliance with the provisions of this Order may be monitored:

- A. For a period of five (5) years from the date of entry of this Order,
1. Defendant Andreoni shall notify the Commission of the following:
    - a. Any changes in Defendant's residence, mailing addresses, and telephone numbers, within ten (10) days of the date of such change;
    - b. Any changes in Defendant's employment status (including self-employment) and any change in Defendant's ownership in any business entity, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that such Defendant is affiliated with, employed by, creates or forms, or performs services for; a detailed description of the nature of the business; and a detailed description of Defendant's duties and responsibilities in connection with the business or employment; and
    - c. Any changes in Defendant's name or use of any aliases or fictitious names;
  2. Defendant Andreoni shall notify the Commission of any changes in structure of any business entity that Defendant directly or indirectly controls, or has an ownership interest in, that may affect compliance obligations arising under this Order, including but not limited to: incorporation or other organization; a dissolution, assignment, sale,

merger, or other action; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; or a change in the business name or address, at least thirty (30) days prior to such change, *provided* that, with respect to any proposed change in the business entity about which Defendant learns less than thirty (30) days prior to the date such action is to take place, Defendant shall notify the Commission as soon as is practicable after obtaining such knowledge.

B. One hundred eighty (180) days after the date of entry of this Order and annually thereafter for a period of five (5) years, Defendant shall provide a written report to the FTC, which is true and accurate and sworn to under penalty of perjury, setting forth in detail the manner and form in which she has complied with and is complying with this Order. This report shall include, but not be limited to:

1. Defendant's then-current residence address, mailing addresses, and telephone numbers;
2. Defendant's then-current employment status (including self-employment), including the name, addresses, and telephone numbers of each business that Defendant is affiliated with, employed by, or performs services for; a detailed description of the nature of the business; and a detailed description of Defendant's duties and responsibilities in connection with the business or employment;
3. Any other changes required to be reported under subsection A of this Section; and
4. A copy of each acknowledgment of receipt of this Order, obtained pursuant to the Section titled "Distribution of Order."

C. Defendant Andreoni shall notify the Commission of her filing of a bankruptcy petition within fifteen (15) days of filing.



D. For the purposes of this Order, Defendant Andreoni shall, unless otherwise directed by the Commission's authorized representatives, send by overnight courier all reports and notifications required by this Order to the Commission, to the following address:

Associate Director for Enforcement  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W., Room NJ-2122  
Washington, DC 20580  
**Re: FTC v. American Entertainment Distributors, Inc., et al., Civil  
Action No. 04-22431 (S.D. Fla)**

*Provided*, that, in lieu of overnight courier, Defendant Andreoni may send such reports or notifications by first-class mail, but only if Defendant Andreoni contemporaneously sends an electronic version of such report or notification to the Commission at DEBrief@ftc.gov.

E. For purposes of the compliance reporting and monitoring required by this Order, the Commission is authorized to communicate directly with Defendant Andreoni.

#### **IX. RECORD KEEPING PROVISIONS**

**IT IS FURTHER ORDERED** that, for a period of eight (8) years from the entry of this Order, if Defendant Andreoni is the majority owner or otherwise controls a business engaged in advertising, marketing, promoting, offering for sale, or sale of any business venture or investment opportunity, Defendant Andreoni and any Representatives of Defendant Andreoni with actual notice of this Order are hereby restrained and enjoined from failing to create and retain the following records:

- A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;
- B. Personnel records accurately reflecting the name, address, and telephone number of each person employed in any capacity by such business, including as an independent contractor; that

person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;

C. Customer files containing the names, addresses, phone numbers, dollar amounts paid, quantity of items or services purchased, and descriptions of items or services purchased, to the extent such information is obtained in the ordinary course of business;

D. Complaints and refund requests (whether received directly, indirectly, or through any third party) and any responses to those complaints or requests;

E. Copies of all sales scripts, training materials, advertisements, or other marketing materials; and

F. All records and documents necessary to demonstrate full compliance with each provision of this Order, including but not limited to, copies of acknowledgments of receipt of this Order required by Section X, and all reports submitted to the FTC pursuant to Section VIII.

#### **X. DISTRIBUTION OF ORDER BY DEFENDANT**

**IT IS FURTHER ORDERED** that, for a period of five (5) years from the date of entry of this Order, Defendant Andreoni shall deliver copies of the Order as directed below:

A. For any business that Defendant Andreoni controls, directly or indirectly, or in which Defendant Andreoni has a majority ownership interest, Defendant Andreoni must deliver a copy of this Order to (1) all principals, officers, directors, and managers of that business; (2) all employees, agents, and representatives of that business who engage in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure set forth in Subsection A.2 of Section VIII. For current personnel, delivery shall be within five (5) days of service of this Order upon such Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities. For any business entity resulting from any change in

structure set forth in Subsection A.2 of Section VIII, delivery shall be at least ten (10) days prior to the change in structure.

B. For any business where Defendant Andreoni is not a controlling person of a business but otherwise engages in conduct related to the subject matter of this Order, Defendant Andreoni must deliver a copy of this Order to all principals and managers of such business before engaging in such conduct.

C. Defendant Andreoni must secure a signed and dated statement acknowledging receipt of the Order, within thirty (30) days of delivery, from all persons receiving a copy of the Order pursuant to this Section.

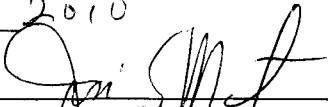
#### **XI. ACKNOWLEDGMENT OF RECEIPT OF ORDER**

**IT IS FURTHER ORDERED** that Defendant Andreoni, within five (5) business days of receipt of this Order as entered by the Court, must submit to the Commission a truthful sworn statement acknowledging receipt of this Order.

**XII. RETENTION OF JURISDICTION**

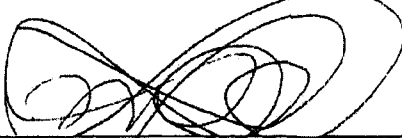
**IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.


**SO ORDERED**, this 17 day of November 2010

  
\_\_\_\_\_  
JOSE E. MARTINEZ  
UNITED STATES DISTRICT JUDGE

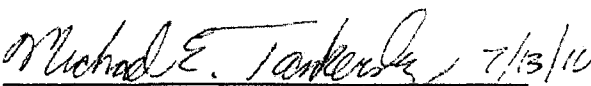
**SO STIPULATED AND AGREED:**

**FOR DEFENDANT ANDREONI:**

  
\_\_\_\_\_  
Miriam Sophia Andreoni

 *AS TO FORM ONLY*  
\_\_\_\_\_  
Jeffrey Cox  
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**FOR THE FEDERAL TRADE COMMISSION**

 7/13/10  
\_\_\_\_\_  
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