

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA

FEDERAL TRADE COMMISSION,)	
)	
Plaintiff,)	Case No.
)	
v.)	COMPLAINT FOR PERMANENT
)	INJUNCTION AND OTHER
NATURECITY, LLC,)	EQUITABLE RELIEF
a Florida limited liability company,)	
)	
CARL PRADELLI, individually and as an owner)	
and officer of NATURECITY, LLC, and)	
)	
BETH PRADELLI, individually and as an owner)	
and officer of NATURECITY, LLC,)	
)	
Defendants.)	
)	

Plaintiff, Federal Trade Commission (“FTC” or “Commission”), for its complaint alleges:

1. The FTC brings this action under Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), to obtain permanent injunctive relief, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for Defendants’ acts or practices in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52, in connection with the advertising, marketing, distribution, and sale of products purporting to improve cholesterol and triglycerides, relieve chronic pain, and mitigate or treat various diseases and health conditions, including ulcerative colitis, diabetes, and acid reflux.

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction pursuant to 28 U.S.C §§ 1331, 1337(a), and 1345.

3. Venue is proper in this District under 28 U.S.C. § 1391(b)(1), (b)(2), (c)(1), (c)(2), and (d) and 15 U.S.C. § 53(b).

PLAINTIFF

4. The FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces Section 12 of the FTC Act, 15 U.S.C. § 52, which prohibits false advertisements for food, drugs, devices, services, or cosmetics in or affecting commerce.

5. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and to secure such equitable relief as may be appropriate in each case, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies. 15 U.S.C. § 53(b).

DEFENDANTS

6. Defendant NatureCity, LLC is a Florida limited liability corporation with its principal place of business located at 990 S. Rogers Circle, Unit 1, Boca Raton, Florida 33487. NatureCity transacts or has transacted business in this District and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, NatureCity has advertised, marketed, distributed, or sold TrueAloe and AloeCran to consumers throughout the United States.

7. Defendant Carl Pradelli is the majority owner, Chief Executive Officer, and President of NatureCity. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had authority to control, or participated in the acts and practices set forth in this Complaint. For example, Carl Pradelli maintains creative control over the company's advertising and evaluates the results of such advertising. He has held this responsibility since at least August 2014. At times, he personally responds to complaint letters from NatureCity customers. Defendant Carl Pradelli resides in this District and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

8. Defendant Beth Pradelli is a minority owner, Senior Vice President, and General Counsel of NatureCity. At all times material to this Complaint, acting alone or in concert with others, she has formulated, directed, controlled, had authority to control, or participated in the acts and practices set forth in this Complaint. Beth Pradelli is responsible for reviewing the company's various marketing efforts and has done so since at least August 2014. In addition, she personally responded to complaints filed about NatureCity with the Washington Attorney General's Office and the Better Business Bureau. Defendant Beth Pradelli resides in this District and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

COMMERCE

9. At all times material to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' BUSINESS PRACTICES

10. From May 2002 to the present, Defendants have advertised, marketed, distributed, or sold a variety of health-related products, including, but not limited to, TrueAloe and AloeCran.

11. TrueAloe consists of processed *Aloe vera* and gelatin with a daily serving size of two capsules. Defendants sell bottles of 120 TrueAloe capsules for \$24.97 each, or \$18.73 for members of Defendants' club, plus shipping.

12. AloeCran is a powdered drink mix consisting of processed *Aloe vera*, cranberry extract, soluble dietary fiber, and other ingredients with a daily serving size of one 6.7 gram scoop mixed with water. Defendants sell containers for \$29.97 each, or \$22.48 for members of Defendants' club, plus shipping.

13. Defendants have advertised TrueAloe and AloeCran primarily through direct mail brochures to consumers in the United States. Defendants also advertise and offer their products for sale on their website, www.naturecity.com, through Amazon.com, and on websites maintained by other sellers of health-related products.


14. To induce consumers to purchase TrueAloe and AloeCran, Defendants have disseminated or caused to be disseminated advertisements and promotional materials, including, but not limited to, the attached Exhibits A through E. These advertisements contain the following statements and depictions, among others:

A. True Aloe direct mail brochure TA59U4, disseminated from October 2014 to September 2017, with a circulation of over 5.5 million (Exhibit A):

SPECIAL HEALTH EDITION NatureCity

PAIN SAYS GOODBYE WHEN YOU SAY ALOE!

Modern science is now proving
what these historical leaders
knew about this legendary plant...



Mahatma Gandhi
used it to stay
alive...

Christopher Columbus
used it to keep him and
his crew healthy...

Queen Cleopatra
said it was her
beauty secret...

**You'll be amazed to learn
how it can help your...**

- ▶ Joint and Muscle Pain
- ▶ Stomach & Elimination Problems
- ▶ Blood Sugar Control & Kidney Stones
- ▶ Cholesterol and Triglycerides
- ▶ Skin Look Younger & Much More!

TURN TO PAGE 2...

[Exhibit A - 1]

* * *

When you're in pain, polysaccharides send an instant message to your NK ["Natural Killer"] cells telling them to destroy what is hurting you and put your body back to normal. One teeny capsule of TrueAloe floods your body with polysaccharide "Agents of

Life"...much more than most other Aloe products. Your relief is fast...and lasting...as long as you stick with TrueAloe! That's why TrueAloe is so effective in soothing joint and muscle pain...

[Exhibit A - 6]

* * *

TrueAloe contains 10 natural pain and inflammation stoppers...with zero side-effects.

[Exhibit A - 8]

* * *

"My husband couldn't get relief until TrueAloe"

"Several years ago I fell and cracked my back. I had pain all the time. Since I have been taking TrueAloe it has quit hurting and I take it all the time now. I can't do without it! My husband also had pain in his shoulder and couldn't get any relief until he started taking TrueAloe. We recommend your products highly."



- Nelle W., Cleveland, TN

"I was able to quit taking my acid reflux medication!"



"Since taking TrueAloe, I was able to quit taking my medication for acid reflux - no more problems with that - and have also had a noticeable improvement in my blood sugar. I have been able to cut my medications in half, and am hoping to do without altogether."

- Mary B., Dresden, OH

Individual results may vary

[Exhibit A - 9]

* * *

TrueAloe soothes and protects your gut just like your Mom's Aloe healed burns and cuts!

Plus, the TrueAloe sugar molecules decrease the amount of burning acid in your stomach.

Clinical studies demonstrate Aloe's power to fix your digestive problems.

In a clinical human study, leading scientist Dr. Jeffrey Bland from the Linus Pauling Institute found that Aloe vera helps your gastrointestinal function 4 ways:

1. Makes your digestion easier without causing diarrhea (**food moves faster, gunk doesn't stay in your colon, constipation is gone!**)
2. Normalizes your pH and balances acid levels in your gut (**nature's perfect antacid**)
3. Reduces damaging and painful yeast (boosting your natural immunity)
4. Promotes "good" bacteria and gets ride of "bad" bacteria (and probiotics work much better with Aloe!).

[Exhibit A - 10]

* * *

More human studies with Aloe vera were conducted. The results were amazing.

In a randomized, double-blind, placebo-controlled trial, 44 people suffering from ulcerative colitis (a type of irritable bowel) were given Aloe vera or a placebo...**in just 4 weeks 47% of the lucky folks taking Aloe had a complete remission or improvement in their condition...with NO SIDE EFFECTS.**

[Exhibit A - 10]

* * *

“At last! NatureCity is truly the best. I’m a customer for life!”



“At last! After dozens of trials with other products from other companies, NatureCity really, really delivers what you say you can. You are truly the best!”

I have basal joint pain in my right thumb. I teach music and play piano professionally. I have much better movement – very little stiffness – and although there is still some pain it is a very small amount. NOTHING has helped me nearly as much. You’ve got a customer for life!”

– Russell W., W Henrietta, NY

“I won’t be without it again!”

“I take TrueAloe for my joint pain. I followed the initial dosage of 8 capsules a day and now take 4 capsules a day. It has totally taken away the joint pains in my hands. Once I ran out and the pain returned. I won’t be without it again!”

Valerie P., Honolulu, HI



“TrueAloe is the only product that works for me!”

“I started using TrueAloe because of the pain in my neck, shoulders, feet and legs. Your product is the only one that really works for me. I know, because I have tried them all. I’m 80 years old and still work on power motors – my hobby after I retired in 1998. Now I’m like the little rabbit. I just keep going and going!”

– Hayden C., Leitchfield, KY

Individual results may vary

[Exhibit A - 11]

* * *

Aloe vera’s power was shown once again in Russia. Ulcer patients were given Aloe vera. The researchers found that Aloe was just as effective as a commonly used anti-ulcer drug (a proton pump inhibitor) with one major difference...

No toxic side effects!

Take your pick: A proton pump inhibitor that may give you headaches, diarrhea, vomiting, gas, nausea, dizziness, fatigue, constipation, breast development in men, or joint pain...or soothing Aloe vera with no reported side effects. No matter how much you take.

[Exhibit A - 10-12]

* * *


Data confirms Aloe vera helps normalize blood sugar and triglyceride levels.

[Exhibit A - 14]

* * *

“Thanks for a product that works!”

“My doctor said I needed hip surgery in my right hip because nothing could stop the pain. I started taking TrueAloe and most of the pain was gone in 2 weeks. My doctor said to keep doing what I’m doing. Thanks for a product that works!”



– Delbert C., Mounds, OK

intake of Aloe vera helped reduce levels of fasting blood sugar and glycated hemoglobin

Data confirms Aloe vera helps normalize blood sugar and triglyceride levels.

A double-blind study of 78 people, published in the scientific journal, *Phytomedicine*, revealed dramatic and exciting results:

After six weeks of taking Aloe daily, the average blood sugar level of the participants in the test group declined 43% and triglyceride levels also decreased 44%.

The participants who did not take the Aloe vera had an average blood sugar increase of 2.4% and an average increase in blood triglyceride levels of 8.4%.

And a recent study conducted in Texas as reported by Dr. Danhof revealed these exciting results:

Type II diabetics with elevated levels of blood sugar, insulin and triglycerides were given a concentrated Aloe beverage to take every day for eight weeks.

After eight weeks, 80% of those drinking Aloe had normal levels of blood sugar, insulin and triglycerides.

...NORMAL LEVELS!

Aloe worked even when blood sugar medicine didn't!

At Mahidol Medical University, Bangkok, researchers conducted a trial on patients who were unresponsive to glibenclamide, an anti-diabetic medication.

Those patients who received only the glibenclamide still suffered from the same high fasting blood glucose levels, high triglyceride levels and dangerous cholesterol levels.

Those who received Aloe saw a 48% decrease in blood sugar levels and a 52% decrease in triglycerides!

5 plant sterol compounds give Aloe its natural ability to help control your blood sugar levels.

In July 2006, a team of Japanese researchers published a study in *Biological & Pharmaceutical Bulletin*. They had successfully identified five phytosterol compounds that help explain Aloe's extraordinary ability to balance your blood sugar safely and effectively.

In fact, phytosterols are now being added to the foods you eat to help lower cholesterol!

In addition to the 5 plant sterols, Aloe's polysaccharides deliver the knock-out punch to deadly out-of-control blood sugar!

[Exhibit A - 14]

* * *

Not a single side-effect... or heart attack... after 5 years taking Aloe!

At the end of his landmark 5 year study of Aloe vera, Dr. Agarwal remarked with amazement that:

"...the most interesting aspect of the study was that no unwanted side-effect was noted, and all the five thousand patients are surviving to date."



[Exhibit A - 15]

* * *

Aloe vera may help normalize your cholesterol and protect against arterial plaque.

[Exhibit A - 16]

* * *

"Amazing relief from pain and stiffness."

"I have pain in my knee and pain and stiffness in my neck and shoulders and, recently, my right foot. Since taking TrueAloe, I have had amazing relief from pain and stiffness. I no longer take over-the-counter or prescription drugs, since I try to avoid their side-effects to my liver and kidneys."

— Miriam P., Philadelphia, PA



[Exhibit A - 18]

* * *

...for 56 cents a day you'll "finally" help your body:

- reduce joint and muscle pain
- put out the inflammation fire
- restore youthful movement & freedom
- balance your blood sugar & triglyceride levels
- normalize dangerous cholesterol levels
- stop indigestion and burning gut acid
- get rid of embarrassing gas and bloating
- get relief from constipation

- maintain healthy, normal blood pressure
[Exhibit A - 22-23]

* * *

For only 56 cents a day, 4 teeny easy-to-swallow capsules:

- ease pain and inflammation with 10 natural pain-stoppers...
 - protect your heart and body from deadly diabetes with 5 natural phytosterols...
- [Exhibit A - 23]

* * *

“My wife and I love TrueAloe”

“I have struggled with constipation, pain & inflammation and diabetes for 20 years. Since using TrueAloe, I no longer have constipation, my pain has decreased at least 75%, my inflammation is 80% less, and my blood sugar levels are better. My wife and I love your TrueAloe product. It gives us more energy and our digestion and constipation improved a lot.”

-- Ralph B., Pacoima, CA

[Exhibit A - 26]

* * *

You’ll discover...[h]ow TrueAloe works to improve the absorption rate of vitamin C by 204% and vitamin E by 269%.

[Exhibit A - 26]

B. TrueAloe direct mail brochure TA62M6, disseminated

September 2016 to October 2016 (Exhibit B):

NatureCity  SPECIAL HEALTH EDITION

Does Your Pain Relief Supplement Pass the Longevity Test?

Imagine waking up every morning and feeling refreshed from a good night's sleep that wasn't broken up by pain...

...or raking leaves in your yard and not worrying about being punished with excruciating discomfort in your joints and muscles...

...or eating a meal that doesn't repeat on you...

...or being regular, finally...

...or just having more energy...
and simply feeling great.

These are some of the round-the-clock benefits our clients count on, and is why they take our product every single day...

...some for the past 12 years (and counting)!

If you're ready for real relief... with no reported side effects... please discover more inside! 

[Exhibit B - 1]

* * *

New Scientific Studies, published between 2013 and 2016, help confirm the Aloe vera legend is true.

That's because Science finally woke up to Aloe vera's ability to help...

- Soothe aches and pains in your joints and muscles
 - Battle embarrassing gas, indigestion and stomach upsets
 - Achieve healthier blood sugar, cholesterol and blood pressure
- [Exhibit B - 3]

* * *

TrueAloe helps you say goodbye to joint and muscle aches and pains.

The published results of exciting human studies reveal that not only can Aloe vera help soothe and calm joint and muscle aches and pains, these other outstanding and long-term health benefits could finally be yours...

[Exhibit B - 10]

* * *

This just in: Aloe helps manage blood sugar levels!

[Exhibit B - 12]

* * *

Another recent study, published in the June 2016 issue of Nutrients, confirms Aloe as a beacon of blood sugar hope.

[Exhibit B - 13]

* * *

But not only can TrueAloe help you keep you[r] blood sugar levels where you want them, it's one of nature's most effective heart health protectors.

[Exhibit B - 14]

* * *

New study reveals Aloe vera battles the 4 biggest threats to your heart.

[Exhibit B - 15]

* * *

Aloe shown to boost absorption of Vitamin C by 304% and Vitamin E by 369%

[Exhibit B - 22]

* * *

“I have real PROOF TrueAloe works for me!”

“Two weeks ago, for some reason, I forgot to include TrueAloe capsules. My left knee and thumbs began to bother me. By the end of the week — without TrueAloe — I was nearly unable to walk and almost fell twice.



“I then realized I had forgotten to include TrueAloe and knew immediately why the pain had returned. I’ve been back on TrueAloe for 3 days now and the pain is going away. My walking is almost back to normal. I know now without a doubt that the TrueAloe works for me.”

— Beverly R., Biloxi, MS

[Exhibit B - 28]

* * *

Ready to get rid of pain?

Starting today, how many YEARS will it WORK for you?

Well...

 **Dudley M. and his wife have had relief from pain for the past 12 years,** “My wife had a knee replacement and joint pain set in. Your product knocks out most of the inflammation so she can get around. She stopped taking it once, and her knee started swelling. Give it a chance!”

 **Marilyn W. has had relief from joint pain and interrupted sleep for the past 11 years,** “It made a difference with my joint pain! I was able to sleep through the night without as much pain and my joints weren’t as tender and sore when I move my hands. I stopped taking it once – and everything started hurting again.”

[Exhibit B - 32]

C. TrueAloe direct mail brochure TA68W7, disseminated from May 2017 to August 2017 (Exhibit C):

[Exhibit C - 1]

* * *

**Forget Zantac®
Forget Prilosec OTC®
This Superfood delivers
continuous, soothing gut relief
with NO side effects!**

Clinically tested and confirmed!

"I first started taking it for joint pain and then one night I realized, 'HEY! I don't have reflux anymore!'"
- Birgit W.
Celebrating her 10-year Anniversary with us!

"This is a multiple benefit product. It helps with my joint discomfort, and it's good for my overall health and managing my blood sugar. I would recommend it to anyone. It's natural and a good product."
- Barbara B.,
Celebrating her 6-year Anniversary with us!

"I take it mostly for aches and pains - more in my right shoulder. It's great. It helps with digestion, too!"
- Russ R.
Celebrating his 9-year Anniversary with us!

"If it helps outside your body, it can help inside. I tried another brand - biggest mistake I ever made! That's when I called NatureCity and reordered their product."
- Edda M.
Celebrating her 6-year Anniversary with us!

**DETAILS INSIDE!
TURN TO PAGE 2...**

[Exhibit C - 32]

D. AloeCran direct mail brochure AC55M5, disseminated from July 2015 to November 2016 (Exhibit D):

NATURAL FORMULAS FOR MAXIMUM RESULTS

Why Have Americans Happily Enjoyed **32 Million Glasses** of This Drink?

Here are a few of the reasons...



"At age 75, I'm finally regular"
- Martha C., Shalimar, FL



"My heartburn is under control"
- Nancy S., Alvin, TX



"I have more energy!"
- John L., Frostburg, MD



"My cholesterol is now normal"
- Terry C., Austin, TX



"My blood sugar is under control"
- Lester L., Sacramento, CA

Turn to page 2 to discover more...

Now it's EASIER Than Ever for YOU to Try! Look Inside...



[Exhibit D - 1]



**Drinking to Your Health
Never Tasted So Good...**

**Now You can do it
completely Guilt Free!**

**If You Too Want to
Do Better than
“Just Getting By” ...**

Dear Friend,

The story you just read comes from one of our dear clients from Iowa, a woman named Virginia.

She’s just one of many, many thousands who gave the AloeCran™ a drink a chance over the last 13 years and are now thrilled that they did.

In fact, to date our clients have drunk over 32 million glasses of AloeCran™!

The truth is ten years ago AloeCran™ was a nutritious refreshing drink that I can proudly say was ahead of its time.

If you read one of our brochures back then, you would have discovered that AloeCran™ already featured what health experts are touting for you today such as...

“no sugar”...“no artificial sweeteners”...“no preservatives”...“no GMOs”...“gluten free”...“all natural”...“no fat”...“low calorie”...“fiber enriched”...“whole food” ingredients... and using the natural sweeteners “stevia and Luo Han”

Even better is what you do get

in each glass of AloeCran™... which is a treasure trove of valuable health benefits that help to...

- Relieve occasional heartburn, acid reflux and constipation
- Improve overall digestion
- Ease gas and bloating
- Boost absorption of key vitamins
- Soothe the stomach lining and irritable bowels
- Promote “good bacteria” in intestines
- Support colon health by increasing stool transit time, volume and moisture
- Normalize cholesterol and triglyceride levels
- Boost “good” HDL cholesterol
- Protect “bad” LDL cholesterol from oxidation damage
- Improve C-reactive protein (CRP), a measure of inflammation
- Support healthy blood sugar levels
- Promote healthy insulin levels
- Boost urinary tract health
- Support prostate health in men
- Reduce the appearance of facial

3

[Exhibit D - 3]

* * *

The scientists were surprised to discover Aloe vera boosted absorption of vitamin E by 269% and vitamin C by 204%!

[Exhibit D - 15]

* * *

This was shown in a study published in *Alimentary Pharmacology and Therapeutics* of people with mild to moderate ulcerative colitis (a type of irritable bowels). In just four weeks, 47% of participants taking Aloe vera twice a day experienced a complete remission or an improvement in symptoms.

[Exhibit D - 16]

* * *

“my doctor is amazed how my cholesterol and blood sugar have improved”

- William T., Mitchell, IN

“tests show I’m controlling my blood sugar better”

- Patricia M., Ballston Spa, NY

“my acid reflux is gone”

- Erik O., Olathe, KS

[Exhibit D - 32]

E. AloeCran direct mail brochure AC57B6, disseminated from November

2016 to February 2018 (Exhibit E):

"I can't believe how much AloeCran helped"



"I'm a diabetic and also was diagnosed with an acid reflux condition. I liked the idea of no sugar in the AloeCran, so I tried it. I'm happy to report lots of progress thanks to AloeCran. My blood sugar is under control and my doctor took me off my medication. I have an overall feeling of good health at 75!"

– Louis S., Seattle, WA

"No more discomfort and no side effects!"

"I had severe acid reflux and could not eat my favorite foods without digestive problems. I did not want to take acid blockers with all the side effects which I heard could cause long-term damage after a while.

I now drink a glass of AloeCran every morning and an AloeCran "cocktail" before dinner. It tastes delicious and I can now eat and drink anything I like with no problems. I'm happy to be getting my fiber also with no chalky taste too. I cannot thank you enough for such a wonderful product."

– Maureen S., Las Vegas, NV

"I Feel So Much Better Without the Prescription Medication"



"For years I have had many health problems- high blood pressure, fluid retention, gastric reflux, hypoglycemia, and osteoporosis. I took many prescription medications. After two years of drinking AloeCran juice and taking some of your other products, I feel so much better and don't need the prescription medication. All thanks to your wonderful products."

Individual results may vary

– Myra W., Greenville, SC

[Exhibit E - 19]

* * *

More important are the components of your cholesterol score – you want to keep LDL cholesterol and triglycerides down, while boosting the "good" HDL cholesterol.

The ingredients in AloeCran have been shown to help on all counts.

One interesting study involving ACTIValoe was conducted by researchers at the University of California Davis.

The participants in this study had relatively normal cholesterol of 206 mg/dll, on average.

After eight weeks of using ACTIValoe, their cholesterol dropped by an impressive 20 points to a healthier 186 mg/dll.

Even better, most of this improvement was in the “bad” LDL cholesterol which dropped by 17 points – from 135 to 118.

[Exhibit E - 19-20]

* * *

University of Scranton researchers found that over the course of one month, drinking cranberry juice three times a day increased “good” HDL cholesterol by 10%.

How significant is this? Lead researcher Dr. Joe Vinson noted that a 10% increase in “good” cholesterol has been shown to help slash risk of heart disease by an amazing 40%!

[Exhibit E - 20]

* * *



“Your Product has been a Miracle for Me!”

“I’m 60 years old and been struggling with high cholesterol, triglycerides and high blood pressure for years. Acid reflux has been a problem also. I thought my situation was hopeless.

After using AloeCran for 30 days, I tested my cholesterol and my HDL and LDL were in normal limits, as was my blood pressure. My acid reflux isn’t as bad either. My doctor said, “Whatever you are doing, keep it up.” Your product has been a miracle for me!”

– Stan A., Lincoln, NE

[Exhibit E - 20]

* * *

Other research, published in the *Journal of Japanese Society for the Study of Obesity*, showed consuming larger amounts of Fibersol[®]-2 may produce even better results.

In this study, participants drank 10g of Fibersol[®]-2 with each meal. And after three months, the results were pretty dramatic - a 36% reduction in "bad" VLDL cholesterol and a 30% drop in triglyceride levels.

Plus, these folks had a remarkable 20% reduction in visceral fat. This is the fat that can strangle vital organs in the gut - and Fibersol[®]-2 helped melt it away!



AloeCran and Your Blood Sugar

"I'm a diabetic and liked the idea of no sugar in AloeCran, so I tried it. I'm happy to report lots of progress thanks to AloeCran. My blood sugar is under control and my doctor took me off my medication."

That report comes from Louis, who lives out in Seattle, Washington. And it reminds me to mention that AloeCran[™] is diabetic safe because is sugar-free.

Even better, is how the ACTIValoe[®] and Fibersol[®]-2 help you maintain healthy blood sugar and insulin levels.

Aloe vera's innate ability to help control blood sugar was first shown by researchers in Thailand and published in the scientific journal *Phytomedicine*.

They conducted a study in people with VERY high blood sugar.

"I'll Use AloeCran the Rest of My Life"

"I am a type 2 diabetic. I've been drinking AloeCran juice for two years. It's hard to find something like AloeCran that is so refreshing, tasty, sugar free and yet healthy and good for me.



I most definitely will use your product for the rest of my life. Thank you for making your AloeCran available to me at an economical price. I commend you for a superb product."
- James O., Haleiua, HI

"Thanks to AloeCran my Blood Sugar and Cholesterol are Down"

"Being a diabetic, the AloeCran is great for me, since it doesn't have sugar in it. Even better it's helped me regulate my blood sugar. Plus, at my last visit to my doctor he was amazed at how my cholesterol improved!

AloeCran has a great taste to enjoy and is so good for me! I wouldn't be without it. Thanks AloeCran!"

- William T., Mitchell, IN

"Still Getting Favorable Readings After 1 Year"



"Prior to using AloeCran, my blood sugar readings were a bit higher than I wanted.

After drinking AloeCran, my blood sugar readings have gone down and have stayed in a good area. I have been using the AloeCran for a year and I am still getting favorable readings."

- Herbert B., Wheeling, WV

[Exhibit E - 21]

* * *

"I tell you I feel wonderful"



"I am a diabetic and since I started taking AloeCran my blood sugar has been under control between 98 and 120. This morning my blood sugar was perfect at 90. No more messing with needles. I feel very young again. I wish I had known about AloeCran some 15 years ago.

Plus the pain in my legs is gone. This is really important to me as I am a well known basketball and baseball official throughout Northern California.

I tell you I feel wonderful!"

- Lester L., Sacramento, CA

averaging 250mg/dl.

After drinking Aloe vera juice daily for six weeks, the group improved dramatically. Their blood sugar fell a remarkable 43% to 142mg/dl. Plus, as a bonus, their triglyceride levels fell by 44%

Soon thereafter, researchers at Mahidol University in Thailand did a similar study, and found near identical results – a 48% improvement in blood sugar and a 52% improvement in triglycerides.

This work showed Aloe vera can help support blood sugar health. But does it work only in people with very high blood sugar levels?

To answer this question, researchers at the University of California Davis did a study of people who had just slightly above normal blood sugar.

After 8 weeks of using ACTIValue[®], study participants experienced a significant improvement in their blood sugar – going

from 111 mg/dl to 105 mg/dl. Plus, insulin levels improved by 14% - going from 18.6 to 16.

As important, three other test markers of blood sugar health improved by taking ACTIValue[®]. This indeed confirms the blood sugar benefits of Aloe vera – and specifically ACTIValue[®].

As I mentioned, FiberSol[®]-2 helps you in this regard too – it just works a little differently.

While ACTIValue[®] works to improve fasting blood sugar, FiberSol[®]-2 helps control the blood sugar and insulin spike after you eat a meal.

In fact, a study in *Journal of Nutritional Foods* showed consuming 5g of FiberSol[®]-2 reduced the rise in blood sugar by about 11%. On top of this less insulin was needed, as shown by a 5% improvement in insulin levels.

Now on to some other AloeCran[™] benefits...

[Exhibit E - 22]

* * *

Don't You deserve AloeCran™ Too?  **See our Money Saving Specials on pg. 30**

"AloeCran helps keep my blood sugar levels in the normal range."
 "I have been drinking AloeCran for about 2 years now. I am a type 2 diabetic monitoring my blood glucose twice daily. I find it much easier to keep it within the normal range where my doctor wants it."
 - Victor F., Racine, WI

"UTIs just never occur any more!"
 "AloeCran is a product I will always use. I believe it is one of the best products for urinary tract infections. The urinary tract infections I used to have just never occur any more. I also had problems with constipation and acid reflux and they have improved unbelievably."
 - Joy B., Fort Pierce, FL

"I was having tremendous problems with a gastrointestinal disorder..."
 "...constant gas, bloating, stomach cramps, and irregularity in bowel movement with constipation. I received my shipment of AloeCran and started drinking it that day. First the constipation left leaving me with a no strain bowel movement with regularity.
 I don't even discuss bloating and gas with my doctor anymore. No need to, it's GONE. I thank God for AloeCran."
 - Clarence G., Grand Prairie, TX

"Irregular and miserable for 75 years...AloeCran brought blessed relief"
 "I have had problems all my life trying to be regular, but with no success. People that don't have the problem do not understand how miserable it makes you feel. I am 75 and tried everything...but nothing worked. I got a notice from your company and decided to try AloeCran and was rewarded with blessed relief. It not only tasted good... but boy does it work! Thank you for making my life so much better."
 - Charlotte V., Estill Springs, TN

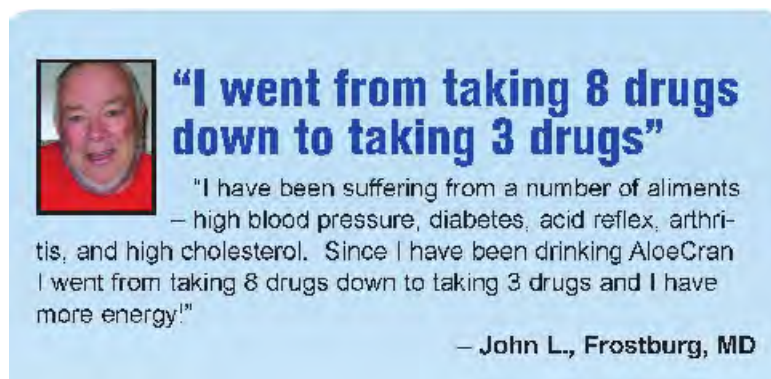
"If I could only choose one drink...I'd want it to be AloeCran"
 "If I could only have one thing to drink to feel refreshed after coming in from the hot and humid outdoors, I'd want it to be AloeCran.
 It's sugar free, relaxing, refreshing and gets me ready to do my chores."
 - Jean C., Louisville, KY

"I will be using AloeCran from now on"
 "I had H. pylori infections two times and I was treated with medications. Since I have been using AloeCran I have not had another attack. Plus, when I went for my check up my cholesterol went down 34 points. So I will be using AloeCran from now on. Thank you NatureCity for helping me."
 - Yvonne B., E Templeton, MA

Individual results may vary

[Exhibit E - 23]

* * *



[Exhibit E - 25]

15. Defendants have not conducted any studies showing that TrueAloe, AloeCran, or any equivalent products provide the benefits described above, let alone any properly designed, human clinical trials of such products.

16. In many instances, Defendants solicit the testimonials contained in their direct mail brochures with a promise to provide compensation, including a free lifetime membership to the NatureCity Club (which provides discounted products and free shipping, valued in the hundreds of dollars) and up to a year's supply of the product featured in the testimonial, free of charge. One of Defendants' solicitations requests a photo and tells consumers that they "may be the next person featured in one of our mailings across the USA." Further, Defendants influence solicited responses by requesting consumers to "imagine" they are "trying to encourage a friend to try" one of the products. Defendants state that they will only provide compensation if the testimonial is used in their advertising materials, so consumers are incentivized to provide positive details to obtain the offered compensation. Defendants do not disclose anywhere in the mail brochures that some consumers providing testimonials have received compensation.

17. Based on the facts and violations of law alleged in this Complaint, the FTC has reason to believe that Defendants are violating or are about to violate laws enforced by the Commission because, among other things: Defendants engaged in their unlawful acts and

practices repeatedly over a period of at least four years; any modifications Defendants made to their advertising occurred only after they were informed of the Commission's investigation; and Defendants remain in the health supplements business and maintain the means, ability, and incentive to resume their unlawful conduct.

VIOLATIONS OF THE FTC ACT

18. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits “unfair or deceptive acts or practices in or affecting commerce.”

19. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

20. Section 12 of the FTC Act, 15 U.S.C. § 52, prohibits the dissemination of any false advertisement in or affecting commerce for the purpose of inducing, or which is likely to induce, the purchase of food, drugs, devices, services, or cosmetics. For the purposes of Section 12 of the FTC Act, 15 U.S.C. § 52, TrueAloe and AloeCran are either “foods” or “drugs” as defined in Section 15(b) and (c) of the FTC Act, 15 U.S.C. § 55(b), (c).

Count I

False or Unsubstantiated Claims about TrueAloe

21. In numerous instances in connection with the advertising, marketing, offering for sale, or sale of TrueAloe, including through the means described in Paragraphs 13-16, including, but not limited to, the statements and depictions contained in the advertisements attached as Exhibits A through E, Defendants represent or have represented, directly or indirectly, expressly or by implication, that TrueAloe:

- A. Reduces joint and muscle pain;
- B. Treats diabetes;

- C. Relieves acid reflux;
- D. Treats ulcers and ulcerative colitis;
- E. Normalizes unhealthy cholesterol and triglyceride levels;
- F. Increases vitamin absorption, including boosting absorption of vitamin C by at least 204% and vitamin E by at least 269%; and
- G. Is comparable or superior to conventional medical treatments in:
 - 1) Reducing joint and muscle pain;
 - 2) Treating diabetes;
 - 3) Relieving acid reflux; and
 - 4) Treating ulcers.

22. The representations set forth in Paragraph 21 are false or misleading, or were not substantiated, at the time the representations were made.

23. Therefore, the making of the representations as set forth in Paragraph 21 constitutes a deceptive act or practice and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

Count II

False or Unsubstantiated Claims about AloeCran

24. In numerous instances in connection with the advertising, marketing, promotion, offering for sale, or sale of AloeCran, including through the means described in Paragraph 13-16, including, but not limited to, the statements and depictions contained in the advertisements attached as Exhibits A through E, Defendants represent or have represented, directly or indirectly, expressly or by implication, that AloeCran:

- A. Treats diabetes;

- B. Relieves acid reflux;
- C. Treats ulcerative colitis;
- D. Boosts healthy cholesterol levels;
- E. Increases vitamin absorption, including boosting absorption of vitamin C by 204% and vitamin E by 269%; and
- F. Is comparable or superior to conventional medical treatments in:
 - 1) Treating diabetes; and
 - 2) Relieving acid reflux.

25. The representations set forth in Paragraph 24 are false or misleading, or were not substantiated, at the time the representations were made.

26. Therefore, the making of the representations as set forth in Paragraph 24 constitutes a deceptive act or practice and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

Count III

False Claims about TrueAloe and AloeCran

27. In numerous instances in connection with the advertising, marketing, promotion, offering for sale, or sale of TrueAloe and AloeCran, including through the means described in Paragraph 13-16, including, but not limited to, the statements and depictions contained in the advertisements attached as Exhibits A through E, Defendants represent or have represented, directly or indirectly, expressly or by implication, that:

- A. TrueAloe is clinically or scientifically proven to:
 - 1) Reduce joint and muscle pain;
 - 2) Treat diabetes;

- 3) Relieve acid reflux; and
- 4) Treat ulcers and ulcerative colitis.

B. AloeCran is clinically or scientifically proven to:

- 1) Treat ulcerative colitis;
- 2) Boost healthy cholesterol levels.

28. The representations set forth in Paragraph 27 are false or misleading. Therefore, the making of the representations set forth in Paragraph 27 constitutes a deceptive act or practice and the making of false advertisements in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

Count IV

Failure to Disclose Material Connections with Consumer Endorsers

29. In numerous instances in connection with the advertising, marketing, promotion, offering for sale, or sale of TrueAloe and AloeCran, including through the means described in Paragraphs 13-14, including, but not limited to, the statements and depictions contained in the advertisements attached as Exhibits A through E, Defendants represent or have represented, directly or indirectly, expressly or by implication, that testimonials in their brochures are from consumers describing their experiences with the product.

30. In numerous instances in which Defendants make the representation set forth in Paragraph 29, Defendants fail or have failed to disclose or disclose adequately the circumstances under which the testimonials were obtained, including that certain individuals quoted in their brochures were offered incentives or other compensation for their testimonials about TrueAloe and AloeCran including through the means described in Paragraph 16. These facts would be material to consumers in evaluating the testimonials in connection with deciding whether to

purchase TrueAloe or AloeCran, which Defendants advertise, market, promote, offer for sale, or sell.

31. In light of the representation described in Paragraph 29, Defendants' failure to disclose or disclose adequately the material information as set forth in Paragraph 30 constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

32. Consumers are suffering, have suffered, and will continue to suffer substantial injury as a result of Defendants' violations of the FTC Act. In addition, Defendants have been unjustly enriched as a result of their unlawful acts or practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

33. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of any provision of law enforced by the FTC. The Court, in the exercise of its equitable jurisdiction, may award ancillary relief, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies, to prevent and remedy any violation of any provision of law enforced by the FTC.

PRAYER FOR RELIEF

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

A. Enter a permanent injunction to prevent further violations of the FTC Act by Defendants;

B. Award such relief as the court finds necessary to redress injuries to consumers resulting from violations of the FTC Act, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies; and

C. Award Plaintiff the costs of bringing this action, as well as such other and additional relief as this Court may determine to be just and proper.

Respectfully submitted,

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General Counsel



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