UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

FEDERAL TRADE COMMISSION, Plaintiff, v. PHYSICIAN'S TECHNOLOGY, LLC, a corporation, WILLOW LABS, LLC, a corporation, DAVID SUTTON, individually and as an officer of PHYSICIAN'S TECHNOLOGY, LLC, and RONALD SHAPIRO, individually and as an officer of PHYSICIAN'S TECHNOLOGY, LLC, and WILLOW LABS, LLC. Defendants.	**Case No. 2:20-cv-11694** **STIPULATED ORDER FOR PERMANENT INJUNCTION AND MONETARY JUDGMENT**

Plaintiff, the Federal Trade Commission ("Commission" or "FTC"), filed its Complaint for Permanent Injunction and Other Equitable Relief ("Complaint"), for a permanent injunction and other equitable relief in this matter, pursuant to Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b). The Commission and Defendants stipulate to the entry of this Stipulated Order for

Permanent Injunction and Monetary Judgment ("Order") to resolve all matters in dispute in this action between them.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.

2. The Complaint charges that Defendants participated in deceptive acts or practices in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52, in the manufacturing, labeling, advertising, marketing, distribution, and sale of Willow Curve, a low-level light Device.

3. Defendants neither admit nor deny any of the allegations in the Complaint, except as specifically stated in this Order. Only for purposes of this action, Defendants admit the facts necessary to establish jurisdiction.

4. Defendants waive any claim that they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order, and agree to bear their own costs and attorney fees.

5. Defendants and the Commission waive all rights to appeal or otherwise challenge or contest the validity of this Order.

DEFINITIONS

For the purpose of this Order, the following definitions apply:

A. "**Clear(ly) and Conspicuous(ly)**" means that a required disclosure is difficult to miss (*i.e.*, easily noticeable) and easily understandable by ordinary consumers, including in all of the following ways:

1. In any communication that is solely visual or solely audible, the disclosure must be made through the same means through which the communication is presented. In any communication made through both visual and audible means, such as a television advertisement, the disclosure must be presented simultaneously in both the visual and audible portions of the communication even if the representation requiring the disclosure is made in only one means;

2. A visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood;

3. An audible disclosure, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it;

4. In any communication using an interactive electronic medium, such as the Internet or software, the disclosure must be unavoidable;

5. On a product label, the disclosure must be presented on the principal display panel.

6. The disclosure must use diction and syntax understandable to ordinary

consumers and must appear in each language in which the representation that requires the disclosure appears;

7. The disclosure must comply with these requirements in each medium through which it is received, including all electronic Devices and face-to-face communications;

8. The disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication; and

9. When the representation or sales practice targets a specific audience, such as children, the elderly, or the terminally ill, "ordinary consumers" includes reasonable members of that group.

B. "**Close Proximity**" means that the disclosure is very near the triggering representation. For example, a disclosure made through a hyperlink, pop-up, interstitial, or other similar technique is not in Close Proximity to the triggering representation.

C. "**Defendants**" means the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.

1. "**Corporate Defendants**" means Physician's Technology, LLC and Willow Labs, LLC and their successors and assigns.

2. "**Individual Defendants**" means David Sutton and Ronald Shapiro.

D. "**Device**" means an instrument, apparatus, implement, machine, contrivance, implant, in vitro reagent, or other similar or related article, including any component, part, or accessory, which is: (1) recognized in the official National Formulary, or the United States Pharmacopeia, or any supplement to them; (2) intended for use in the diagnosis of disease or other conditions, or in the cure, mitigation, treatment, or prevention of disease, in humans or other animals; or (3) intended to affect the structure or any function of the body of humans or other animals; and which does not achieve any of its principal intended purposes through chemical action within or on the body of humans or other animals and which is not dependent upon being metabolized for the achievement of any of its principal intended purposes.

ORDER

I.
PROHIBITED REPRESENTATIONS: HEALTH-RELATED CLAIMS REQUIRING HUMAN CLINICAL TESTING FOR SUBSTANTIATION

IT IS ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any Device, are permanently restrained and enjoined from making, or assisting others in making, expressly or by implication,

including through the use of a product name, endorsement, depiction, or illustration, any representation that such Device:

A. Treats or relieves severe or chronic pain;

B. Treats or relieves severe or chronic pain due to rheumatoid arthritis, diabetic neuropathy, nerve damage, fibromyalgia, shingles, lupus, torn tendons, broken bones, or other specific health conditions;

C. Treats or reduces inflammation;

D. Provides pain relief comparable to that from drugs or surgery;

E. Restores mobility and joint function to consumers with restricted movement of their hands, knees, legs, or other body parts;

F. Reduces pain by a specific amount on numeric pain scales;

G. Relieves pain for a certain percentage of users; or

H. Evaluates or diagnoses the cause of individual consumers' pain

unless the representation is non-misleading, and, at the time of making such representation, they possess and rely upon competent and reliable scientific evidence substantiating that the representation is true.

For purposes of this Section, competent and reliable scientific evidence must consist of human clinical testing of the Device that is sufficient in quality and quantity, based on standards generally accepted by experts in the relevant disease, condition, or function to which the representation relates, when considered in light

of the entire body of relevant and reliable scientific evidence, to substantiate that the representation is true. Such testing must be (1) randomized, double-blind, and placebo-controlled; and (2) conducted by researchers qualified by training and experience to conduct such testing. In addition, all underlying or supporting data and documents generally accepted by experts in the field as relevant to an assessment of such testing as described in the Section entitled Preservation of Records Relating to Competent and Reliable Human Clinical Tests or Studies must be available for inspection and production to the Commission.

II.
PROHIBITED REPRESENTATIONS: OTHER HEALTH-RELATED CLAIMS

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any Device, are permanently restrained and enjoined from making, or assisting others in making, expressly or by implication, including through the use of a product name, endorsement, depiction, or illustration, any representation, other than representations covered under the Section entitled Prohibited Representations: Regarding Health-Related Claims Requiring Human Clinical Testing For Substantiation, about the health benefits,

performance, efficacy, safety, or side effects of any Device, unless the representation is non-misleading, and, at the time of making such representation, they possess and rely upon competent and reliable scientific evidence that is sufficient in quality and quantity based on standards generally accepted by experts in the relevant disease, condition, or function to which the representation relates, when considered in light of the entire body of relevant and reliable scientific evidence, to substantiate that the representation is true.

For purposes of this Section, competent and reliable scientific evidence means tests, analyses, research, or studies (1) that have been conducted and evaluated in an objective manner by experts in the disease, condition, or function to which the representation relates; (2) that are generally accepted by such experts to yield accurate and reliable results; and (3) that are randomized, double-blind, and placebo-controlled human clinical testing of the Device, when such experts would generally require such human clinical testing to substantiate that the representation is true. In addition, when such tests or studies are human clinical tests or studies, all underlying or supporting data and documents generally accepted by experts in the field as relevant to an assessment of such testing as set forth in the Section entitled Preservation of Records Relating to Competent and Reliable Human Clinical Tests or Studies must be available for inspection and production to the Commission.

III.
PROHIBITED REPRESENTATIONS: TESTS, STUDIES, OR OTHER RESEARCH

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any Device are permanently restrained and enjoined from misrepresenting, in any manner, expressly or by implication, including through the use of any product name, endorsement, depiction, or illustration:

A. That any Device is clinically proven to:

1. Treat or relieve severe or chronic pain;
2. Treat or relieve severe or chronic pain due to rheumatoid arthritis, diabetic neuropathy, nerve damage, fibromyalgia, shingles, lupus, torn tendons, broken bones, or other specific health conditions;
3. Treat or reduce inflammation;
4. Provide pain relief comparable to that from drugs or surgery;
5. Restore mobility and joint function to consumers with restricted movement of their hands, knees, legs, or other body parts;
6. Reduce pain by a specific amount on numeric pain scales;

7. Relieve pain for a certain percentage of users; or

8. Evaluate or diagnose the cause of individual consumers' pain;

B. That the performance or benefits of any Device are scientifically or clinically proven or otherwise established; or

C. The existence, contents, validity, results, conclusions, or interpretations of any test, study, or other research.

IV.
PRESERVATION OF RECORDS RELATING TO COMPETENT AND RELIABLE HUMAN CLINICAL TESTS OR STUDIES

IT IS FURTHER ORDERED that, with regard to any human clinical test or study ("test") upon which Defendants rely to substantiate any claim covered by this Order, Defendants must secure and preserve all underlying or supporting data and documents generally accepted by experts in the field as relevant to an assessment of the test, including:

A. All protocols and protocol amendments, reports, articles, write-ups, or other accounts of the results of the test, and drafts of such documents reviewed by the test sponsor or any other person not employed by the research entity;

B. All documents referring or relating to recruitment; randomization; instructions, including oral instructions, to participants; and participant compliance;

C. Documents sufficient to identify all test participants, including any participants who did not complete the test, and all communications with any participants relating to the test; all raw data collected from participants enrolled in the test, including any participants who did not complete the test; source documents for such data; any data dictionaries; and any case report forms;

D. All documents referring or relating to any statistical analysis of any test data, including any pretest analysis, intent-to-treat analysis, or between-group analysis performed on any test data; and

E. All documents referring or relating to the sponsorship of the test, including all communications and contracts between any sponsor and the test's researchers.

Provided, however, the preceding preservation requirement does not apply to a reliably reported test, unless the test was conducted, controlled, or sponsored, in whole or in part by: (1) any Defendant; (2) any Defendant's officers, agents, representatives, or employees; (3) any other person or entity in active concert or participation with any Defendant; (4) any person or entity affiliated with or acting on behalf of any Defendant; (5) any supplier of any component contained in the Device at issue to any of the foregoing or to the Device's manufacturer; or (6) the supplier or manufacturer of such Device.

For purposes of this Section, "reliably reported test" means a report of the test has been published in a peer-reviewed journal, and such published report provides sufficient information about the test for experts in the relevant field to assess the reliability of the results.

For any test conducted, controlled, or sponsored, in whole or in part, by Defendants, Defendants must establish and maintain reasonable procedures to protect the confidentiality, security, and integrity of any personal information collected from or about participants. These procedures must be documented in writing and must contain administrative, technical, and physical safeguards appropriate to Corporate Defendants' size and complexity, the nature and scope of Defendants' activities, and the sensitivity of the personal information collected from or about the participants.

V.
PROHIBITED REPRESENTATIONS: FDA REVIEW OF DEVICES FOR COMMERCIAL SALE

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any Device, are permanently restrained and enjoined from misrepresenting, or assisting others in

misrepresenting, in any manner, expressly or by implication, including through the use of any product name, endorsement, depiction, or illustration, the existence, scope, or findings of any premarket review, clearance, or approval of such Device by the Food and Drug Administration, including that the Food and Drug Administration reviewed, cleared, approved, registered, accredited, or certified such Device for any health benefit, including that such Device:

A. Treats or relieves severe or chronic pain;

B. Treats or relieves severe or chronic pain due to rheumatoid arthritis, diabetic neuropathy, nerve damage, fibromyalgia, shingles, lupus, torn tendons, broken bones, or other specific health conditions;

C. Treats or reduces inflammation; or

D. Evaluates or diagnoses the cause of individual consumers' pain.

VI.
MEANS AND INSTRUMENTALITIES

IT IS FURTHER ORDERED that Defendants, their officers, agents, employees, attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promoting, offering for sale, sale, or distribution of any Device, are permanently restrained and enjoined from providing to others the Means and Instrumentalities with which to (1) make, directly or indirectly, expressly or by implication, including through the

use of endorsements or trade names, any false or misleading statement of material fact, including the representations covered by Sections I through III and V above. For purposes of this Section, "Means and Instrumentalities" means any information, including any advertising, labeling, promotional, sales, training, or purported substantiation materials, contracts, or other agreements, for use by others in their marketing or sale of any product, package, or service, in or affecting commerce.

VII.
PROHIBITED REPRESENTATIONS: DECEPTIVELY FORMATTED ADVERTISEMENTS

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any good or service, are permanently restrained and enjoined from misrepresenting, or assisting others in misrepresenting, in any manner, expressly or by implication, that commercial advertising is a statement or opinion from an independent publisher or source.

VIII.
PROHIBITED REPRESENTATIONS: FALSE REFUND AND FREE TRIAL CLAIMS

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents,

employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any good or service, are permanently restrained and enjoined from misrepresenting, or assisting others in misrepresenting, in any manner, expressly or by implication:

A. That consumers can receive or try a good or service on a risk-free trial basis;

B. That consumers who are not satisfied with a good or service can receive a full or partial refund;

C. Any material restrictions, limitations, or conditions on an offer of a refund guarantee, including any shipping, handling, processing, or other fees that are not refundable or any requirements regarding consumers' use of the good or service that is the subject of the sales offer or the condition in which consumers must return such good or service;

D. Any material aspect of the nature or terms of a refund, return, cancellation, exchange, guarantee, or repurchase policy for the good or service, including the deadline (by date or frequency) by which, within which, or after which consumers must act; or

E. The total cost to purchase, receive, use, or return the good or service,

including shipping, handling, processing, and any additional financial obligations that may be incurred as a result of purchasing the good or service.

IX.
REQUIRED DISCLOSURES

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any good or service, are permanently restrained and enjoined from failing to disclose Clearly and Conspicuously, or assisting others in failing to disclose Cleary and Conspicuously, before consumers are asked to reveal billing information such as account number or to consent to any purchase in connection with any claim that a good or service is offered on a "guaranteed," "money-back," "free," "no obligation," or "risk-free" basis, or words of similar import, the following material terms and conditions of any offer:

A. In Close Proximity to such claim, the total cost to purchase, or receive, or use any good or service that is the subject of the sales offer, including shipping, handling, and processing; and

B. The terms and conditions of any refund, cancellation, exchange, or purchase policy or policies, including the specific steps and means by which

consumers must submit such requests, any requirements regarding consumers' use of the good or service that is the subject of the sales offer or the condition in which consumers must return such good or service, the deadline (by date or frequency) by which, within which, or after which the consumer must act, the telephone number, email address, web address, or street address to which such requests must be directed, and, if there is a policy of not making refunds, cancellations, exchanges, or repurchases, a statement regarding this policy.

X.
PROHIBITIONS CONCERNING REFUNDS

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any good or service, are permanently restrained and enjoined from failing to honor a refund, return, or cancellation request that complies with any policy of Defendants to make refunds or allow returns or cancellations.

XI.
MONETARY JUDGMENT

IT IS FURTHER ORDERED that:

A. Judgment in the amount of Twenty-Two Million Dollars ($22,000,000) in favor of the Commission against Individual Defendants and Corporate Defendants, jointly and severally, as equitable monetary relief.

B. Judgment against the Corporate Defendants is suspended, subject to the Subsections below.

C. Defendant Shapiro is ordered to pay to the Commission Two Hundred Thousand Dollars ($200,000), which, as Defendant Shapiro stipulates, his undersigned counsel holds in escrow for no purpose other than payment to the Commission. Such payment must be made within 30 days of entry of this Order by electronic fund transfer in accordance with instructions previously provided by a representative of the Commission. Upon such payment, the remainder of the judgment is suspended, subject to the Subsections below.

D. Defendant Sutton is ordered to pay to the Commission Two Hundred Thousand Dollars ($200,000), which, as Defendant Sutton stipulates, his undersigned counsel holds in escrow for no purpose other than payment to the Commission. Such payment must be made within 30 days of entry of this Order by electronic fund transfer in accordance with instructions previously provided by a representative of the Commission. Upon such payment, the remainder of the judgment is suspended, subject to the Subsections below.

E. The Commission's agreement to the suspension of part of the judgment is expressly premised upon the truthfulness, accuracy, and completeness of Defendants' sworn financial statements and related documents (collectively, "financial representations") submitted to the Commission, namely:

1. For the Corporate Defendants, the Financial Statement of Corporate Defendant Physician's Technology LLC signed by Richard C. Dunlap on July 19, 2019 and the Financial Statement of Corporate Defendant Willow Labs LLC signed by Kenneth D. Fiema on July 29, 2019, including the attachments to these financial statements;

2. For Individual Defendant Shapiro, the Financial Statement of Individual Defendant Ronald Shapiro signed on July 3, 2019, including the attachments, and the supplemental letter signed by James C. Happ, Managing Director, Wealth Management Advisor, Merrill Lynch, on October 31, 2019, including the attached analysis; and

3. For Individual Defendant Sutton, the Financial Statement of Individual Defendant David Sutton signed on July 3, 2019, including the attachments.

F. The suspension of the judgment will be lifted as to any Defendant if, upon motion by the Commission, the Court finds that such Defendant failed to disclose any material asset, materially misstated the value of any asset, or made

any other material misstatement or omission in the financial representations identified above.

G. If the suspension of the judgment is lifted, the judgment becomes immediately due as to that Defendant in the amount specified in Subsection A above (which the parties stipulate only for purposes of this Section represents the consumer injury alleged in the Complaint), less any payment previously made pursuant to this Section, plus interest computed from the date of entry of this Order.

XII.
ADDITIONAL MONETARY PROVISIONS

IT IS FURTHER ORDERED that:

A. Defendants relinquish dominion and all legal and equitable right, title, and interest in all assets transferred pursuant to this Order and may not seek the return of any assets.

B. The facts alleged in the Complaint will be taken as true, without further proof, in any subsequent civil litigation by or on behalf of the Commission, including in a proceeding to enforce its rights to any payment or monetary judgment pursuant to this Order, such as a nondischargeability complaint in any bankruptcy case.

C. The facts alleged in the Complaint establish all elements necessary to sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the

Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect for such purposes.

D. Defendants acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which Defendants must submit to the Commission, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. §7701.

E. All money paid to the Commission pursuant to this Order may be deposited into a fund administered by the Commission or its designee to be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is, wholly or partially, impracticable or money remains after redress is completed, the Commission may apply any remaining money for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to Defendants' practices alleged in the Complaint. Any money not used for such equitable relief is to be deposited to the U.S. Treasury as disgorgement. Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

XIII.
CUSTOMER INFORMATION

IT IS FURTHER ORDERED that Defendants, Defendants' officers, agents, employees, and attorneys, and all other persons in active concert or participation

with any of them, who receive actual notice of this Order, are permanently restrained and enjoined from directly or indirectly:

A. Failing to provide sufficient customer information to enable the Commission to efficiently administer consumer redress. If a representative of the Commission requests in writing any information related to redress, Defendants must provide it, in the form prescribed by the Commission, within 14 days; and

B. Disclosing, using, or benefitting from customer information, including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account), that any Defendant obtained prior to entry of this Order in connection with the sale of Willow Curve.

XIV.
NOTICE TO CONSUMERS

IT IS FURTHER ORDERED that, within 30 days of the entry of this Order, Defendants must send by first-class mail an exact copy of the notice attached as Attachment A, showing the date of the mailing, to any consumer who, as of the date of entry of this Order is or has been a customer of Defendants and has received or will receive at least one Willow Curve Device. The notice required by this Section must not include any other document or enclosure.

XV.
ORDER ACKNOWLEDGMENTS

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

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

B. For 5 years after entry of this Order, Individual Defendants for any business that such Defendant, individually or collectively with any other Defendant, is the majority owner or controls directly or indirectly, and Corporate Defendants must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees having managerial responsibilities for conduct related to the subject matter of the Order and all agents and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting. Delivery must occur within 7 days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

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

XVI.
COMPLIANCE REPORTING

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

A. Sixty days after entry of this Order, each Defendant must submit a compliance report, sworn under penalty of perjury:

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

2. Additionally, Individual Defendants must: (a) identify all telephone numbers and all physical, postal, email, and Internet addresses, including all residences;

(b) identify all business activities, including any business for which such Defendant performs services whether as an employee or otherwise and any entity in which such Defendant has any ownership interest; and (c) describe in detail such Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.

B. For 10 years after entry of this Order, each Defendant must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:

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

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

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

D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: "I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: _____" and supplying the date, signatory's full name, title (if applicable), and signature.

E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *FTC v. Physician's Technology, Inc. et al.*

XVII.
RECORDKEEPING

IT IS FURTHER ORDERED that Defendants must create certain records for 10 years after entry of the Order, and retain each such record for 5 years. Specifically, Corporate Defendants, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any

Device, and Individual Defendants for any business that such Defendant, individually or collectively with any other Defendant, is a majority owner or controls directly or indirectly, must create and retain the following records:

A. Accounting records showing the revenues from all goods or services sold;

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

C. Records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;

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

E. A copy of each unique advertisement or other marketing material.

XVIII.
COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring Defendants' compliance with this Order, including any failure to transfer any assets as required by this Order:

A. Within 14 days of receipt of a written request from a representative of the Commission, each Defendant must: submit additional compliance reports or

other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents for inspection and copying. The Commission is also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.

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

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

D. Upon written request from a representative of the Commission, any consumer reporting agency must furnish consumer reports concerning Individual Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. §1681b(a)(1).

XIX.
RETENTION OF JURISDICTION

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

SO ORDERED this 29th **day of** June **, 20**20.

s/ Nancy G. Edmunds
UNITED STATES DISTRICT JUDGE

SO STIPULATED AND AGREED:

FOR PLAINTIFF FEDERAL TRADE COMMISSION

s/ *Laura M. Sullivan*

Laura M. Sullivan
Elizabeth Jones Sanger
Attorneys
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, DC 20580
Tel: 202-326-3327, -2757
Fax: 202-326-3259
lsullivan@ftc.gov; esanger@ftc.gov

FOR DEFENDANTS:

Date: 1/21/2020

Todd A. Harrison
Leonard L. Gordon
Venable, LLP
600 Massachusetts Ave., N.W.
Washington DC 20001
Tel: 202-344-4724; 212-370-6252
taharrison@venable.com; llgordan@venable.com
Counsel for Defendants

DEFENDANTS PHYSICIAN'S TECHNOLOGY, LLC, WILLOW LABS, LLC, DAVID SUTTON AND RONALD SHAPIRO

Date: 1/20/2020

David Sutton, individually and
as an officer of Physician's Technology, LLC and
Willow Labs, LLC

Date: 1/20/2020

Ronald Shapiro, individually and
as an officer of Physician's Technology, LLC and
Willow Labs, LLC

ATTACHMENT A

[On Willow Curve and Company letterhead]

[on envelope]
IMPORTANT NOTICE ABOUT WILLOW CURVE COURT SETTLEMENT

[content of letter, 16-point font]

Dear [Recipient]:

We're writing to you because you bought a Willow Curve device advertised to relieve pain. The Federal Trade Commission (FTC), the nation's consumer protection agency, sued our company for deceptive advertising. As part of a settlement, our company will no longer claim that Willow Curve or any other device can relieve chronic or severe pain or reduce inflammation — or has any other health benefit — unless we have the evidence to back it up.

In its lawsuit, the FTC said we don't have evidence to support claims that the Willow Curve device can treat chronic or severe pain – including pain from rheumatoid arthritis, diabetic neuropathy, nerve damage, fibromyalgia, shingles, lupus, torn tendons, or broken bones – or reduce inflammation.

You can find out more about the FTC's lawsuit at [URL].

Sincerely,
[Company signatory]