

ORIGINAL

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION
OFFICE OF ADMINISTRATIVE LAW JUDGES**



_____)
In the Matter of)
)
DANIEL CHAPTER ONE,)
a corporation, and)
)
JAMES FEIJO,)
individually, and as an officer of)
Daniel Chapter One)
)
_____)

Docket No. 9329

Public Document

**COMPLAINT COUNSEL’S MEMORANDUM IN OPPOSITION
TO RESPONDENTS’ MOTION TO DISMISS**

Complaint Counsel oppose Respondents’ Motion to Dismiss (the “Motion”), which for the reasons set forth below, should be denied.

I. INTRODUCTION

Notwithstanding Respondents’ hyperbole, this is a straightforward case. The Federal Trade Commission (the “FTC”) alleges that Respondents lack a reasonable basis for the representations that their products – Bio*Shark, 7 Herb Formula, GDU, and BioMixx (referred to collectively as the “Challenged Products”) – treat, cure, or prevent cancer or tumors.

Contrary to the rhetoric of the Motion, the FTC is not trying to stop Respondents from practicing their religion. The FTC is not seeking to stop Respondents from expressing their views on dietary supplements, nor is the FTC trying to stop Respondents from selling the Challenged Products. Rather, the FTC brings this suit to stop Respondents from making unsubstantiated, deceptive claims relating to cancer and tumors in connection with the sale of the Challenged Products.

The FTC's actions are well within its jurisdiction and in accordance with the protections provided by the First Amendment for commercial speech. Respondents seek to hide their conduct from any scrutiny behind a cloud of hyperbolic rhetoric and misplaced legal analysis. Respondents simply ignore the ample and settled precedent upon which this action is based.

Moreover, many of Respondents' defenses (including the arguments made in their Motion) rest on bald factual assertions regarding the nature of Respondents' operations and their conduct. Respondents then argue that there should be no discovery and no testing of the factual predicate upon which they base these assertions. Respondents cannot be allowed simply to claim that they are a non-profit, religious organization and then refuse to produce evidence regarding this assertion. If Respondents' tactics succeed, every charlatan would have a road map on how to avoid FTC scrutiny.

II. BACKGROUND

On September 18, 2008, Complaint Counsel served their Complaint on Respondents in this Part III Administrative proceeding. On October 14, 2008, Respondents filed their Answer to the Complaint. In their Answer, Respondents neither assert that they are a non-profit entity nor assert an affirmative defense that the FTC lacks subject matter jurisdiction over them. Rather, Respondents admit in their Answer that they "distribute the named products in commerce," that "they operate a website," and "that they publish information about the product[s]."

Respondents' Answer at ¶¶ 4-5, 7, 9, 11, 13. Respondents also admit making the following representations about the Challenged Products:

- a. Bio*Shark inhibits tumor growth;
- b. Bio*Shark is effective in the treatment of cancer;
- c. 7 Herb Formula is effective in the treatment or cure of cancer;
- d. 7 Herb Formula inhibits tumor formation;
- e. GDU eliminates tumors;

- f. GDU is effective in the treatment of cancer;
- g. BioMixx is effective in the treatment of cancer; and
- h. BioMixx heals the destructive effects of radiation and chemotherapy.

Respondents' Answer at ¶ 14.

Discovery ensued pursuant to the Court's October 28, 2008 Scheduling Order.

Complaint Counsel provided full responses to Respondents' discovery requests and produced almost 2,100 pages of documents. Respondents, however, provided evasive and incomplete answers to Complaint Counsel's First Set of Interrogatories. Furthermore, Respondents refused to produce relevant financial documents in response to Complaint Counsel's First Set of Document Requests. On January 9, 2009, this Court granted Complaint Counsel's Motion to Compel and noted that "the financial records requested in document requests 22 and 23 are properly discoverable." Jan. 9, 2009 Order at 2.

Complaint Counsel served Respondents a Second Set of Discovery Requests and Requests for Admissions primarily to clarify the evasive answers that Respondents provided in response to Complaint Counsel's First Set of Discovery Requests. Respondents, however, objected to fourteen of sixteen interrogatories and thirty-nine of forty-two requests for admission on First Amendment grounds and did not provide any answers or responses. In response to the document requests, Respondents objected to all but one document request on First Amendment grounds and produced only three pages of documents, which Complaint Counsel has determined was not a complete response.

Rather than comply with this Court's January 9, 2009 Order compelling them to produce the financial records, Respondents filed a Motion For Stay of Discovery and a Motion to Dismiss on Sunday, January 11, 2009, two days before Complaint Counsel began the depositions of the Individual Respondent (James Feijo) and two other witnesses with knowledge of the facts

of this matter. In the Motion to Dismiss and their Motion for Stay of Discovery, Respondents assert that the FTC lacks subject matter jurisdiction over the Respondents. For the reasons explained more fully below, Respondents' Motion should be denied in its entirety.

III. THE FTC HAS JURISDICTION

Based on strained and erroneous interpretations of the FTC Act and the First Amendment, Respondents argue that the FTC has no jurisdiction in this case as a matter of law. Respondents ignore the ample precedent supporting the FTC's jurisdiction, and a review of the Complaint and the applicable law establishes that the FTC does have jurisdiction over the Respondents in this matter.¹ As a result, Respondents' Motion to Dismiss should be denied.

A. The FTC is authorized to regulate deceptive advertising claims.

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. For the purposes of Section 12, the Challenged Products constitute either food or drugs. *Compl.* at ¶ 3; 15 U.S.C. § 55(a), (b), (c).²

An advertisement is deceptive under the FTC Act if it is likely to mislead consumers, acting reasonably under the circumstances, in a material respect. *Kraft, Inc. v. FTC*, 970 F.2d

¹ For purposes of a motion to dismiss for lack of subject matter jurisdiction, the factual allegations of the complaint are presumed to be true and all reasonable inferences are to be made in favor of the plaintiff. *Whisnant v. United States*, 400 F.3d 1177, 1179 (9th Cir. 2005); *Ezekiel v. Michel*, 66 F.3d 894, 897 (7th Cir. 1995); *In re R.J. Reynolds Tobacco Co.*, 111 F.T.C. 539, 1988 FTC LEXIS 9, at *5-6 (Mar. 4, 1988).

² The term "food" includes "articles used for food or drink for man" and "articles used for components of any such article." 15 U.S.C. § 55(b). The term "drug" includes "articles intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man" and "articles intended for use as a component" of any such article. 15 U.S.C. § 55(c).

311, 314 (7th Cir. 1992), *cert. denied*, 507 U.S. 909 (1993); *Telebrands Corp.*, 140 F.T.C. 278, 290 (2005), *aff'd*, 457 F.3d 354 (4th Cir. 2006); *In re Thompson Medical Co.*, 104 F.T.C. 648, 788 (1984), *aff'd*, 791 F.2d 189 (D.C. Cir. 1986), *cert. denied*, 479 U.S. 1086 (1987); *Cliffdale Assocs. Inc.*, 103 F.T.C. 110, 164-66 (1984); *FTC Policy Statement on Deception*, 103 F.T.C. 174 (1984) (appended to *Cliffdale Assocs.*). In implementing the “likely to mislead” standard, “the [FTC] examines the overall net impression of an ad[vertisement] and engages in a three-part inquiry: (1) what claims are conveyed in the ad; (2) are those claims false or misleading; and (3) are those claims material to prospective consumers.” *Kraft*, 970 F.2d at 314. It is well-established that the FTC may use its own reasoned analysis to determine what claims are conveyed in an advertisement. *See id.* at 318 (stating that “[i]n determining what claims are conveyed by a challenged advertisement, the [FTC] relies on . . . its own viewing of the ad”); *see also FTC v. Colgate-Palmolive Co.*, 380 U.S. 374, 385 (1965).

There are two types of advertising claims: express and implied. *Kraft*, 970 F.2d at 318. Express claims directly state the representation at issue; implied claims make representations without direct statements. *Id.* at 318 and n.4; *Thompson Medical*, 104 F.T.C. at 788-89. The courts and the FTC consistently have recognized that implied claims fall along a continuum, from those which are so conspicuous as to be virtually synonymous with express claims to those which are barely discernible. *See, e.g., Kraft*, 970 F.2d at 319; *FTC v. Febre*, No. 94 C 3625, 1996 WL 396117, at *4 (N.D. Ill. July 3, 1996) (magistrate judge recommendation), *adopted by* 1996 WL 556957 (N.D. Ill. Sept. 27, 1996), *aff'd*, 128 F.3d 530 (7th Cir. 1997). In the Complaint, the FTC challenges Respondents’ express claims and claims so strongly implied as to be virtually synonymous with express claims. *See Compl.* at ¶¶ 5, 7, 9, 11, 13-17.

When disseminating advertisements, advertisers must have a reasonable basis for advertising claims before they are disseminated. *FTC Policy Statement Regarding Advertising Substantiation*, 104 F.T.C. 648, 839 (1984) (appended to *Thompson Medical*). The “reasonable basis” test is an objective standard. *FTC v. Natural Solutions, Inc.*, No. CV 06-6112-JFW, 2007 U.S. Dist. LEXIS 60783, at *10 (C.D. Cal. Aug. 7, 2007) (citing *FTC v. U.S. Sales Corp.*, 785 F. Supp. 737, 748 (N.D. Ill. 1992)). “Because the [FTC Act] does not require an intent to deceive, the subjective good faith of the advertiser is not a valid defense to an enforcement action brought under section 5(a).” *FTC v. Sabal*, 32 F. Supp. 2d 1004, 1007 (N.D. Ill. 1998).

Advertisers must possess at least the level of substantiation expressly or impliedly claimed in the ad. *See Honeywell, Inc.*, 126 F.T.C. 202 (1998). For health or safety claims, it is well-recognized that the FTC requires “competent and reliable scientific evidence” as substantiation for those claims. *See FTC v. National Urological Group, Inc.*, No. 1:04-CV-3294-CAP, 2008 U.S. Dist. LEXIS 44145, at *77 (N.D. Ga. June 4, 2008) (granting the FTC’s motion for summary judgment and finding that since all of defendants’ “claims regard the safety and efficacy of dietary supplements; [] they must be substantiated with competent and reliable scientific evidence”); *Natural Solutions*, 2007 U.S. Dist. LEXIS 60783, at *11-13 (granting the FTC’s motion for summary judgment and applying the “competent and reliable scientific evidence” standard to defendants’ claims that their product prevents and treats cancer); *FTC v. QT, Inc.*, 512 F.3d 858, 862 (7th Cir. 2008) (“a person who promotes a product that contemporary technology does not understand must establish that this ‘magic’ actually works”; “[p]roof is what separates an effect new to science from a swindle” and testimonials are not a form of such proof); *Sabal*, 32 F. Supp. 2d at 1009 (granting the FTC’s motion for preliminary injunction and asset freeze and finding that the defendant’s evidence did not substantiate her claims about hair

farming); *FTC v. California Pacific Research, Inc.*, No. CV-N-88-602 BRT, 1991 U.S. Dist. LEXIS 12967, at *14 (D. Nev. Aug. 27, 1991) (finding that the defendants lacked a reasonable basis for claiming the efficacy of their products); *see also In re: Spohn*, FTC No. 9331, “Order on Default Judgment and Initial Decision” at 6-8 (ALJ Chappell, Nov. 5, 2008) (finding representations regarding cancer claims made on Respondent’s website to be false and misleading because of lack of reasonable basis for substantiating these representations).

The “competent and reliable scientific evidence” standard typically is defined as “tests, analyses, research, studies, or other evidence based upon 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.” *See, e.g., Brake Guard Prods., Inc.*, 125 F.T.C. 138 (1998); *Auto Breakthrough Sciences, Inc.*, 126 F.T.C. 229 (1998). An advertiser’s failure to possess and rely upon a reasonable basis for objective claims constitutes an unfair and deceptive act or practice in violation of Section 5 of the FTC Act. *FTC Policy Statement Regarding Advertising Substantiation*, 104 F.T.C. 648, 839 (1984) (appended to *Thompson Medical*).

B. The Complaint properly alleges that Respondents’ claims are deceptive.

The Complaint makes clear that the FTC is challenging the express and implied claims that Respondents make about their products. Specifically, the Complaint alleges, *inter alia*, that Respondents have represented, expressly or by implication, that:

- a. Bio*Shark inhibits tumor growth;
- b. Bio*Shark is effective in the treatment of cancer;
- c. 7 Herb Formula is effective in the treatment or cure of cancer;
- d. 7 Herb Formula inhibits tumor formation;
- e. GDU eliminates tumors;
- f. GDU is effective in the treatment of cancer;
- g. BioMixx is effective in the treatment of cancer; and

h. BioMixx heals the destructive effects of radiation and chemotherapy.

Compl. at ¶ 14.

To prove that a cancer prevention and treatment claim is likely to deceive or mislead, the FTC must demonstrate *either* that “the express or implied message conveyed by the ad is false” or that “the advertiser lacked a reasonable basis for asserting that the message was true.”³

Natural Solutions, 2007 U.S. Dist. LEXIS 60783, at *10. Here, the FTC alleges that

Respondents lacked a reasonable basis to substantiate the representations set forth above.

Complaint at ¶¶ 15-16. Therefore, the “acts and practices of Respondents as alleged in the complaint constitute unfair or deceptive acts or practices, in or affecting commerce in violation of Sections 5(a) and 12 of the FTC Act.” *Id.* at ¶ 17. The FTC’s Complaint in the instant matter is substantially similar to numerous other Part III complaints filed by the FTC relating to cancer cures. *See, e.g.*, <<http://www.ftc.gov/opa/2008/09/boguscures.shtm>>.

C. The FTC has jurisdiction over entities engaged in commerce.

Section 5(a) of the FTC Act declares unlawful “[u]nfair methods of competition in or affecting commerce, and unfair or deceptive acts or practices in or affecting commerce.” 15

U.S.C. § 45(a). Section 4 of the FTC Act defines “commerce” as “commerce among the several

³ In their Motion to Dismiss, Respondents completely ignore the large body of well-reasoned FTC case law. Rather, Respondents contend that dicta from *United States v. Johnson*, a 1911 Supreme Court case decided nearly 100 years ago and four years before Congress passed the FTC Act, is the governing standard for the matter currently before this Court. Respondents are wrong; the *Johnson* decision has no application to this case. First, *Johnson* was a criminal case addressing a narrow question of statutory interpretation relating to the meaning of the term “misbranded” under the Food and Drug Act of June 30, 1906. The instant case is a civil action under the FTC Act. Second, the Court in *Johnson* specifically noted that it would “say nothing as to the limits of constitutional power.” *United States v. Johnson*, 221 U.S. 488, 498 (1911). Not surprisingly, in 1916, Congress amended the Food and Drug Act to forbid “false and fraudulent” representations pertaining to curative effectiveness. *See United States v. Diapulse Mfg. Corp. of America*, 269 F. Supp. 162, 166 (D. Conn. 1967) (noting that the Supreme Court reversed course from the *Johnson* case and accorded recognition of Congress’ 1916 Amendment to the Food and Drug Act in *Seven Cases v. United States*, 239 U.S. 510 (1916)).

states or with foreign nations, or in any territory of the United States or in the District of Columbia . . .” 15 U.S.C. § 44. In the Complaint, the FTC alleges that “[t]he acts and practices of Respondents, 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.” *Compl.* at ¶ 4. For purposes of this Motion, that factual assertion must be accepted as true.

Moreover, Respondents clearly are engaged in commerce. In the promotional materials attached as Exhibits A - C to the Complaint, Respondents’ Web site promotes their “On-Line Store” and directs consumers to “Buy Now” when they are prepared to purchase a particular product. *See Compl.*, Exhibits A - C, attached hereto as Exhibits A, B, and C. Furthermore, in other promotional materials, Respondents sell their products for a stated price. *See, e.g.*, Respondents’ BioMolecular Nutrition Product Catalog, marked as Exhibit 6 to the Deposition of James D. Feijo, January 13, 2009 (“J. Feijo Dep.”), attached hereto as Exhibit D, and J. Feijo Dep. at 158-59, attached hereto as Exhibit E.

Although Respondents generally have refused to provide discoverable financial information, prompting two motions to compel, the limited information provided thus far demonstrates that the FTC has jurisdiction over the conduct challenged here. Specifically, the evidence shows:

- Respondent Daniel Chapter One has generated approximately \$2 million in annual sales for 2006, 2007 and 2008. Ex. E (J. Feijo Dep.) at 212-13.
- Respondents sell the products at issue here at a price that is more than triple DCO’s supply cost. Ex. E at 232.
- Respondents maintain a warehouse to store and process their inventory. Ex. E at 174.
- Respondents’ sale of products generate sufficient income to provide for a home in Rhode Island and a home in Florida. Ex. E at 70-71.

- Respondents' sale of products generate sufficient income to provide for two Cadillac automobiles for Respondent Feijo to use, one in Florida and one in Rhode Island. Ex. E at 71.

Aside from self-serving statements, the only evidence Respondents have produced regarding their non-profit status is their State of Washington corporation certificate, indicating that Respondents registered as a "corporation sole." Courts, however, will not accept an entity's mere registration status as a "corporation sole" as conclusive evidence that the entity is conducting itself properly. *See, e.g., United States v. Stoll*, No. C05-0262RSM, 2005 U.S. Dist. LEXIS 13892, at *3 (W.D. Wash. June 27, 2005) (issuing permanent injunction against Defendants and finding that the "Defendants organize, promote, and market a fraudulent tax scheme using corporations sole and ministerial trusts in an attempt to fraudulently evade income tax and employment tax").

The allegations of the Complaint establish the FTC's jurisdiction. Moreover, the limited financial information that the Respondents have thus far provided confirms that conclusion. The Motion to Dismiss should be denied.

IV. THE FTC IS NOT VIOLATING THE RESPONDENTS' FIRST AMENDMENT RIGHTS.

A. The filing of the instant suit does not infringe Respondents' First Amendment Rights.

Respondents assert that "[t]he FTC administrative process imposes an unconstitutional prior restraint in violation of the freedoms of speech and press . . . [and] empowers the FTC to impose censorship settlements without evidence that such censorship powers are necessary to protect a government interest." *Respondents' Motion to Dismiss and Supporting Memorandum* at 21. Respondents misapply the concept of "prior restraint." "The term 'prior restraint' is used

‘to describe administrative and judicial orders forbidding certain communications when issued in advance of the time that such communications are to occur,’” and include regulatory schemes where the permitting authority enjoys “unbridled discretion” over whether to permit future speech. *Alexander v. United States*, 509 U.S. 544, 550 (1993) (citations omitted); *see also FW/PBS, Inc. v. City of Dallas*, 493 U.S. 215, 225-26 (1990); *Granite State Outdoor Adver. Inc. v. City of Clearwater, Fl.*, 351 F.3d 1112, 1117-18 (11th Cir. 2003).

The FTC brings this case using its law enforcement authority to challenge advertising that has already been disseminated by Respondents. There has been no prior restriction on Respondents’ advertisements. Moreover, Respondents are in no way compelled to discontinue claims in already-disseminated advertisements that they believe to be truthful until the FTC has proven that the claims are deceptive and a final order is issued prohibiting the claims. Of course, if such claims are unsubstantiated and thus false and misleading, Respondents ultimately may need to provide monetary relief to consumers for their already-disseminated claims.

The instant action also does not infringe on Respondents’ right to free exercise of religion. Although they may not make deceptive claims to sell products, Respondents are otherwise free to believe whatever they want and to practice their faith as they see fit. *Church of Scientology v. Richardson*, 437 F.2d 214, 217 (9th Cir. 1971) (stating that “the exercise of religious freedom does *not* include the freedom to violate the Federal Food, Drug, and Cosmetic Act”) (emphasis in original).⁴ The fact that Respondents purport to have a religious motivation

⁴ Respondents cite *Rosenberger v. Rector and Visitors of Univ. of Va.*, 515 U.S. 819 (1995) and *Good News Club v. Milford Cent. Sch.*, 533 U.S. 98 (2001) to argue that the FTC has engaged in viewpoint discrimination in the form of “scientism” by requiring Respondents to have “competent and reliable scientific evidence” to substantiate their advertising claims. *Respondents’ Motion to Dismiss and Supporting Memorandum* at 15-21. While both cases do indeed discuss the issue of viewpoint discrimination, their application in the context of the instant case is misplaced. Far from dealing with issues of commercial speech in the context of the promotion and sale of products, *Rosenberger* involved

in making the claims at issue is irrelevant. Subjective intent is not an issue in a claim brought under Section 5 of the FTC Act. *See FTC v. Amy Travel Serv., Inc.*, 875 F.2d 564, 574 (7th Cir. 1989); *Orkin Exterminating Co. v. FTC*, 849 F.2d 1354, 1368 (11th Cir. 1988) (“intent has no bearing on the question whether a section 5 violation has occurred”); *Sabal*, 32 F. Supp. 2d at 1007.

B. The First Amendment does not protect deceptive commercial speech.

The speech at issue in this case is commercial speech, not political or religious speech as Respondents argue. The determination of whether speech is commercial speech “rests heavily on ‘the common sense distinction between speech proposing a commercial transaction. . . . and other varieties of speech.’” *Zauderer v. Office of Disciplinary Council*, 471 U.S. 626, 637-38 (1985). As a result, the determinant factor is whether the speech at issue “propose[s] a commercial transaction.” *Bd. of Trustees of State Univ. of New York v. Fox*, 492 U.S. 469, 473-74 (1989). As noted above, the Respondents make the claims at issue in the context of a Web site and other promotional material used to promote and sell their products. *See* Exhibits A - C to Complaint, attached hereto as Exhibits A, B, and C; Exhibit D hereto; and *supra* pp. 9-10. The speech at issue proposes a commercial transaction – the purchase of Respondents’ products – and is commercial speech.

The Supreme Court has long held that “the Constitution accords less protection to commercial speech than to other constitutionally safeguarded forms of expression.” *Bolger v.*

the University of Virginia’s refusal to fund a student publication because the publication addressed issues from a religious perspective. Similarly, *Good News Club* involved Milford Central School’s exclusion of the Good News Club, a private Christian organization, from meeting after hours at the school. The FTC’s well-recognized substantiation standards, with which Respondents now take issue, apply equally to all parties, regardless of viewpoint.

Youngs Drug Prods. Corp., 463 U.S. 60, 64 (1983). Commercial speech receives less protection than other forms of expression under the First Amendment because “commercial speech may be more durable than other kinds. Since advertising is the sine qua non of commercial profits, there is little likelihood of its being chilled by proper regulation and foregone entirely.” *Virginia State Bd. of Pharmacy v. Virginia Citizens Consumer Council*, 425 U.S. 748, 772 (1976). In addition, “commercial speakers have extensive knowledge of both the market and their products. Thus, they are well suited to evaluate the accuracy of their messages and the lawfulness of the underlying activity.” *Central Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n*, 447 U.S. 557, 564 (1980) (citing *Bates v. State Bar of Arizona*, 433 U.S. 350, 381 (1977)).

For commercial speech to receive the protections of the First Amendment, the commercial speech “at least must concern lawful activity and not be misleading.” *Id.* at 566. Moreover, the government may prohibit false or misleading commercial speech entirely. *See In re R. M. J.*, 455 U.S. 191, 203 (1982) (“Misleading speech may be prohibited entirely”). Thus, *deceptive* commercial speech, as Complaint Counsel alleges is at issue in this case, is not protected by the First Amendment. *See Zauderer*, 471 U.S. at 638 (“The States and the Federal Government are free to prevent the dissemination of commercial speech that is false, deceptive, or misleading”); *National Urological Group*, 2008 U.S. Dist. LEXIS 44145, at *29-30 (citing *Bristol-Myers Co. v. FTC*, 738 F.2d 554, 562 (2d Cir. 1984) (“[D]eceptive advertising enjoys no constitutional protection”)).

Although Respondents assert that their products “cannot be isolated from their overall religious ministry of health freedom and healing,” this purported link does not change the commercial nature of the speech. *Respondents’ Motion to Dismiss and Supporting Memorandum* at 13. In *Bolger v. Youngs Drug Products Corporation*, the Supreme Court

concluded that advertisements were commercial speech, “notwithstanding the fact that they contain discussions of important public issues.” 463 U.S. 60, 67-68 (1983). Indeed, to find otherwise would allow advertisers to “immunize false or misleading product information from government regulation simply by including references to public issues.” *Id.* at 68.⁵ Respondents “ha[ve] the full panoply of protections available to [their] direct comments on public [or religious] issues, so there is no reason for providing them similar constitutional protections when such statements are made in the context of commercial transactions.” *Id.*

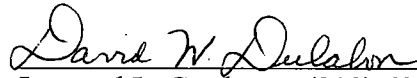
Thus, Respondents can comment on public and religious issues freely. Respondents cannot, however, make deceptive statements in connection with the sale of the Challenged Products and protect that deception through flawed invocations of the First Amendment.

⁵ Respondents seek to draw parallels between the instant case and the seminal civil rights era case of *New York Times v. Sullivan* to support their assertion that they are engaged in protected political speech. 376 U.S. 254 (1964). This comparison is unavailing as *Sullivan* centered on the issues of libel and defamation, not advertising for the sale of products. Moreover, Respondents’ efforts to apply the *Sullivan* “malice standard” in asserting that Complaint Counsel be required to establish proof of intent to deceive when challenging advertising claims is unsupported by long-standing case law. Courts have consistently held that the FTC is not required to prove intent to deceive in an action for violation under Section 5 of the FTC Act. *See Amy Travel Serv.*, 875 F.2d at 574 (“We find that imposing a requirement that the FTC prove subjective intent to defraud on the part of the defendants would be inconsistent with the policies behind the FTC Act and place too great a burden on the FTC”); *Orkin Exterminating Co.*, 849 F.2d at 1368 (“intent has no bearing on the question whether a Section 5 violation has occurred”).

V. CONCLUSION

For the reasons set forth above, Complaint Counsel respectfully requests that the Administrative Law Judge deny Respondents' Motion to Dismiss.

Respectfully submitted,



Leonard L. Gordon (212) 607-2801
Theodore Zang, Jr. (212) 607-2816
Carole A. Paynter (212) 607-2813
David W. Dulabon (212) 607-2814

Federal Trade Commission
Alexander Hamilton U.S. Custom House
One Bowling Green, Suite 318
New York, NY 10004

Dated: January 21, 2009

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on January 21, 2009, I have filed and served the attached **COMPLAINT COUNSEL'S MEMORANDUM IN OPPOSITION TO RESPONDENTS' MOTION TO DISMISS** and **[Proposed] ORDER DENYING RESPONDENTS' MOTION TO DISMISS** upon the following as set forth below:

The original and one paper copy via overnight delivery and one electronic copy via email to:

Donald S. Clark, Secretary
Federal Trade Commission
600 Pennsylvania Ave., N.W., Room H-159
Washington, DC 20580
E-mail: secretary@ftc.gov

Two paper copies via overnight delivery to:

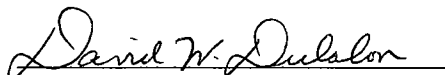
The Honorable D. Michael Chappell
Administrative Law Judge
600 Pennsylvania Ave., N.W., Room H-528
Washington, DC 20580

One electronic copy via email and one paper copy via overnight delivery to:

James S. Turner, Esq.
Betsy Lehrfeld, Esq.
Martin Yerick, Esq.
Swankin & Turner
1400 16th St., N.W., Suite 101
Washington, D.C. 20036
jim@swankin-turner.com

One electronic copy via email to:

Michael McCormack, Esq.
M.mccormack@mac.com


David W. Dulabon
Complaint Counsel

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION
OFFICE OF ADMINISTRATIVE LAW JUDGES**

In the Matter of)	
)	
DANIEL CHAPTER ONE,)	
a corporation, and)	Docket No. 9329
)	
JAMES FEIJO,)	Public Document
individually, and as an officer of)	
Daniel Chapter One)	
)	
)	

[Proposed] ORDER DENYING RESPONDENTS' MOTION TO DISMISS

On January 11, 2009, Respondents filed a Motion To Dismiss. Complaint Counsel filed their Opposition to Respondents' Motion To Dismiss on January 21, 2009.

IT IS HEREBY ORDERED that Respondents' Motion To Dismiss is DENIED.

ORDERED:

D. Michael Chappell
Administrative Law Judge

Dated:

EXHIBIT A

EXHIBIT A



Home ABOUT US PRODUCTS INFO CENTER ON-LINE STORE TALK RADIO LINK

Herbs

Immune Boosters

7 Herb Formula

Bio*Shark

BioMlxx

GDU

Biozymes

Body Care

Vitamins

Biomolecular Nutrientss

Electrolytes

Ergo & Thermogenics

Minerals & Amino Acids

Specialty & Essential Fats

Aminoglycans

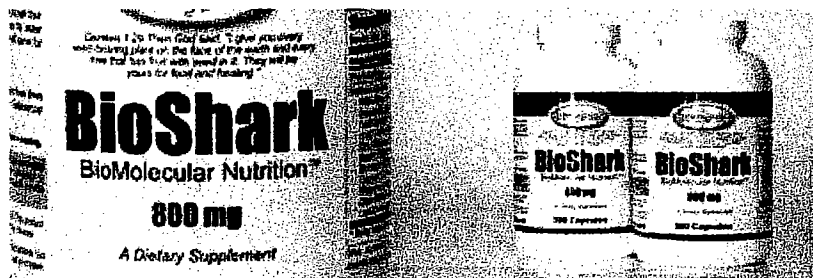
CoEnzymes

Homeopathy/Biotropins

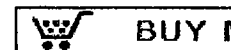
Hormonal & Fiber

Muscle Mass/Performance

Immune Boosters



shark cartilage Supplemental Facts



Read our clients test Bio Shark & Tumors

○ Cancerous Tur

Bio*Shark: Tumors & Cysts

Pure skeletal tissue of sharks which provides a protein that inhibits angiogenesis - the formation of new blood vessels. This can stop tumor growth, and halt the progression of eye diseases such as diabetic retinopathy and macular degeneration. Should not be used by pregnant women, or immediately after heart surgery. Shark cartilage may also reduce the pain, inflammation, and joint stiffness of arthritis, alleviate inflammatory bowel disease, and reverse psoriasis. Shark cartilage is an excellent source of Calcium, Phosphorus, amino acids, and a family of carbohydrates called mucopolysaccharides (sulfated Oligosaccharides and Chondroitin Sulfates A and C).

In summary, Bio*Shark works to reduce inflammation and swelling, affects the formation of new blood vessels and provides essential nutrients for healing.

Warning: If you are pregnant, nursing a baby, recovering from recent surgery, or have a heart or circulatory condition, consult a health professional before using shark cartilage !

Stop Tumor Gowth & Cysts Top

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EXHIBIT B

EXHIBIT B



ABOUT US PRODUCTS INFO CENTER ON-LINE STORE TALK RADIO

- FAQ - Health Questions
- Articles / publications
- Testimonials
- Blomolecular Nutrition
- Cancer Newsletter
- Crohn's disease
- Colitis
- Arthritis
- RICH Homeopathy
- Diabetes - your choice
- Ezekiel Oil Rinse
- Genesis 1:29
- Events

Cancer News.

7 Herb Formula

- purifies the blood
- promotes cell repair
- fights tumor formation
- fights pathogenic bacteria



to learn more click here
to buy click here

If you suffer from any type of cancer, Daniel Chapter One suggests taking this products, to fight it:

7*Herb Formula™ 2 ounces in juice or water (minimum intake) 2 times daily

Bio*Shark™ (***DO NOT TAKE IF PREGNANT,OR IMMEDIATELY AFTER HEARTSURGERY)

(for tumors only) 2 - 4 capsules 3 times daily with meals

BioMixx™ (Boosts immune system) 4 - 5 scoops in soy milk 2 times daily

GDU Caps™ 3 - 6 capsules 3 times daily; 1/2 hr. BEFORE meals

The above information is taken from **The Most Simple Guide to the most difficult diseases , the doctors' how-to quick reference guide.**

For more information call Jim and Trish during the Radio Show

Cancer Newsletter
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about cancer

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7 Herb Formula battl
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Pre Post™

Ancient cancer reme
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Pre-Cancerous Growl
& Acid and Heartburr

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Breast Mass



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**Daniel Chapter One's
Cancer solutions**

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How to fight cancer is your choice!

"No type of cancer is to be taken lightly. If it is not treated properly and completely removed, it will continue to spread and eventually prove fatal. The first step is to cleanse the bloodstream by thoroughly relieving constipation and making all the organs of elimination active ... I have been asked many times what my cure for cancer is. Here it is in a nutshell: correct food, herbs, water, fresh air, massage, sunshine, and exercise, rest. If cancer is suspected, clean out the system, and get a new supply of pure blood. There are nonpoisonous herbs that will purify the blood and kill malignant growths internally or externally, leaving no bad after-effects. Cancer will not live in a system when the bloodstream is pure."

Jethro Kloss, "Back to

Eden"

Lump is gone without dangerous surgery!

Joe Rocha, a custodian at Roger Williams University in Rhode Island, was outside washing windows a few years ago when a stiff breeze blew in from Mount Hope Bay. Shortly after, the career Navy veteran complained of severe pain on the right side of his face. He suspected neuralgia and then thought the pain was from a tooth. He went to his dentist and the problem was not his tooth. It was serious. Joe Rocha then went to a family friend, a physician, who thought the problem was something worse than neuralgia and he was right. There was a swelling of the neck and a lump was detected. He underwent a series of tests and a tumor was found. The prognosis sent fear through the Rocha family. Because of the location of the tumor, Joe Rocha was told that surgery could result in serious consequences. Joe's wife, Maria, said she was terrified of the prospects of the operation. Her husband's doctor was preparing his team of surgeons and nurses to perform the tricky operation in a Fall River, MA, hospital. There was little comfort from the doctor who admitted to the Rochas that the tumor was in such a difficult place the operation itself could result in a heart attack, a stroke and possible paralysis on one side. Mrs. Rocha insisted her husband see their former neighbors and longtime friends, Jim and Tricia Feijo before undergoing surgery. It was the second time

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- Marie - Dad's thr
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- Maureen - Canc
- Arm -7HERB
- Mel - Breast Ma
- and GDU
- Nancy - Cured E
- Cancer in 3months-
- GDU
- Robert-Prostate
- cured from DC1 Pr
- Sharon-Mom's E
- Healed
- Sylvia - Questior
- Sugar and Cancer

the Rochas turned to the Feijos for lifesaving advice. "Jim and Tricia saved my life when doctors said I would die from candidiasis. Thanks to the Feijos I'm here and well. I thought they could help Joe." Joe began taking herbs and shark cartilage. Mrs. Rocha, a lay minister, put her faith in God. The Rochas and their two daughters prayed that the operation could be avoided. Mrs. Rocha thought she detected the tumor getting smaller over a six-week period. It was just a few days before Joe was about to undergo surgery that the couple met with the physician at a clinic in Fall River, MA. The doctor examined his patient and Maria couldn't restrain herself. "Don't you think the lump is shrinking?" she asked the doctor. The physician said the type of tumor Joe had only grows bigger and never shrinks. Joe's wife insisted that it was her opinion that the tumor was smaller. The doctor wasn't convinced and set into motion all of the details for the surgery to take place in four days. A couple of days later, the phone rang at the Rocha home in Portsmouth, RI. It was the doctor and he asked that the Rochas meet with him in his office the day before the scheduled surgery.

"We were amazed," Mrs. Rocha said. According to Maria, "He (the doctor) told us that my words kept ringing in his ears and that a closer examination revealed the tumor had shrunk, something he had not seen before."

The family went to a restaurant to celebrate and while they were driving home Mrs. Rocha said she broke down and cried, overcome by the joy that her husband of many years had been spared. Joe faithfully took his herbs and shark cartilage and the prayers of the Rocha family were answered.

The Rocha story hit home for Tricia Feijo.

She watched as her own mother had a similar growth years ago.

Tricia's mother opted to go the route prescribed by her physician and underwent surgery, radiation then chemotherapy. Initially, immediately after the diagnosis, she started on some herbs that Tricia recommended. The tumor stopped growing but the doctor insisted that Tricia's mom was wasting time and talked her into undergoing surgery.

"I'll never forget it." Tricia said. "My mother told me that when the doctor came in to her room after the operation, he sort of smiled and said the tumor he removed was shriveled and he never saw anything like it." Tricia believes it was the herbs that had stopped the growth of the tumor. She still wished the doctor had not talked her mom into accepting surgery.

Tricia says she also wishes 7 Herb Formula was available at the time her mother was diagnosed with cancer.

After a lengthy, painful ordeal of radiation ~ to kill "stray cancer cells" ~

and chemotherapy after the cancer returned, Tricia's mom ended up on oxygen.

7 Herb Formula battles cancer.

Tracey was given no hope!

The doctors had pretty much given up on Tracey. She had leukemia and tumors on the brain, behind the heart and on her liver. The allopathic methods of dealing with the advanced cancer would be more chemotherapy.



She had gone the chemo and radiation route just months before and knew her weakened body could not endure another round of chemo. The doctor tried to pressure Tracey into taking chemo and she refused, angering the doctor. Her rejection of his chemo protocol led to a heated argument in his office and Tracey decided to take control of her own recovery. A woman that Tracey had befriended while in the hospital accepted the chemo treatment and the unfortunate result was that her friend died. This is Tracey's story in her own words as told in 1997: "I had contracted leukemia and had three inoperable tumors. When I decided not to do chemotherapy or radiation, my father sent me Bio*Mixx and 7 Herb Formula. Each day as I took it and got it into my system more and more, the better I felt. Then I added Garlic Pur, Siberian Ginseng and BioShark." "I am now in complete remission. The cancer cell count has dropped, the doctors tell me. I had a tumor just above the brain stem in my brain that has completely disappeared. The tumor on my liver is shrinking and the tumor behind my heart has shrunk over 50%. My weight, which dropped to 103 pounds, is on an uphill. There are other alternatives besides chemo and radiation!" Tracey's father recently called the radio show. He said Tracey had a problem. Tricia Feijo said her heart skipped a beat when she heard Tracey's father. That concern soon evaporated. "Yeah, Tracey can't keep her feet on the ground these days," he said, then revealed that the young woman's new doctor had declared her free of cancer. Below you will find the reports of Tracey's progress and what she did as an alternative to the chemotherapy.

The Medical Report Cancer Count:

July 8	700
July 15	1100 +
Aug. 11	1040
Aug. 20	950
Sept. 2	790
Sept. 20	642 ~ free of leukemia
June 1998	Free of all cancer

Tumors

July	Significant tumor	Size of quarter	5x7 cm
Sept.	Smaller lump	Size of dime	2x2 cm
Oct.	Gone	50% smaller	smaller
June 98	Gone	Gone	Gone
June 98	On Brain	Behind Heart	On Liver
	Gone	Gone	Gone

Weight and Energy

July 8	103 lbs, no energy, feels bad, starts on natural products
Sept. 2	118 lbs, more energy, rode a bike
Sept. 20	121 lbs, rides bike, swims
Sept. 26	Also taking GDU 4000 ~ "feels terrific"
June 1998	125 lbs and continues to be free of cancer



7 Herb eliminates pre-cancerous growth

Kathy Carlton tells her story of how 7 Herb Formula helped her.

I'm 42 and I lived in Florida most of my life ... So, I've lived in the sun all my life. I had a pre-cancerous "wart" on the back of my leg and drinking 7 Herb Formula made it go away. I get these pre-cancerous things; the doctor checks me every several months. He says they are pre-cancerous. I had one on my hand once that was turning into a melanoma. The doctor burned it off. He usually burns them off. When they're small, he waits until they get bigger, then he burns them off. He gave me a cream when they were small but that irritated my skin. Anyway, I had one on the back of my leg that was getting big but the 7 Herb Formula made it go away. Maybe it took four or five weeks, but it just fell off: it got looser and looser and then it just fell off. I have the scar to prove it. I was taking the 7 Herb Formula and at first noticed no difference. But I took it about twice a day for five weeks. After five weeks I noticed better energy levels. I started taking it in August (1997) ~ so in the past four months I've gone through four bottles ~ because back in June I started getting stomach pains. In the morning I was waking up with bad pains. In June I went to the doctor because I was afraid I was having a heart attack or something. I was given an appointment for September to be tested. The doctor thought it was my

esophagus ~ a lot of acid and heartburn. So I went to the GI specialist in September and had an upper GI, but by then the pain had gone away. The 7 Herb Formula had cured it! It got rid of the acid problem but I keep taking it (7 Herb Formula). I would take a shot glass full in the mornings ~ usually straight ~ and then drink a lot of water afterward. Then I would take a shot before bed. Now I only take it once a day or, some days, not at all. If I feel I'm getting a cold or something, I take extra. I haven't gotten sick once since I've taken it ~ not the flu or anything. And usually I would have (become sick) by now. And I used to feel tired around 2:00 p.m. but not anymore. The 7 Herb really gives me energy and it keeps me from getting hungry. I do use Lean Body sometimes instead of skipping meals but I do not do Lean Body all the time. The 7 Herb helps me maintain my weight. I don't lose but I don't gain. At first I lost 10 pounds. Maybe because I have more energy, I do more. I used to get low blood sugar a lot and now I'm okay. And I don't have high blood pressure anymore (I also take dandelion root for a diuretic). I think 7 Herb Formula balances out the immune system. My sister has lupus ~ I wish she would try it out ~ I want to send her a bottle to Virginia. Mentally, I even feel better. I recently ran out before leaving for Las Vegas. We were there for seven days and I felt so tired without the 7 Herb. It makes a big difference. And the most amazing thing was when I had the upper GI in September, and the x-ray showed nothing there. Before, I had bad pain constantly ~ by then, nothing. It's so amazing. It would ease the pain ~ right away ~ in a few minutes. Before that, I tried Tagamet and it would do nothing. It actually made my stomach hurt worse. Really, it's amazing!



Pre Post™

Daniel Chapter One has been using its PrePost formula, a BioMolecular athletic food source for almost 15 years. PrePost is the world's first Soy based multi-nutritional high calorie sports supplement. Athletes and cancer patients all over the world have used PrePost for over a decade. By increasing an individual's caloric intake and adding Soy to their diet Daniel Chapter One has been able to see astounding results. Years of study and research helped Jim Feijo discover the benefits of using Soy as a protein base for overall better health. Recent studies have shown the importance of Soy protein in everyone's diet. Since Jim developed PrePost, many other Daniel Chapter One products have been developed with a Soy protein base. These products are now starting to get the recognition they have deserved. Attached below is an article from Vitamin Retailer

Magazine¹. This article explains the benefits of the Soy isoflavones, genistein and daidzein, found in Daniel Chapter One's BioMolecular formulas. "Soy isoflavones (genistein and daidzein) confer protection against the so-called hormone-dependent cancers, such as breast cancer, and prostate cancer. For instance, when breast cancer cells are grown in the laboratory, genistein arrests their growth.² Isoflavones are hypothesized to protect against cancer through at least four mechanisms. First, the weak estrogen activity of isoflavones reduces the risk of hormonedependent cancers. Second, the antioxidant effects of isoflavones protect against cancer causing free radicals. Third, isoflavones beneficially affect enzymes. Finally, isoflavones inhibit angiogenesis, a process which would otherwise nourish growing cancer cells. A growing problem faced by cancer therapy is the occurrence of very hardy tumors. A so-called "multidrug resistance gene" acts as a pump within some cancer cells, actually expelling anti-cancer drugs before they can eradicate the cancer. In effect, the isoflavones, in some difficult to treat cancer cases, may be one of the few treatments that the tumor is not able to resist."³

(Footnotes) 1 Dolby, V., Nutritional Weapons are Powerful in the War Against Cancer. Vitamin Retailer. 1997;4(8):42-46. 2 Wei H., et al. Antioxidant and antipromotional effects of the soybean isoflavone genistein. Proc. Soc. Exp. Bio. Med. 1995;208:124-129 3 Peterson G. and Barnes S. Genistein inhibition of the growth of human breast cancer cells: Independence from estrogen receptors and the multidrug resistance gene. Biochem. Bioph. Res. 1991;179(1):661-667



Ancient cancer remedy is improved upon

Herbal formula taken to maximum potency by Daniel Chapter One

Jim and Tricia Feijo are the founders of Daniel Chapter One and co-hosts of a nationally syndicated talk show. Jim is the founder of BioMolecular nutrition. He holds bachelor and master degrees from Springfield College in Massachusetts. He has trained athletes ranging from Pop Warner Football to professional. Tricia is a classical homeopath who graduated from the New England School of Homeopathy. She is also a trained writer whose column appeared in publications in New England. She has studied nutrition and whole food science for nearly two decades. Jim Feijo is the ever-active researcher who looks to God-given nutrients to deal with health issues. Over the years, he has developed a number of high quality products. His unique ability to develop all-natural nutritional products that could build body mass in athletes caught the attention of Chinese doctors and

scientists. Several years ago, He was invited to lead research at the Beijing Research Institute of Sports Science working with world-class Chinese athletes. He directed the athletes on the use of Daniel Chapter One products and monitored them through his unique computer program. The results were so impressive it caught the attention of Russian scientists and he was invited to Moscow to conduct similar studies. Besides helping world-class athletes, his computer program and products were found to be effective in helping people with chronic illness. In addition to his sports nutrition line, Jim has developed a line of health supplements and natural remedies. One of the products Jim Feijo is especially proud of is his 7 Herb Formula. The reason he is so delighted with 7 Herb is the effects he has seen on those who have used the product and the results that have been documented. The testimonials keep on coming in to Daniel Chapter One. Jim improved upon the ancient Ojibway Indian Tribe remedy known as Essiac and used by the late Dr. Charles Brusch ~ personal physician to President John F. Kennedy ~ to enhance the healing properties. Dr. Brusch said of the Essiac herbal formula: "It will greatly improve any condition afflicting the body!" As a result of his research, Jim found that by adding Siberian Ginseng and Cat's Claw to the Essiac formula, he could attain remarkable healing results. The two herbs were added to Burdock Root, Turkey Rhubarb, Slippery Elm, Sheep Sorrel and Watercress. It was determined that in order to achieve maximum effectiveness of this formula, the individual herbs must be cooked to a precise temperature for that specific herb and thus ensure 100% maximum phytochemical potencies. In similar products all of the herbs are cooked together, diminishing the potency and effectiveness of the herbs. So 7 Herb was formulated to the specific requirements of Daniel Chapter One. The rigid, precise individual preparation of the ingredients was a vast improvement over the original formula. It has been called "revolutionary." "We feel blessed that God has revealed this formula to us and that we have been able to provide those in need of help an alternative to chemotherapy and radiation," Jim Feijo said. Daniel Chapter One HealthWatch, which airs coast-to-coast five days a week, continues to hear the testimony of people who are using 7 Herb Formula. Among those who spoke of dramatic results using 7 Herb Formula ~ during the live talk show ~ are Joe and Maria Rocha and Jim Givens. Their stories are contained in this newsletter. Jim Feijo concluded: "There was a time in the not-so-distant past that we were voices in the wilderness, but today the American public is crying out for alternatives to harmful drugs. Our message has a vast audience today."



Victory over Gulf War Syndrome

The following is a letter Wayne L. Harms sent to the Gulf War Veterans Association, reprinted with his permission. Wayne went to the Persian Gulf in 1994 to lend his services as a minister for our troops overseas. He tells us how he victoriously overcame his personal war on cancer and Gulf War Syndrome with the help of Daniel Chapter One.

In January 1998, after years of declining health, my wife and I both tested positive for Mycoplasma Fermentans Incognitus (MFI), better known as Gulf War Illness. In October 1998, we both tested negative. In June 1998, a skin cancer clinic identified seven spots of Squamous Cell Carcinoma Cancer on my arms and legs. The largest spot was about the size of a quarter and the smallest was about the size of a pencil eraser. In October 1998, there is no trace of the cancer with the exception of a very small spot of light colored scar tissue where the largest spot had been. The standard treatment for MFI is 2 or more years of antibiotics in cycles of 6 weeks with a 6-week rest period in between each cycle of medication. We veered from the standard treatment for reasons I will explain below. Immediately prior to deployment to the Gulf and while in the Gulf, I was given shots which were never entered into my shot records. They were entered into medical records, but those pages conveniently disappeared when I returned to the states. Without knowing it, I passed the MFI on to my wife. The following are problems (see My Symptoms below) which I did not have before Desert Storm but developed after returning home. We were unable to find a doctor to treat us or even talk about GWI until April 1998. At that time we both began a six-week cycle of Doxycycline. The symptoms became worse for about two weeks, then seemed to clear up very well. About 3 weeks after the end of the first cycle, the symptoms returned but not as severe as they had been before treatment began. It was at this time the cancer was discovered. I had been directly exposed to insecticides in the Gulf and it lay wet on my bare skin for up to an hour before I could get to a place to wash it off. The doctor believes this may have been the cause of the cancer and that it lay dormant until I began the antibiotic treatment. She said that one of the side effects of antibiotics is a suppression of the natural immune system, which would allow the cancer to grow more rapidly. I decided to stop the antibiotic treatment and try a natural herbal and vitamin remedy I had been told about. Within about 4 weeks, all my symptoms had cleared up and have never returned. I continued on the natural remedy until today, October 19, 1998, when I was notified my tests showed I was completely cured of MFI. My wife decided to continue on the antibiotic six-week cycles, but on the six weeks in between, she also used the natural remedies. None of her symptoms

came back after beginning the natural remedy. She also was notified today that she is completely cured of MFI. The natural remedy was obtained through an organization called Daniel Chapter One. They are on the Internet at www.danielchapterone.com. They also can be heard on the radio on Accent Radio Network. I don't know how this stuff works, but it worked wonders for me and my wife. The insurance agent just laughed when I suggested a partial reimbursement of some of the expenses so, in addition to my full-time job I took 4 part-time jobs to pay for it. It paid off for us and I hope the information may help a few of you. I know there are many forms of GWI caused by things other than MFI and I don't know which of the products will help the other forms. The main thing is NEVER GIVE UP. KEEP FIGHTING. This is easy to say now, but I was at a point where death looked like the only way out. Support and encouragement from friends helped carry me through and it can do the same for you. 6

My symptoms were: 1.Very bad night vision 2.Strong sensitivity to sunlight and bright lights 3. Pain in back of eyes 4.Eyes blur, then clear up on a frequent basis while driving, cars and highway would become like a smear of finger paint blending in together, then clear up 5.Frequent severe headaches and chest pain (hospitalized for heart attack but the doctors could not find anything wrong) 6.Constant muscle pain in left arm and leg 7 Severe loss of strength in left arm and leg 7.Frequent uncontrollable shaking of both arms and hands
 My wife's symptoms were: 1.Frequent coughing, Difficulty inbreathing, Short-term memory loss, Pain in back of eyes, Dizzy spells, Balance problems, Periodic nausea, Aching joints and muscles, Loss of concentration, Fatigue, Nervousness/Anxiety, & Depression Of special interest is that our complete healing with natural products took place in less than 1/4 of the time as the average cure with antibiotics and without the side effects.



Doctors gave upon Michigan man

When Jim Feijo greeted Richard Nelson, a talk show caller from East Grand Rapids, MI, with "How are you doing Richard," he received this short reply: "Lots better now." There was more. The caller went on to explain his situation. He is living proof that doctors may be wrong in surrendering to defeat in life and death situations. Richard went into the hospital for treatment of a hernia and doctors broke the shocking news to him ~ melanoma. The outcome prediction was grim. It was in August of 1997 when Richard's cancer was discovered and he was soon undergoing chemotherapy. Even with treatment, he was told he would only have nine months to live. An angel he says, in the form of his brother-in-law, told him he had heard Daniel Chapter One HealthWatch and listened to Jim and Tricia Feijo talk about the success of 7 Herb Formula in helping people with cancer. "My brother-in-law asked me if he bought me the 7 Herb, would I take it and I assured him I would," Richard said on the coast-to-coast broadcast that was originating from Las Vegas, NV. Richard reveals: "I had lost my faith. After my fourth treatment with chemo, the cancer

masses stayed constant. I started taking the 7 Herb and that tumor was shrinking. At the last treatment, I was told the tumors had liquid centers and were on the verge of drying up. Then I had a CAT scan and it was found that there has been massive tumor shrinkage." Jim Feijo called the Richard Nelson story a great example of how people can come to the rescue of others.



Pre-Cancerous Growths & Acid and Heartburn

"And the most amazing thing was when I had my upper G.I. in September, and the X-ray showed nothing there. Before, I had bad pain constantly...by then, nothing." ~Kathy Colton After using 7 HERB and other DC1 products for precancerous growths and for acid & heartburn.



Bio Shark™

In 1983, two researchers at the Massachusetts Institute of Technology published a study showing that shark cartilage contains a substance that significantly inhibits the development of blood vessels that nourish solid tumors, thereby limiting tumor growth. This effect is called anti-angiogenesis. Scientists recognize the benefits of starving a tumor to limit its growth. They have been looking for a drug to patent that can do the same thing as shark cartilage. They say the answer to curing cancer lies in preventing angiogenesis ~ the formation of blood vessels which feed the tumor. These scientists are trying to replicate what God has already presented to us so that they can claim rights to it, patent it and make a lot of money. But man can never lab synthesize a product and make it exactly the same ~ and all drugs have harmful side effects. Researchers have also demonstrated that shark cartilage can reduce the inflammation and pain associated with arthritis, alleviate psoriasis and have a positive effect on other degenerative diseases.



Breast Mass

Deloris Winter

Age 52, Lakeland, FL

"I went in for a breast examination by mammography. On 10/8/01 they said they found a mass that they believed was not cancerous, but benign.



I began taking GDU six times a day: 2 before breakfast, 2 before lunch, and 2 before dinner, and in a month I went to my doctors for the breast examination, and he found nothing on either breast.

Around that time I got another bottle of GDU and the Superior Herbal Fat Burners, which I took twice a day. In April I had my 6-month examination and the letter read: 'We are pleased to inform you that the results of your recent breast evaluation are normal.'

Praise GOD!"

Deloris Winter

Age 52, Lakeland, FL

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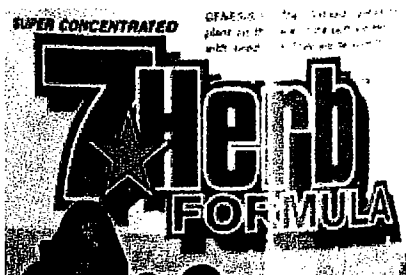


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Herbs

- 7 Herb Formula
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- Black Cohosh
- Cascara Sagrada
- Cats Claw
- Cayenne
- Cranberry Concentrate
- Dandelion Root
- Digest 400
- Dong Quai
- Echina Plus
- Echinacea Root Tincture
- Echinacea Goldenseal Tincture
- Ezekiel First Aid Oil
- Fenugreek Plus
- FGC
- Feverfew
- Garlic Pur
- Genesis First Aid Oil
- Ginger Root
- Ginkgo Pur
- Goldenseal
- Gotu Kola
- Hawthorn Plus C
- Herbaretic Diuretic
- HPLC (Hi Potency Liver Complex)
- Juniper Berries
- Kava Kava
- Licorice Root

Herbs



Supplemental Facts

7 Herb Formula: Detoxify, Acid Reflux & Cancer Help

7 Herb Formula with Cat's Claw & Siberian Ginseng: Herbs to purify the blood and promote cell repair. The ingredients in this tea concentrate work to clear skin, cleanse the liver, decrease cell mutation, and fight pathogenic bacteria and tumor formation. Also helps regulate blood sugar, heal ulcers, and stop indigestion and heartburn.

The herbs in 7 Herb Formula allow the body to heal by nourishing and cleansing the blood organs. In addition, the formula detoxifies blood and lymph, a key to vibrant health and fighting illness. Below is a list of these 7 herbal ingredients, which have been scrupulously and separately prepared, then combined to form a tea concentrate, and poured, boiling, into quart-size amber glass bottles to ensure freshness and potency. Many pounds of herbs go into the making of one 32 ounce bottle of 7 Herb Formula, making it 3 times the potency of any other product of its kind!

1. Burdock Root, used in Ayurvedic and Chinese medicine to treat cancer. It is a potent blood purifier, and is known to decrease cell mutation and inhibit tumors. It restores liver and gallbladder function. Burdock contains the nutrients zinc, iron, manganese, and vitamins B1, B6, B12. It also provides vitamin E and selenium, which combat free radicals. Burdock Root contains natural inulin, which is beneficial

- Nettles
- Pau D'Arco
- Ruscus
- Saw Palmetto
- Slippery Elm Bark
- St. John's Wort
- Total Prostate Complex
- Valerian Root
- Yucca Leaves
- Immune Boosters
- Body Care
- Vitamins
- Blomolecular Nutrientss
- Electrolytes
- Ergo & Thermogenics
- Minerals & Amino Acids
- Specialty & Essential Fats
- Aminoglycans
- CoEnzymes
- Homeopathy/Biotropins
- Hormonal & Fiber
- Muscle Mass/Performance

in diabetes as the body can use this to produce natural insulin.

2. Sheep Sorrel, also rich in vitamins, minerals and trace elements, high in life-giving properties. It nourishes the glandular system, and is known to relieve internal ulcers. Sheep Sorrel is a traditional folk remedy for cancer.

3. Siberian Ginseng, an herbal "tonic" which has restorative power due to its glycoside content. Glycosides are natural phytochemicals that initiate the body's stress response: so while this ingredient tones the body it also supports the immune system, while working in synergy with the other 6 ingredients to allow for an inflamed stomach to be healed. Siberian Ginseng also produces saponins, steroids found in plants, which have tumor inhibiting effects.

4. Cat's Claw, an herb from Peruvian rain forest. The inner bark, which is what is in 7 Herb Formula, is one of the most powerful cleansers of the intestinal tract. It also is an anti-oxidant and anti-inflammatory in action. Cat's Claw stimulates the immune system, enhancing white blood cells, which fight infection. Cat's Claw is used by native Peruvians to treat many diseases, including cancer.

5. Slippery Elm, according to herbalist Jethro Kloss, should be used in all stomach troubles because of its ability to heal, strengthen, and nourish the stomach. He states that it can stay in an ulcerated or even cancerous stomach when nothing else will. It nourishes the organs and tissues due to its nutrient content: bioflavanoids, calcium, phosphorous, polysaccharides, and vitamins A, B, C, and K. Slippery Elm also helps to neutralize acids from indigestion.

6. Watercress, the same plant used for salad greens and garnishes, is an excellent cleanser in the body, and it can heal mucus membranes including the stomach lining. Protects kidneys and joints from oxalic acid buildup.

7. Turkey Rhubarb Root purges the body of wastes and toxic matter. Also called Indian Rhubarb, this herb counteracts acids due to indigestion and acts as a gentle laxative. The malic acid inherent in this herb carries oxygen to all parts of the body. A substance called rhein in the herb fights both bacteria and fungus. Studies done in the 1980s show Turkey Rhubarb has anti-tumor properties. It also reduces inflammation.



Read more about
7 Herb Formula - click

Read our clients' testimonials on using this product

- Special Forces Overcomes Prostate Cancer
- Doctor Alexander's Cancer
- HIV / AIDS
- Tumor Free!
- Prednisone Withdrawal Masked My Kidney Cancer
- Lump Is Gone
- Dangerous Surgery
- Energy Boost
- 7 Herb Formula for Cancer
- Not Too Late!
- RENAL CELL CARCINOMA
- Prostate Cancer



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EXHIBIT C

EXHIBIT C



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Herbs

Immune Boosters

7 Herb Formula

Bio*Shark

BioMixx

GDU

Biozymes

Body Care

Vitamins

Biomolecular Nutrients

Electrolytes

Ergo & Thermogenics

Minerals & Amino Acids

Specialty & Essential Fats

Aminoglycans

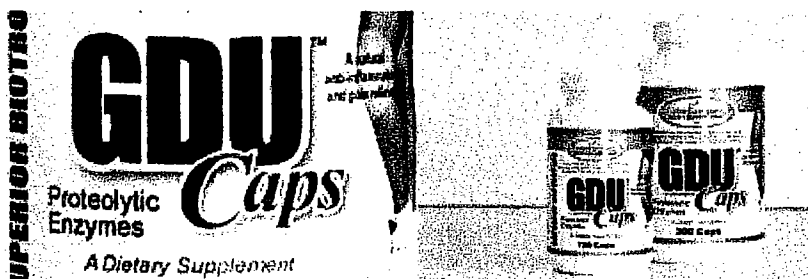
CoEnzymes

Homeopathy/Biotropins

Hormonal & Fiber

Muscle Mass/Performance

Immune Boosters



Supplemental Facts

GDU - Arthritis Pain Anti inflammatory

Contains natural proteolytic enzymes (from pineapple source bromelain) to help digest protein - even that of unwanted tumors and cysts. This formula also helps to relieve pain and heal inflammation.

GDU caps also contain 300 mg Turmeric that protects the liver against toxins, 100 mg Quercetin, a natural bioflavonoid, which enhances the absorption of bromelain (the key ingredient) and relieves pain, bumps, and bruises, and 100 mg Feverfew, a natural pain killer. GDU caps with bromelain is a well-known herbal for digestive problems, helping users to digest proteins and aiding in pancreatic insufficiency.

GDU is also used for acute postoperative swelling, to heal surgical inflammation and bruises, to heal injuries, as a smooth muscle relaxant, for respiratory congestion and infections, sinusitis, pneumonia, bronchitis, angina, as a natural antibiotic, for painful menstruation, arthritis, thrombophlebitis, varicose veins, and as an adjunct to cancer therapy.

GDU caps possess a wide range of actions including anti-inflammatory and antispasmodic activity that make it suited to a wide range of uses. Safety: Even at very high dosages no toxic reactions have been found. Care should be taken when using GDU if on any medication that thins the blood. The nutrients in GDU: Bromelain, Turmeric, Quercetin, Feverfew, Boron

TURMERIC (CURCUMIN)

Turmeric: a spice and a potent anti-inflammatory. Herbalists have recommended turmeric for the pain and swelling of arthritis for many years. It also has a beneficial effect on the liver and gallbladder.

1. Curcuma longa, turmeric, with its active ingredient curcumin, is a potent anti-inflammatory. Jean Carper reports in Food - Your Miracle Medicine (HarperCollins, 1993)

2. Curcumin, "is an anti-inflammatory agent on a par with cortisone"

3. Has reduced inflammation in animals.

4. Reduced symptoms of rheumatoid arthritis in humans.

5. A rigorous double-blind, placebo-controlled study was conducted at the Seth 1G.S. Medical College in Bombay, India, to determine the herb's anti-inflammatory effect compared to that of powerful drugs, such as phenylbutazone, for post-surgical patients. The researchers concluded that curcumin was shown to possess significant anti-inflammatory activity following surgery.

Bromelain: Natural proteolytic enzymes, which can break down proteins that are involved in the inflammatory process. They also enhance the breakdown and removal of damaged tissue and aid the lymph to cleanse and drain the inflamed area of fluid and debris. Studies have shown that the potency of the enzymes used is critical in relation to their effectiveness.

Quercetin: A bioflavonoid, a compound widely distributed in plants. Bioflavonoids like quercetin are used in the treatment of athletic injuries because they relieve pain, bumps, and bruises. They also reduce pain located in the legs or across the back. Bromelain and quercetin are synergists, and should be taken together to enhance absorption.

Feverfew: Legend has it that this herb saved the life of someone who once fell off the Parthenon, the famous temple in ancient Greece! In 1985, the British medical journal Lancet reported that feverfew inhibited the release of two different inflammatory substances- one from platelets, the other from white blood cells – thought to contribute to the onset of migraine attacks and that may play a role in rheumatoid arthritis.

Boron: Essential nutrient included in GDU because of its many functions. Regulating appropriate body levels of hormones needed for bone health and maintaining minerals needed for healthy bones are two major functions of boron in GDU.

This product is available in GDU, 120 Caps (buy r GDU, 300 Caps (buy r

Read our clients testimonials on using this anti-inflammatory

- Juvenile Arthritis
- Arthritis
- ProBaseball In
- Spinal Stenosis
- Breast Mass
- Arthritis Relief
- Prostate Cancer

Arthritis Pain Relief & Anti Inflammatory Top ♣

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EXHIBIT D

Genesis 1:29 When God said, "I give you every herb that grows on the face of the earth and every tree that has fruit with seed in it, that I give you for food, just as I gave to Adam."



BioMolecular Nutrition™

Product Catalog



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**Heartburn? Acid Reflux?
Indigestion?**

alimenz™ relieves heartburn, indigestion caused by acid reflux and gas, and improves digestion thus preventing heartburn.



- NOT an acid
- NO Alum
- NO Phosphates
- NO Preservatives
- NO Artificial Colors

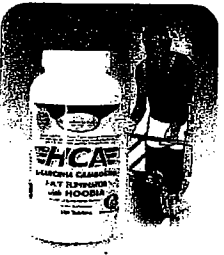
Natural
Foam Barrier



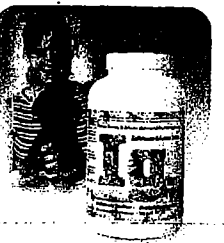
Normal
Stomach Acid
Production



"I began taking GDU™ six times a day: 2 before breakfast, 2 before lunch, and 2 before dinner, and in a month I went to my doctors for the breast examination, and he found nothing on either breast."



Prevents fatty buildup in the heart, liver, and skeletal muscles. Helps control appetite by allowing you to feel full faster. Converts carbohydrates into energy instead of being stored as fat.



"My dog Scooter gets 7 Herb™ Formula, A&B Biotrophins and Ig Factors™ once a week to keep up his immune system, and to also keep him parasite free. We use Ezekiel Oil on his tick bites, and diluted in his ears for mites."




I woke up one morning with a pain in my side. I described it to Jim Fejo, and he said it could be a kidney stone or infection. Jim gave me MicroCa Plus, and I started taking it 3x a day. A few days later I started feeling better and haven't had a problem since.

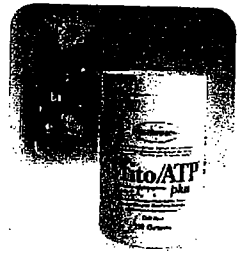
<p>1st Kings, Choc 1 lb, Powder Maximizes the life sustaining functions of the endocrine and exocrine systems. Provides the proper levels of nutrients, at the right time; bioavailable on a cellular level, the most highly nutritious and readily available substance. Code 9006A \$19.95</p>	<p>Bio C-1000, Bioflavs, 100 Caps Heals capillaries, and forms collagen which holds body tissue together. Exhibits a broad range of antioxidant activity, and is used to treat rosacea, bleeding gums, and bruising. Also prescribed for allergies, viruses, inflammations, and behavior. Code 6090 \$17.95</p>	<p>DHEA, 25 mg, 60 Sub Tabs Improve immune function, decrease fat, reduce stress, and enhance memory. In postmenopausal women, DHEA has shown to enhance immune function, and prevent bone loss, with some women reporting an overall sense of well-being. Code 6715 \$18.95</p>
<p>1st Kings, Choc 2.5 lb, Powder Maximizes the life sustaining functions of the endocrine and exocrine systems. Provides the proper levels of nutrients, at the right time; bioavailable on a cellular level, the most highly nutritious and readily available substance. Code 9006 \$42.95</p>	<p>BioMhor®, Choc, 1 lb, Powder Scientifically designed formula provides your body with proven all natural anabolic nutrients, high quality protein, a carbohydrate base, anti-catabolic substrates and herbs for cell, organ and tissue health necessary for a healthy immune system. Code 3000 \$22.95</p>	<p>Echina Plus Root, 400 mg, 100 Caps A cleanser of the blood and lymphatic system stimulates the immune function during colds, flu, sore throats, and allergies. Use externally to cleanse and heal wounds, eczema, burns, psoriasis, vaginitis, herpes, cancer sores, and abscess. Code 2060 \$18.95</p>
<p>1st Kings, Choc 10 lb, Powder Maximizes the life sustaining functions of the endocrine and exocrine systems. Provides the proper levels of nutrients, at the right time; bioavailable on a cellular level, the most highly nutritious and readily available substance. Code 9060 \$157.95</p>	<p>BioMhor®, Choc, 3 lb, Powder Scientifically designed formula provides your body with proven all natural anabolic nutrients, high quality protein, a carbohydrate base, anti-catabolic substrates and herbs for cell, organ and tissue health necessary for a healthy immune system. Code 3010 \$40.95</p>	<p>ElectroCarbs®, 1 lb Grape, Powder Electrolytes in perfect ratio plus vitamin C to replenish the body during times of stress and extreme heat. Prevents muscle cramping, helps regulate heartbeat. Contains: Calcium, Magnesium, Sodium, and Potassium. Code 10000 \$19.95</p>
<p>1st Kings, Vanilla 1 lb, Powder Maximizes the life sustaining functions of the endocrine and exocrine systems. Provides the proper levels of nutrients, at the right time; bioavailable on a cellular level, the most highly nutritious and readily available substance. Code 9005A \$19.95</p>	<p>BioShark, 800 mg, 100 Caps Shark Cartilage protein inhibits angiogenesis, stops tumor growth, and halts eye diseases. Reduces pain, inflammation, joint stiffness of arthritis, inflammatory bowel disease, and reverses psoriasis. Affects the formation of new blood vessels. Code 3080 \$30.95</p>	<p>ElectroCarbs®, 1 lb Lemon, Powder Electrolytes in perfect ratio plus vitamin C to replenish the body during times of stress and extreme heat. Prevents muscle cramping, helps regulate heartbeat. Contains: Calcium, Magnesium, Sodium, and Potassium. Code 10001 \$19.95</p>
<p>1st Kings, Vanilla 2.5 lb, Powder Maximizes the life sustaining functions of the endocrine and exocrine systems. Provides the proper levels of nutrients, at the right time; bioavailable on a cellular level, the most highly nutritious and readily available substance. Code 9005 \$42.95</p>	<p>BioShark, 800 mg, 300 Caps Shark Cartilage protein inhibits angiogenesis, stops tumor growth, and halts eye diseases. Reduces pain, inflammation, joint stiffness of arthritis, inflammatory bowel disease, and reverses psoriasis. Affects the formation of new blood vessels. Code 3084 \$85.95</p>	<p>ElectroCarbs®, 1 lb Natural, Powder Electrolytes in perfect ratio plus vitamin C to replenish the body during times of stress and extreme heat. Prevents muscle cramping, helps regulate heartbeat. Contains: Calcium, Magnesium, Sodium, and Potassium. Code 10002 \$19.95</p>
<p>1st Kings, Vanilla 10 lb, Powder Maximizes the life sustaining functions of the endocrine and exocrine systems. Provides the proper levels of nutrients, at the right time; bioavailable on a cellular level, the most highly nutritious and readily available substance. Code 9050 \$157.95</p>	<p>Blozymes™, 100 Caps A complete digestive enzyme formula to assist in the breakdown of protein, carbohydrates, and fats. Contains lipase for fat, protease for protein, and amylase for carbohydrate breakdown. Code 1040 \$19.95</p>	<p>ENDO-24™, Choc, 1 lb, Powder Specializes in muscle tissue recovery and growth. This protein powder base is egg white and soy protein and includes complex carbohydrates derived from grains. Code 9002A \$19.95</p>
<p>7 Herb™ Formula, 32 oz Herbs in this tea concentrate purify the blood and promote cell repair, clear skin, cleanse the liver, decrease cell mutation, fight pathogenic bacteria and tumor formation. Helps regulate blood sugar, heal ulcers, and stops indigestion and heartburn. Code 7068A \$70.95</p>	<p>CarniPlex™, 500 mg, 60 Caps Increases energy levels, and promotes fat loss. Carnitine lessens the risk of heart disease and corrects angina. Improves muscle strength, and treats fibromyalgia. Damage to the heart from cardiac surgery can be reduced with CarniPlex. Code 4020 \$30.95</p>	<p>ENDO-24™, Choc, 2.5 lb, Powder Specializes in muscle tissue recovery and growth. This protein powder base is egg white and soy protein and includes complex carbohydrates derived from grains. Code 9002 \$42.95</p>
<p>A&B Biotrophins™, 4 oz, 143.2g Powder Beneficial bacteria belonging in the human intestinal tract. Prevents, treats bacterial and fungal infections in the body. Normalizes bowel function, sweetens the breath, and aids digestion. Improves the immune system, and for optimal health. Code 7034 \$47.95</p>	<p>CarniPlex™, 500 mg, 120 Caps Increases energy levels, and promotes fat loss. Carnitine lessens the risk of heart disease and corrects angina. Improves muscle strength, and treats fibromyalgia. Damage to the heart from cardiac surgery can be reduced with CarniPlex. Code 4030 \$57.95</p>	<p>ENDO-24™, Choc, 10 lb, Powder Specializes in muscle tissue recovery and growth. This protein powder base is egg white and soy protein and includes complex carbohydrates derived from grains. Code 9030 \$157.95</p>
<p>Allimentz™, Chewable, 90 Tabs Contains enzymes and plant derived polysaccharide (sugar polymers), which provides a soothing effect, and relief for heartburn and indigestion sufferers. Unlike antacids or acid blockers, Allimentz™ works without interfering production of stomach acid. Code 1041 \$29.95</p>	<p>Chelated Mineral Complex, 60 Tabs Mineral complex with amino acid chelates. Highly absorbable Total complex includes Calcium, Magnesium, Iron, Iodine, Copper, Zinc, Manganese, Potassium, Chromium, Selenium, and Vitamin D. Code 6521 \$13.95</p>	<p>ENDO-24™, Choc, 3.3 oz, Powder Specializes in muscle tissue recovery and growth. This protein powder base is egg white and soy protein and includes complex carbohydrates derived from grains. Code 9022 \$4.95</p>
<p>Aloe E Crème, 4 oz Moisturizing cream for dry skin, relief from sunburn, and other minor skin problems. A night cream, and make-up base to help promote soft, smooth, youthful looking skin. Greaseless, in purified water and aloe vera gel with vitamins E, A, and D. Code 4500 \$13.95</p>	<p>Colon Klean, 12 oz, Powder Nutrients for colon cleansing with Psyllium as the primary ingredient. Sweeps the intestines of undigested material, promoting regularity, and reducing the risk of intestinal disorders and certain kinds of cancer. Orange flavor. Code 7052 \$16.95</p>	<p>ENDO-24™, Van, 1 lb, Powder Specializes in muscle tissue recovery and growth. This protein powder base is egg white and soy protein and includes complex carbohydrates derived from grains. Code 9004A \$19.95</p>
<p>Alpha Lipic Acid, 100 mg, 60 Caps Reduces blood cholesterol, increasing oxygen to the heart muscle, and liver. Controls blood sugar levels, improves strength and energy, protects cells from free radical damage, improves memory, and inhibits damaging hybrid protein molecules associated with aging. Code 8300 \$22.95</p>	<p>CoQ10, Quiksoy Q10™, 60 mg, 60 Tabs A powerful antioxidant. Boosts the immune system, increases tissue oxygenation, aids circulation, and has anti-aging effects. CoQ10 should be used to treat all cardiovascular disease. Has the ability to restore gum tissue to receding gums. Code 1010B \$60.95</p>	<p>ENDO-24™, Van, 2.5 lb, Powder Specializes in muscle tissue recovery and growth. This protein powder base is egg white and soy protein and includes complex carbohydrates derived from grains. Code 9004 \$42.95</p>
<p>Apple Pectin Plus, 16 oz Powder Water-soluble fiber that helps lower cholesterol and gently cleanses the GI tract. Removes unwanted mucus and toxins from the body, and works great for both diarrhea and constipation. Delicious apple flavor, all natural, no sugar. Code 7040 \$18.95</p>	<p>CP200, 200 mcg, 100 Caps Chromium Picolinate is essential to the function of insulin. Poor response to insulin is linked to obesity, heart disease, hypertension and diabetes. Better absorbed than other forms of chromium. Helps metabolize and regulate blood sugar. Code 6530 \$12.95</p>	<p>ENDO-24™, Van, 10 lb, Powder Specializes in muscle tissue recovery and growth. This protein powder base is egg white and soy protein and includes complex carbohydrates derived from grains. Code 9020 \$157.95</p>
<p>Bio C-1000 Plus, Bioflavs, Powder Heals capillaries, and forms collagen which holds body tissue together. Exhibits a broad range of antioxidant activity, and is used to treat rosacea, bleeding gums, and bruising. Also prescribed for allergies, viruses, inflammations, and behavior. Code 6070 \$30.95</p>	<p>CP200, 200 mcg, 250 Caps Chromium Picolinate is essential to the function of insulin. Poor response to insulin is linked to obesity, heart disease, hypertension and diabetes. Better absorbed than other forms of chromium. Helps metabolize and regulate blood sugar. Code 6531 \$22.95</p>	<p>ENDO-24™, Van, 3.3 oz, Powder Specializes in muscle tissue recovery and growth. This protein powder base is egg white and soy protein and includes complex carbohydrates derived from grains. Code 9023 \$4.95</p>

For more info visit www.danielchapterone.com or call 1-800-504-5511

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daniel chapterone
founder of biomolecular nutrition™

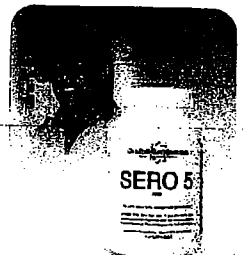
	Enduroelne™, 770 mg, 120 Caps Special enzyme formula transcends need related to athletic performance and illness recovery. A combination of Ribose, Inosine and Cytochrome C maximize hemoglobin gas exchange, cellular respiration (oxygen) while increasing ATP production. Code 1200AA \$40.95		FGC Plus™, 700 mg, 120 Caps For infections or catarrhal conditions of the throat, nasal passages, bronchial tubes, sinuses, stomach, bladder, or wherever there is a lining of mucous membrane. Kills and neutralizes many poisons. Take during colds or flu. Code 2094 \$21.95		Health Blast Free, 10 oz, Powder All-natural anti-histamine, contains over 20 synergistic nutrients, which aid in cellular respiration, exchange of gases and physical and mental energy. Helpful for asthma and allergies. Contains Yerba Mate and Green Tea. Code 5542A \$26.95
	Essential Cell Food, 90 Tabs Provides over 70 macro and micro nutrients. Contains important and valuable minerals, a special blend of herbs, biotinoids, micro nutrients, and enzymes. Code 6160 \$18.95		Garlic Pur™ Plus, 300 mg, 100 Caps Fights infection, detoxifies the body, enhances immune function. Many healing properties, lowers blood pressure, and improves circulation. 1 capsule contains 10,000 mg whole dried garlic. Code 2110 \$22.95		Health Blast Free, 150 Caps All-natural anti-histamine, contains over 20 synergistic nutrients, which aid in cellular respiration, exchange of gases and physical and mental energy. Helpful for asthma and allergies. Contains Yerba Mate and Green Tea. Code 5542 \$30.95
	Evening Primrose Oil, 500 mg, 180 Gels Evening Primrose Oil helps regulate PMS symptoms in women, produces prostaglandins that help regulate hormones, immune system, metabolism, cell growth, reproduction, and positive effect on lowering cholesterol levels. Code 7403B \$30.95		Genesis First Aid Oil, 2 oz A gemstone used internally as well as topically. Drink it (in water or juice) if you are concerned about Giardia, E. coli, Salmonella, Influenza or other infectious organisms. Use on counter tops and cutting boards to prevent contamination. Genesis Oil is a natural fruit seed extract from grapefruit seed. Code 3036 \$18.95		HG Tri Amino Acid, 60 Caps Three amino acids, which stimulate your pituitary gland to maximize output of growth hormone. Taken before bed and exercise, this promotes enhanced metabolism and healing, especially ligaments and tendons. Code 4120 \$15.95
	Ezekiel First Aid Oil, 1 oz Having antiviral, antibacterial, antiseptic, antifungal and analgesic properties, this oil has countless uses: burns, cuts, puncture wounds, cold sores, cancer sores, toothaches, ear throats, athlete's foot, rashes, sinusitis, earaches, nail fungus and more. Code 3090 \$13.95		GDU™, 120 Caps Contains natural proteolytic enzymes from pineapple source bromelain to help digest protein, even that of unwanted tumors and cysts. Helps to relieve pain, inflammation, and as an adjunct to cancer therapy. Code 1020A \$29.95		HI-Potency Liver Complex, 150 mg, 60 Caps Supports liver function by providing Milk Thistle extract (Silymarin) and Tumeric. Milk Thistle protects the liver as an antioxidant, and stimulates the production of new liver cells. Tumeric has anti-inflammatory properties. Code 2240 \$17.95
	Feijo - Anxiety Remedy, 250 Tabs For the temporary relief of anxiety, nervousness, sleeplessness, simple tension, or emotional upset. Code 8094 \$13.95		GDU™, 300 Caps Contains natural proteolytic enzymes from pineapple source bromelain to help digest protein, even that of unwanted tumors and cysts. Helps to relieve pain, inflammation, and as an adjunct to cancer therapy. Code 1020B \$48.95		Ig Factors™, 203 g, Powder If you are worried about vaccinations, AIDS, hepatitis, biological warfare, herpes, allergies, and chronic fatigue syndrome, then Ig Factors, unique colostrum formula, is worth your consideration. Code 3061 \$48.95
	Feijo™, Arnica Ointment, 2 oz Homeopathic ointment used for pain and inflammation associated with injuries, aches, and strains, rheumatism, pituitary, joint problems, post operative surgery, insect bites and bruises. Not for open wounds. Code 8099 \$15.95		Ginkgo Pur, 300 mg, 100 Caps Moves blood and oxygen to the brain to enhance memory and mental alertness, and enhances elasticity and strength in the blood vessels and capillary walls. Code 2130 \$24.95		Mega Gains™, 3 lb Choc, Powder High calorie nutritional formula for gaining lean muscle mass. Helps store energy and spare muscle. Tastes GREAT and used by pro-athletes. Endurance athletes needing good extra calories. Code 5100 \$33.95
	Feijo™, Calendula Ointment, 2 oz Homeopathic ointment used on cuts, cold sores, chafing, chapped hands, sunburn, diaper rash, inflammations, bruises, strains and sprains, and hemorrhoids. It also fights bacterial, viral, and even fungal infections. Code 8100 \$15.95		Glutamine, Powder, 200 g Essential to proper immune, gastrointestinal and liver functions. A cellular fuel for many tissues, muscles, and regulates protein synthesis. Athletes who regularly push themselves should consider supplementation. Code 4070A \$28.95		Mega Gains™, 3 lb Van, Powder High calorie nutritional formula for gaining lean muscle mass. Helps store energy and spare muscle. Tastes GREAT and used by pro-athletes. Endurance athletes needing good extra calories. Code 5110 \$33.95
	Feijo™, Influenza Remedy, 250 Tabs This remedy covers various symptoms associated with flu, such as chills, achiness, restlessness, fatigue. Safe for pregnant women, infants, the elderly, and everyone in between. Code 8090 \$13.95		Grape Seed, 100 mg, 30 Caps Contains powerful antioxidants, including powerful ginkgo esters of proanthocyanidins. Antioxidants help the body maintain healthy immune system function, capillary integrity, cellular and visual health. Code 2116 \$19.95		Micro Cal™ Plus, 120 Caps A whole bone food. Contains all the essential minerals needed by the human skeleton in a base of Microcrystalline Hydroxyapatite, the most superior calcium. Used to prevent osteoporosis, and for healthy teeth and nails. Code 6512 \$20.95
	Feijo™, Poison Ivy Remedy, 150 Pills A homeopathic remedy for the relief of poison oak and poison ivy. Code 8096 \$13.95		Green Tea Extract, 100 mg, 120 Caps Blocks the attachment of bacteria to the teeth, protecting against cavities. This green tea concentrate contains 400 mg Green Tea and 60 mg Vitamin C per capsule. (May be made into a tea to inhibit oral bacteria and plaque) Code 3140A \$19.95		Micro Cal™ Plus, 200 Caps A whole bone food. Contains all the essential minerals needed by the human skeleton in a base of Microcrystalline Hydroxyapatite, the most superior calcium. Used to prevent osteoporosis, and for healthy teeth and nails. Code 6514 \$33.95
	Feijo™, Sinus Remedy, 250 Tabs A homeopathic remedy used to relieve symptoms of congested sinuses, with thick mucus draining into the throat; frequent hawking, headache from congestion and inflammation of mucus membranes. Code 8095 \$13.95		GS1500™ Plus MSM, 1500 mg, 100 Caps Helps the body make new tissues, ligaments, tendons, and cartilage. Protects joints, and helps form joint fluids. Heals damaged, inflamed attachment muscles to joints and ligaments. Helps arthritic symptoms, slipped discs, and sciatic nerve. Code 3042 \$40.95		Micro Cal™ Plus, 210 g, Powder A whole bone food. Contains all the essential minerals needed by the human skeleton in a base of Microcrystalline Hydroxyapatite, the most superior calcium. Used to prevent osteoporosis, and for healthy teeth and nails. Code 6516 \$28.95
	Feijo™, Stop Smoking Remedy, 150 Pills A homeopathic remedy used to stimulate the body's ability to bring itself into balance while trying to stop smoking. Code 8098 \$13.95		Hawthorn Plus C™, 180 Caps Used for preventing heart disease, mild heart muscle weakness, a feeling of pressure and tightness in the heart region, and mild arrhythmia. Also used for hypertension, nervous disorders and insomnia. Code 2160A \$22.95		Mito/ATP™ Plus, 210 g, Powder Is a balanced blend of Adenosine Triphosphate (ATP), Dimethylglycine (DMG), and Maltodextrin. This blend is necessary for the production of energy. Code 1031 \$28.95
	Feijo™, Teething Remedy, 250 Tabs A homeopathic remedy indicated for symptoms such as irritability, restlessness, backwardness in getting the teeth and other symptoms associated with difficult dentition. Code 8097 \$13.95		HCA with Hoodia, 180 Tabs Prevents fatty buildup in the heart, liver, and skeletal muscles. Helps control appetite. Converts carbohydrates into energy instead of being stored as fat. Code 5080A \$48.95		Omega 3, 1000 mg, 100 Gels Good source of essential fatty acids from Salmon. Balances hormone levels, supports cell function and structure. People can reduce their risk of heart-related death by 30% by taking a fish oil capsule every day. Code 7450 \$22.95
	Fenu Plus™, 750 mg, 100 Caps Used for mucus and lung congestion because of its excellent expectorant, astringent and demulcent properties. For ulcers, inflammation in the stomach and intestines, loss of appetite, gout, and controlling blood sugar levels in diabetes. Code 2090 \$14.95		HCA with Hoodia, 406.5 g Powder Prevents fatty buildup in the heart, liver, and skeletal muscles. Helps control appetite. Converts carbohydrates into energy instead of being stored as fat. Code 5080AA \$40.95		Pheny 500, 500 mg, 120 caps Produces and maintains positive moods, alertness, and ambition. Enhances learning, memory, mental equilibrium, and healthy nerve activity. Has also been used to treat depression, and as an appetite suppressant, and pain reliever. Code 4090B \$20.95



Mito/ATP™ Plus powder is a balanced blend of Adenosine Triphosphate (ATP), Dimethylglycine (DMG), and Maltodextrin. This blend is necessary for the production of energy.



Dr. Leht, 71 years old, continues training for the Ironman Triathlon. He says "I have been drinking PrePost as an energy and nutrition drink before and after my endurance workouts. PrePost makes it all possible."



Unlike SSRI medication, Sero 5 is non-addictive and without toxic effects. May be taken daily, or just when needed.



"PrePost and ElectroCarbs have really made a huge difference in my workouts and performances."

For more info visit www.danielchapterone.com or call 1-800-504-5511

EXHIBIT E

In the Matter of:

Daniel Chapter One, et al.

January 13, 2009

James D. Feijo

Condensed Transcript with Word Index



For The Record, Inc.

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FEDERAL TRADE COMMISSION
I N D E X

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UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

In the Matter of:)
DANIEL CHAPTER ONE, a corporation,)
and) Docket No. 9329
JAMES FEIJO, individually and as)
an officer of Daniel Chapter One)
-----)
Tuesday, January 13, 2009

Room 318
Federal Trade Commission
One Bowling Green
New York, New York 10004

The above-entitled matter came on for
deposition, pursuant to notice, at 11:02 a.m.

3

APPEARANCES:

ON BEHALF OF THE FEDERAL TRADE COMMISSION:

THEODORE ZANG JR., ESQ.
CAROLE A. PAYNTER, ESQ.
DAVID W. DULABON, ESQ.
Federal Trade Commission
Northeast Region
One Bowling Green - Suite 318
New York, New York 10004
(212) 607-2816
tzang@ftc.gov

ON BEHALF OF THE RESPONDENTS:

JAMES S. TURNER, ESQ.
BETSY E. LEHRFELD, ESQ.
CHRISTOPHER B. TURNER, ESQ.
Swankin & Turner
1400 16th Street, N.W. - Suite 101
Washington, D.C. 20036
(202) 462-8800
jim@swankin-turner.com

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PROCEEDINGS

Whereupon --
JAMES FEIJO
a witness, called for examination, having been first
duly sworn, was examined and testified as follows:

EXAMINATION

BY MR. ZANG:

Q. Mr. Feijo, first of all, please help me
pronounce your name.

A. "Feijo."

Q. "Feijo." I'll try my best, and if I make a
mistake --

A. No problem. It doesn't matter. That's fine.

Q. Okay. Let me just tell you a few of the
procedural issues about this hearing so that it can run
smoothly.

First of all, you can note that to your right we
have a court reporter, and she's going to be taking down
your testimony today. And one of the important things
to keep in mind is that she's unable to record gestures
such as if you're shaking your head or something like
that, so please articulate all of your answers so that
she can record them.

Do you understand that?

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1 A. The -- I don't know if everybody is. I think
 2 some of them might be from a -- the radio section of it,
 3 you know.
 4 **Q. Okay. And then understanding that it's your**
 5 **position that nobody should know that sort of**
 6 **information, can you please describe what sort of**
 7 **remuneration or reimbursement for time you personally**
 8 **receive for Daniel Chapter One activities.**
 9 A. Room and board and whatever expenses I need to
 10 come here or do whatever I have to do.
 11 I don't have a personal bank account. I don't
 12 have a savings account. I don't have -- I don't have a
 13 suit. I just -- I had to buy shoes to come here, I
 14 mean, and things like that. I don't -- I don't -- I
 15 drink 1st Kings for breakfast sometimes.
 16 Sometimes I -- the way we used to work is when
 17 food went bad, when we had a health food store, we
 18 would eat the buggy rice. And now if something, a
 19 thing gets broken or something, those are things that
 20 we use. Or if somebody sends us samples from other
 21 companies, that's what we do and we give the best to
 22 other people.
 23 But I don't -- you know, I don't have an income
 24 per se.
 25 **Q. But for room and board, for example, is that**

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1 and we stay there and we use it as a residence for
 2 people coming and going, you know.
 3 **Q. And besides Florida, anywhere else that**
 4 **Daniel Chapter One has a residence, has a place?**
 5 A. No, there's no other place.
 6 **Q. And where in Florida is that?**
 7 A. That's in Deerfield Beach.
 8 **Q. And could you describe how many rooms that**
 9 **property is.**
 10 A. Three bedrooms and a kitchen, living room,
 11 things like that.
 12 **Q. And is it on the water or is it away from the**
 13 **water?**
 14 A. No. No. It's inland. It's about six miles
 15 from the water.
 16 **Q. All right. And then could you describe what**
 17 **cars, if any, Daniel Chapter One owns.**
 18 A. Yeah. Daniel Chapter One owns a 2003 Cadillac
 19 and it owns a 2004 Cadillac.
 20 **Q. And were those two vehicles purchased new by**
 21 **Daniel Chapter One at some point?**
 22 A. One was used and the other one was new at the
 23 time.
 24 **Q. Okay. And those are the only two vehicles owned**
 25 **by Daniel Chapter One?**

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1 **paid from the Citizens Bank account?**
 2 A. No. It's the -- the property is the property is
 3 paid for and we just live in it.
 4 **Q. Okay. So the property you live in, is that**
 5 **located in the state of Rhode Island currently?**
 6 A. We don't live per se in any location. I mean,
 7 we -- we could be living in Jerusalem. We could be
 8 wherever we are, you know. Where we are predominantly
 9 right now is in Rhode Island.
 10 **Q. You say predominantly, so where else besides**
 11 **Rhode Island? Please describe all the places where you**
 12 **sometimes have resided in the past year.**
 13 A. How long in terms of residing? What do you mean
 14 by "resided"?
 15 **Q. Well, I mean slept.**
 16 A. Slept?
 17 **Q. Yeah.**
 18 A. I sleep in homes all over the place. I can
 19 sleep a week in one place. I -- I'll at least go to --
 20 we just stay in homes of people, you know, when we go
 21 to --
 22 **Q. Just to cut to the chase, let's exclude homes of**
 23 **other people, understanding that there may be many of**
 24 **those. Just describe the ones --**
 25 A. Daniel Chapter One has a building in Florida,

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1 A. Yes.
 2 I shook my head. I'm sorry. I'll try not to
 3 forget.
 4 Yes, sir.
 5 **Q. And so you've described the property in Florida,**
 6 **the two vehicles.**
 7 **There's a property in Rhode Island as well;**
 8 **correct?**
 9 A. It's not Daniel Chapter One's.
 10 **Q. Okay. Who is the owner of that property?**
 11 A. It belongs to Messiah Y'Shua Shalom.
 12 **Q. And what is your relationship to that**
 13 **individual?**
 14 A. It's another ministry.
 15 **Q. So that's actually the name of the ministry?**
 16 A. Uh-huh.
 17 **Q. Is that a yes?**
 18 A. Yes.
 19 **Q. Okay.**
 20 A. That's yes. I'm sorry.
 21 **Q. And what's your relationship with that ministry?**
 22 **Why are you --**
 23 A. I'm overseer for that.
 24 **Q. Okay. And could you describe what the purposes**
 25 **of that ministry are compared to Daniel Chapter One.**

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1 provide them with Bates-stamped copies as a part of our
2 production next week.

3 MR. ZANG: And Jim, I think you mentioned off
4 record that this may not be the sum total.

5 MR. J. TURNER: Yeah.

6 If there's any more financial response material,
7 we'll get it to you as we get it. As far as we know,
8 we've got everything that's available, but we've got
9 people looking for stuff, and if we have more, if we
10 find more -- and then some more came out in the
11 examination, too, so...

12 MR. ZANG: And will you be providing copies to
13 us after you consult with your client?

14 MR. J. TURNER: We'll consult, and that was one
15 of the things I was thinking about. My belief is that
16 probably we won't, but you'll be able to get them I
17 think on the basis of the information you have. But
18 we'll work on that question.

19 MR. ZANG: Okay. And don't assume that we can
20 get them because there may be some privacy or other
21 issues there that will prevent us from directly getting
22 them from the bank.

23 MR. J. TURNER: All right. Well, we'll work on
24 this and see if we can sort it out before I guess it's
25 the 19th I think.

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1 out. They said, But people need it, they're asking for
2 it, and so I said, Do whatever you want, put something
3 together, you know, to -- and so that's what they came
4 up with.

5 And I think when this came out I was having
6 seizures at the time and I just said put something
7 together. I'm pretty sure that's when this came out.

8 And I don't even think -- I think they made one
9 thing of it and then that was it.

10 **Q. By "thing" you mean one printing of it?**

11 A. Yes. I'm sorry. Yes, one printing.

12 **Q. And you still give this out sometimes these
13 days?**

14 A. I don't even know if they have it anymore. I
15 don't think they have any more. They may. I don't
16 know. I really don't.

17 **Q. Now, are all the people who are affiliated with
18 Daniel Chapter One, or who work with Daniel Chapter One
19 I should say, are they familiar with the donation
20 policy?**

21 A. I think so. I think they should be.

22 I mean at least the people that are involved in
23 the order center, not these people probably not. They
24 just are graphics guys that put stuff
25 together (indicating). And sometimes with the graphics

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1 BY MR. ZANG:

2 **Q. So back to the deposition then.**

3 **Mr. Feijo, I've asked the reporter to premark
4 what's in front of you, which is FTC Exhibit 6, and it's
5 entitled BioMolecular Nutrition Product Catalog, and
6 it's Bates-numbered DCO 60 through 63.**

7 **And Mr. Feijo, can you identify this document?**

8 A. Yeah. It's sent to individuals that are
9 interested in the products with a product and a slight
10 little description with a code for a donation.

11 **Q. All right. And I know in your testimony you're
12 calling it a donation, but is there any indication in
13 this document that --**

14 A. No.

15 **Q. -- of that?**

16 No?

17 A. No.

18 **Q. And why not? Because this is not a computer
19 software program, it's presumably something that you or
20 Trish prepared?**

21 A. No, no, no. This is something a couple of our
22 people put together because people would call up and
23 they'd say they wanted something, can we do something,
24 and I'd tell people -- because of the expense, I tell
25 everybody, you know, it's expensive to put these things

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1 guys I have a difficult time to get what I want.

2 **Q. Well, why is that?**

3 A. Because -- I wish it wasn't true, but they --
4 they're honest. When somebody is honest, they're just
5 not fun guys to work with because they get this -- you
6 ask them to do something and they ask you why, you know,
7 so after a while just put something together for people
8 and it's good enough because I don't even want the thing
9 anyway, you know.

10 But this is an area in which we have fallen
11 short on really, our whole issue of letting people know
12 that the ministry -- that Daniel Chapter One is a
13 ministry. We've really failed on -- we try to do that
14 on the radio, and because of so many things going on, I
15 just don't oversee a lot of this stuff to the point
16 where I trust people.

17 But they don't -- they just do it and they
18 think, oh, this is good enough and they -- I was too
19 tired of fighting them.

20 **Q. Because this product catalog looks like a
21 product catalog from any nutrition, supplement or drug
22 company; right?**

23 A. It looks like -- I don't know about drug
24 company. I think they put out nicer than this. But to
25 be honest with you, the nutrition companies out there

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1 **anything of that sort of the product, or do they?**

2 A. Testing? I don't think they actually test the
3 products that I ask for. I know their own I know they
4 do. I think they test to make sure that what they put
5 in it is themselves. I think they have to test their
6 part of it, but as far as testing the product to see if
7 it's safe and effective, nothing like that.

8 **Q. So they would test just to make sure that they
9 have .5 grams of X ingredient and --**

10 A. Yeah. There's certain FDA principles, you know,
11 like you're allowed -- I don't know what they call it --
12 a deviation, you know, like if you've got a hundred
13 capsules, you're allowed to have 1 percent or -- no --
14 three capsules -- I don't know what it is. You're
15 allowed to have so many because of the thing, so it
16 doesn't have to necessarily be a hundred, but they fall
17 within the --

18 **Q. The range.**

19 A. Yeah. It governs. Maybe there's 103 capsules
20 in it, you know, because of the machines and counting
21 each bottle would be hard. But I'm sure that -- and
22 that's what's great. Years ago, we just decided we just
23 want to help people and make or design the products and
24 offer products to deal with the people that we saw
25 coming in to us that were ill, so -- and the nice thing

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1 **And are those three people part-time at the
2 warehouse or full-time?**

3 A. I think they like -- they run it themselves.
4 They -- I'm sure -- I haven't been there. They go -- I
5 think what will happen is maybe Jay has got to take his
6 daughter to college and those guys will cover for him,
7 you know, or maybe this guy has got to go home, his dog
8 is sick. They cover each other I'm sure.

9 And I -- there's no clock to punch, so they
10 just -- as long as they get the things out to people,
11 then I'm happy, you know.

12 **Q. How did you find those three gentlemen? Did you
13 advertise for a position? Did they --**

14 A. No.

15 **Q. -- come to you?**

16 **How did that happen?**

17 A. Nobody came through advertising here. Al, I ran
18 into a coffee shop and I saw him working on some
19 graphics things and I said, Hey, I need something done.
20 That was years ago, and he came by.

21 Matt Ferrara, I married his dad and his stepmom
22 and I met him through them, at the wedding actually.

23 Jay and Axel are friends of mine.

24 Kevin, his brother, he played football for a
25 friend of mine.

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1 about it, a lot of these companies started sprouting up,
2 and they're really pretty awesome and they're all
3 FDA-inspected and all that good stuff, so I don't have
4 to worry about any of that.

5 So that's really, you know -- any time you can
6 get any type of -- you can reduce human error or
7 variables that could cause problems, it's good, so by
8 having FDA inspect the labs it's good.

9 **Q. And then they ship you a certain amount of
10 product, and do you have a warehouse where you keep it
11 until you ship it out?**

12 A. Right.

13 **Q. And is that warehouse actually where your office
14 is or --**

15 A. No. It's in Portsmouth. It's -- we lease a
16 building.

17 **Q. Okay. And then you have somebody -- and maybe
18 it's on this Exhibit 3 -- who actually --**

19 A. Yeah.

20 **Q. -- ships it?**

21 A. The three bottom guys.

22 **Q. And that would be Jay Butler?**

23 A. Yeah. Kevin Vandeburg and Axel Busche.

24 **Q. Okay. V-A-N-D-E-B-E-R-G (sic) for Kevin and
25 Axel, A-X-E-L, B-U-S-H-C-E.**

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1 And that's how I ran in to those guys.

2 **Q. Okay.**

3 A. Yeah.

4 **Q. And then you have two people on the next page
5 listed as past independent contractors, a warehouse
6 person and a phone person; is that right?**

7 A. Yeah.

8 **Q. Okay. And they've moved on?**

9 A. Yes.

10 **Q. All right. Well, let's move on ourselves.**

11 **Let me direct your attention to Exhibit 7.**

12 A. One personal story about one of them?

13 **Q. I would love a personal story, but I think in
14 the interest of time, unless it's relevant, we should
15 probably move on.**

16 A. I'm okay. I'm sorry.

17 **Q. All right.**

18 A. I'm just trying to be helpful.

19 **Q. I appreciate it.**

20 A. I'm sorry. Where are we?

21 **Q. So let's move on to Exhibit 7.**

22 A. Exhibit 7?

23 **Q. Yeah.**

24 **And that's very much -- oh, in this same
25 document.**

1 A. No.
 2 **Q. Okay. So that you'd better explain then because**
 3 **are you saying then that these sales figures on these**
 4 **documents include the items that you gave away?**
 5 A. Yes.
 6 **Q. Okay.**
 7 A. Some of the items, for example, would be
 8 30 percent difference, something like that, you know.
 9 **Q. Would that be the high end of how much was given**
 10 **away or the low end or what?**
 11 A. I -- we shouldn't be in business, I mean, people
 12 have said years ago. I mean, we just give a lot away.
 13 I couldn't tell you. I don't know. Maybe some of the
 14 other stuff is stuff we give out that doesn't show up on
 15 here, too. Maybe that's -- we don't keep track of it, I
 16 mean.
 17 **Q. Okay. But it's your testimony that the**
 18 **\$6 million -- \$6.25 million that's reflected on the last**
 19 **page, which I take it is sales from January of '06 to**
 20 **December of '08; right?**
 21 A. (Witness nodding.)
 22 **Q. That some of that 6.2 million was given away?**
 23 **Or is it that that was your total revenue --**
 24 A. Let's put it this way. I've sent tens of
 25 thousands of dollars to people to help them get started.

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1 can minister them. They go to different fellowships,
 2 some not even part of the -- it's just an open
 3 fellowship, whoever is there. We don't put laws on
 4 them.
 5 So they get the product from us.
 6 So then we have a practice that if anybody in a
 7 fellowship that's associated with us that wants to be,
 8 if they take that purchase that they got from their
 9 local center and they bring that receipt to their
 10 fellowship, the church, the pastor or whoever is in
 11 charge there, the secretary, keeps those. They send
 12 them to us. Okay.
 13 Now, we already have an expense of a product.
 14 Okay? Our cost.
 15 And so we aren't getting the donation that
 16 those suggested donations say. We're getting
 17 40 percent, 10 percent -- I don't know what we're
 18 getting of it, but we're getting what the value is, and
 19 then those people can support their own local
 20 fellowship or ministries.
 21 So I've already given away supposedly support
 22 for us, but that's supporting them, which in a way is
 23 supporting us. That's great.
 24 The next step, like I said, what happens is
 25 that people buy these products and they go to a church.

1 I've given as much as \$20,000 worth of product to
 2 churches so that they could do their own ministries, and
 3 it wouldn't show up there I guess.
 4 **Q. So it won't show up here.**
 5 **Does that mean that the 6.2 million is --**
 6 A. For example, for example --
 7 **Q. Uh-huh.**
 8 A. -- if a place got \$20,000 worth of product they
 9 could sell and I sent it to them, it would show that
 10 that was there. And what we try to do is, if they sell
 11 the product to whoever has a need, you know, tell them
 12 to get the donation or whatever, so they give it -- most
 13 of the churches don't get anything for it, but we have
 14 an invoice that we're going to receive \$10,000 of that.
 15 They never send it.
 16 So how many times that's happened in there I
 17 can't tell you. Three times minimum, maybe six times,
 18 maybe more.
 19 The other thing it doesn't show is that some of
 20 those sales that it shows there went through centers.
 21 In Georgia, for example, we have three centers
 22 there. Those numbers in there include every month
 23 purchases from those centers. Those people get the
 24 product. They then have it there so that people don't
 25 have to wait for shipping and they can help them. They

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1 Well, if the church sends me the total of the
 2 donations, we send them a love gift based on that, and
 3 so now there are probably sometimes where we are really
 4 just maybe breaking even, you know. That -- I can't
 5 say how many times that's the case, but it is a case,
 6 you know.
 7 How to work that into those numbers is hard to
 8 do, you know, because we don't -- I don't chart that
 9 stuff. We just exist like that.
 10 So anyway, there's different things in there
 11 that like if we didn't talk about it now, I would never
 12 have brought it up again, you know, just so you know.
 13 And there are people who can verify that, you know.
 14 **Q. And just so you know, at this point in this**
 15 **deposition, I'm only looking for a bird's-eye view**
 16 **because you just provided this to us, your counsel just**
 17 **provided this to us.**
 18 **So would it be fair to say that these numbers**
 19 **are not exact but that approximately \$2 million a year**
 20 **of product is sold at least if you look since '06 to**
 21 **'08?**
 22 A. Of all of our 200 products?
 23 **Q. Yes.**
 24 A. Yeah, I'd say approximately.
 25 **Q. Okay. Just approximately?**

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1 A. I would say, yeah, approximately.
 2 **Q. And of that --**
 3 A. On average or whatever.
 4 **Q. -- can you break out the four products at issue**
 5 **in the case and what that represents? Is it -- and I**
 6 **know you may not be able to do it exactly. I'm not**
 7 **looking for exact.**
 8 A. I don't know. 20 percent of it. I don't know.
 9 20 percent maybe.
 10 **Q. Okay. And --**
 11 A. Or maybe not even 20 percent. I'd have to --
 12 I'd have to get other ideas, you know.
 13 Say 25 percent. I'm just speculating. That's
 14 all I can do from that. I really can't be honestly -- I
 15 don't want to be misleading.
 16 **Q. Understood.**
 17 **Would your receipts show that if this ever**
 18 **became an issue and somebody needed to put that**
 19 **together?**
 20 A. I don't think we could break that down. I
 21 mean, I don't think -- I don't know if that has the
 22 capability of doing it without full-time -- I don't
 23 know.
 24 **Q. Okay.**
 25 A. But I mean, if need be, I guess if we have to do

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1 **Q. And why are the finances such a --**
 2 A. I hate money.
 3 **Q. -- difficult issue for you to --**
 4 A. I asked the Lord years ago -- and I really
 5 appreciate that question.
 6 After I had gotten saved -- and I was not a good
 7 person -- I told the Lord that test me in every way
 8 that -- to prove me. And what happened was I was left
 9 with nothing except the clothes on my back. And then I
 10 went and did my own ministry by myself and my ex-wife
 11 ran away with the kids.
 12 And then I watched people with money and
 13 ministries and I watched them fall. Either pride or the
 14 love of money, which is the root of all evil, brought
 15 them down.
 16 And I literally left Daniel Chapter One. I
 17 tried to give Daniel Chapter One away. My wife can tell
 18 you at least three times I did not want to do
 19 Daniel Chapter One. And the last time, the only reason
 20 I came back -- and this was during the time I had the
 21 MS -- I was in China and I had asked the Lord for one
 22 more faith walk because I thought I was going to die.
 23 And I literally went out to die one night in the car and
 24 didn't expect to be up the next day, and we were able to
 25 go to China.

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1 something, we'll have to do something, you know.
 2 **Q. All right. And then I just want to be sure.**
 3 **These sales figures, do they represent all sales**
 4 **from not only the telephone call center but the Internet**
 5 **and --**
 6 A. Everything.
 7 **Q. -- catalog?**
 8 **Everything. All right.**
 9 **And you mentioned the three centers that operate**
 10 **out of Georgia.**
 11 **Nationwide, how many centers operate for you?**
 12 A. Oh, I've got to get a figure here.
 13 (Pause in the proceedings.)
 14 I guess eleven or twelve. I'm pretty sure.
 15 **Q. And can you estimate what percent of --**
 16 A. This is theirs?
 17 **Q. Yes -- of this business is theirs?**
 18 A. 50 percent of it.
 19 **Q. Okay.**
 20 **All right. Let's move on.**
 21 A. That's speculative. I mean, I'm -- I'm just
 22 trying to grab numbers. I'm just -- to -- I'm not
 23 trying to be -- I'm not just throwing things out to be a
 24 short answer for you. I just don't know, but that's a
 25 guess.

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1 On the way back, we were in a house church, a
 2 home church. They accepted me and my authority. And
 3 in the process, I told them I wanted to stay and
 4 disciple people -- because when we got there they said
 5 that they hadn't had any baptism or any converts in
 6 years. And the day we walked in there, there were
 7 three baptisms that the Lord brought there in
 8 Southern China, then up in Beijing and Mongolia, and so
 9 I wanted to stay.
 10 The head of the fellowship there said -- I said,
 11 I don't want to do Daniel Chapter One. I don't want to
 12 buy and sell. I want to go back to doing my street
 13 ministry.
 14 And in the process, he turned to me and he said,
 15 You know, you're going to smell like whale breath. If
 16 God wants you to do Daniel Chapter One, which we were
 17 anointed on earlier when we first started, you've got to
 18 do it.
 19 When I got back, I was so afraid of falling away
 20 from the Lord, I just told the Lord I'll do
 21 Daniel Chapter One. I'll do whatever you want me to do
 22 with this. I just don't want pride. I don't care about
 23 being known. I don't want pride. And keep me away from
 24 what happens with money.
 25 I mean, I -- money and things I just --

1 BY MR. ZANG:
 2 **Q. For this segment, some of the questions will be**
 3 **rather random, and that's just because they're cleanup**
 4 **questions.**
 5 **So the first one is: Can you testify as to how**
 6 **often the prices or the amount that you ask for**
 7 **donations for your products change over time?**
 8 A. Very few times. I think maybe three times in
 9 the last ten years. I'm not sure.
 10 But the only -- we usually -- the problem with
 11 us is we usually don't change the prices so long, and
 12 the price of the -- running, you know, Chapter One and
 13 all the expenses and the people and personnel and
 14 everything else and the cost of the product goes up so
 15 much that we are forced to raise the suggested donation,
 16 you know, offer.
 17 **Q. When was the last time that you raised the**
 18 **suggested donation?**
 19 A. 9-11.
 20 Well, two years ago maybe. I think it was two
 21 years ago. I'm trying to remember. It was -- I don't
 22 even think it was 9-11 but maybe two years ago.
 23 There was a time when everything went --
 24 whenever the -- everything went sky high because of all
 25 the costs of shipping and everything doubled and

1 everything. Probably the -- but we only raised it like
 2 a dollar or something.
 3 **Q. I'm sorry. You only raised it a dollar or**
 4 **something?**
 5 A. A dollar or 1 percent or something like that and
 6 it wasn't much.
 7 **Q. Well, there would be a big difference between a**
 8 **dollar and 1 percent unless you're saying that a package**
 9 **costs a hundred dollars.**
 10 A. Some -- I can't -- I couldn't tell you. I
 11 don't -- we raised the prices I think across the board a
 12 dollar for everything, whether it was -- whether it cost
 13 fifty dollars to produce or suggestion to fifty-one or
 14 ten dollars to eleven dollars, I think we just went a
 15 dollar across the board.
 16 **Q. Mr. Feijo, given the dosages that you seem to**
 17 **recommend on your radio show or elsewhere and the cost**
 18 **of the product, it can add up, can't it, in terms of**
 19 **what people have to pay?**
 20 A. Well, I have to tell you, it is a definite
 21 concern to us.
 22 For example, if you compare what we suggest at
 23 the high end for the use of -- and since we're talking
 24 about cancer -- 7 Herb Formula, a person buying ten
 25 bottles for the first -- let's see. Let me give you

1 some numbers.
 2 If they went through seven days of a bottle a
 3 day -- let's say that. Let's make things easy life for
 4 me. Okay? Let's say ten days. That would be \$700.
 5 Okay? And then say over the next twenty days they get
 6 another ten bottles, so let's use that. That's \$1400.
 7 That's extremely high. Okay? That would be roughly
 8 1700 and -- \$17,000 -- \$17,200 I think. That would be a
 9 lot -- and that's a lot of money.
 10 **Q. On an annual basis?**
 11 A. Yeah.
 12 But nobody ever does that, but I'm just using
 13 that extreme. Okay?
 14 Compare that to what a surgery would cost of
 15 hundreds of thousands of dollars. It's pretty
 16 reasonable.
 17 **Q. Why are these products so expensive? Are the**
 18 **materials that are used to make them expensive?**
 19 A. Yeah. We use a high-quality product, and
 20 there's shipping in it. There's shipping to bring these
 21 so far.
 22 And I tell you, one of the stuff is that the
 23 ability to have a product that could save somebody's
 24 life is worth something, you know.
 25 I mean, they don't cause cancer. In

1 relationship to things that the world offers that can
 2 cause cancer, that's pretty good.
 3 **Q. The 7 Herb Formula, how much does it cost for**
 4 **you to obtain that from the distributor?**
 5 A. By the time it's all produced and everything and
 6 all that stuff? Probably 30 percent of that.
 7 **Q. 30 percent of what you need to charge?**
 8 A. Well, what we ask for an offering.
 9 **Q. Okay.**
 10 A. That's not counting radio. That's not counting
 11 everything under the sun, you know. It's not counting
 12 knowledge. It's not counting ability to -- what's a
 13 person's life that's been saved? You know, whatever,
 14 you know.
 15 **Q. Okay.**
 16 A. And the other thing is they also -- when they
 17 buy multiple, they get -- they can get a bottle free,
 18 you know, an extra bottle if they want, so -- and plus
 19 we use it for other people that can't, those who have,
 20 and kind of like what Obama is trying to do.
 21 **Q. Okay. Some Web sites that I want to ask you**
 22 **about. The first one is dconepages.com.**
 23 **What is that?**
 24 A. I don't know. That's one of those crazy -- one
 25 of those crazy things when you switch from one -- what