

D/F

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

_____)
UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
LIFESTYLE VENDING, INC.,)
MICHAEL EISENBERG, and)
MARYANN MCCULLOH,)
)
Defendants.)
_____)

Civ. No. CV 06-6421 (ADS) (ETB)

**STIPULATED JUDGMENT AND
ORDER FOR PERMANENT INJUNCTION AS TO
DEFENDANTS MICHAEL EISENBERG, MARYANN MCCULLOH
AND LIFESTYLE VENDING, INC.**

Plaintiff, the United States of America, acting upon notification and authorization to the Attorney General by the Federal Trade Commission ("FTC" or "Commission"), pursuant to section 16(a)(1) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 56(a)(1), has filed a complaint pursuant to sections 5(a)(1), 5(m)(1)(A), 13(b), 16(a), and 19 of the FTC Act, 15 U.S.C. §§ 45(a)(1), 45(m)(1)(A), 53b, 56(a), and 57b, to secure civil penalties, a permanent injunction, and other equitable relief for Defendants' violations of section 5 of the FTC Act, 15 U.S.C. § 45(a), and the Commission's Trade Regulation Rule entitled "Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures," formerly codified at 16 C.F.R. Part 436. This Rule has been replaced by separate rules governing franchises and business opportunities, as set forth in the definitions below. The parties to this action agree to

settlement of this action without adjudication of any issue of fact or law and without Defendants admitting liability for any of the violations alleged in the complaint.

THEREFORE, on the joint motion of the parties, it is hereby ORDERED, ADJUDGED AND DECREED as follows:

FINDINGS

1. This Court has jurisdiction over the subject matter and the parties pursuant to 28 U.S.C. §§ 1331, 1337(a), 1345 and 1355, and 15 U.S.C. §§ 45(m)(1)(A), 53(b), 56(a), and 57b.
2. Venue in this District is proper as to all parties.
3. The complaint states a claim upon which relief may be granted against Defendants under sections 5(a), 5(m)(1)(A), 13(b), and 19 of the FTC Act, 15 U.S.C. §§ 45(a), 45(m)(1)(A), 53(b), and 57b.
4. The activities of Defendants as alleged in the complaint are in or affecting commerce, as "commerce" is defined in 15 U.S.C. § 44.
5. Defendants have entered into this Stipulated Judgment and Order ("Order") freely and without coercion. Defendants further acknowledge that they have read the provisions of this Order and are prepared to abide by them.
6. Defendants hereby waive all rights to appeal or otherwise challenge or contest the validity of this Order.
7. Defendants have agreed that this Order does not entitle any Defendant to seek or to obtain attorneys' fees as a prevailing party under the Equal Access to Justice Act, 28 U.S.C. § 2412, and Defendants further waive any rights to attorneys' fees that may arise under said provision of law.

STIPULATED JUDGMENT AND ORDER

Page 2

8. Entry of this Order is in the public interest.

DEFINITIONS

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

1. "Asset" means any legal or equitable interest in, or right or claim to, any real and personal property, including without limitation, chattels, goods, instruments, equipment, fixtures, general intangibles, leaseholds, mail or other deliveries, inventory, checks, notes, accounts, credits, contracts, receivables, shares of stock, and all cash, wherever located.

2. "Business opportunity" is defined as that term is defined in Section 437.2(a) of the Business Opportunity Rule, 16 C.F.R. § 437.2(a). The term "business opportunity" in this Order shall also encompass any successor definition of "business opportunity" in any future trade regulation rule or rules that may be promulgated by the Commission to modify or supersede the Business Opportunity Rule, in whole or part, from the date any such rule takes effect.

3. The "Business Opportunity Rule" means the FTC Trade Regulation Rule titled "Disclosure Requirements and Prohibitions concerning Business Opportunities," 61 Fed. Reg. 15444 at 15563 - 15571 (Mar. 30, 2007), codified at 16 C.F.R. Part 437, or as it may be amended.

4. "Business Venture" means any written or oral business arrangement, however denominated, whether or not covered by the Business Opportunity Rule or Franchise Rule, which consists of the payment of any consideration in exchange for:

- a. the right or means to offer, sell, or distribute goods or services (regardless of whether identified by a trademark, service mark, trade name, advertising, or other commercial symbol); and

b. more than nominal assistance, or the promise of more than nominal assistance, to any person or entity (including, but not limited to, referrals to any persons providing or promising location services), in connection with or incident to: (1) the establishment, maintenance, or operation of a new business, or (2) the entry by an existing business into a new line or type of business.

5. "Defendants" means the Corporate Defendant and Individual Defendants. The "Corporate Defendant" is Lifestyle Vending, Inc. a New York corporation. The "Individual Defendants" are Michael Eisenberg and Maryann McCulloh, individually and as officers of the Corporate Defendant.

6. "Franchise" is defined as that term is defined in the Franchise Rule at 16 C.F.R. Part 436.1(h), or as the Franchise Rule may be amended.

7. The "Franchise Rule" means the FTC Trade Regulation Rule entitled "Disclosure Requirements and Prohibitions Concerning Franchising," 61 Fed. Reg. 15444 at 15544- 15563 (Mar. 30, 2007), codified at 16 C.F.R. Part 436, or as it may be amended.

8. "Income-generating product or service" means any product or service designed, intended, or represented to be capable of generating income on behalf of the person to whom it is sold.

9. "Person" means a natural person, organization or other legal entity, including a corporation, partnership, proprietorship, association, or cooperative, or any other group or combination acting as an entity.

10. "Representatives" means the following who receive actual notice of this Order by personal service or otherwise: Defendants' successors, assigns, officers, agents, servants, employees, and attorneys and those persons in active concert or participation with them.

11. "Telemarketing" means the advertising, offering for sale, or sale of any good or service to any person by means of telephone sales presentations, either exclusively or in conjunction with the use of other advertising.

ORDER

I. COMPLIANCE WITH BUSINESS OPPORTUNITY RULE AND FRANCHISE RULE

IT IS FURTHER ORDERED that Defendants and their representatives, are hereby restrained and enjoined from violating or assisting others to violate any provisions of the Franchise Rule or Business Opportunity Rule, including, but not limited to:

A. Failing to provide a prospective franchisee or business opportunity purchaser with a complete, accurate, and up-to-date disclosure document as prescribed by the Franchise Rule or Business Opportunity Rule;

B. Failing to provide each prospective franchisee or business opportunity purchaser with complete and accurate documentation for any earnings or financial performance representations, as required by the Franchise Rule or Business Opportunity Rule;

C. Failing to include in any advertisement that states or suggests a specific level of sales, income or gross or net profits that appears in a newspaper or other medium of general dissemination, including the Internet, the disclosures required by Section 437.1(e) of the Business Opportunity Rule, including a clear and conspicuous disclosure of the number and percentage of prior purchasers known to have earned or made the amount claimed;

STIPULATED JUDGMENT AND ORDER

D Failing to have a reasonable basis for any earnings or financial performance representation at the time such representation is made, as required by the Franchise Rule or Business Opportunity Rule; or

E. Failing to disclose in a clear and conspicuous manner, in immediate conjunction with any earnings or financial performance representation, that material which constitutes a reasonable basis for the earnings or financial performance representation is available to a prospective franchisee or business opportunity purchaser, as required by the Franchise Rule or Business Opportunity Rule.

Provided, however, that if the Commission promulgates a trade regulation rule or rules that modify or supersede the Business Opportunity Rule, in whole or part, Defendants shall comply fully and completely with all applicable requirements thereof on and after the effective date of any such rule.

II. PROHIBITED REPRESENTATIONS

IT IS FURTHER ORDERED that in connection with the advertising, telemarketing, offering for sale, licensing, contracting, sale or other promotion, in or affecting commerce, of any Business Venture, or income-generating product or service, the Defendants and their Representatives are hereby permanently restrained and enjoined from making, or assisting in the making of, any statement or representation of material fact that is fraudulent, false, or misleading, whether directly or by implication, orally or in writing, including, but not limited to, any or all of the following:

- A. The income, profit, or sales volume that a purchaser is likely to achieve;
- B. The income, profit or sales volume actually achieved by prior purchasers;

STIPULATED JUDGMENT AND ORDER

Page 6

IV. CONSUMER REDRESS AND OTHER EQUITABLE RELIEF

IT IS FURTHER ORDERED that judgment is hereby entered against Defendants in the amount of \$2,196,088.90; *provided, however*, that all but \$150,000 of this judgment shall be suspended until further order of the Court, and *provided further* that this judgment shall be subject to the conditions set forth in this Section of this Order.

A. Prior to or concurrently with his execution of this Order, Defendants shall turn over one hundred fifty thousand dollars (\$150,000) to their attorney, who shall hold the entire sum in escrow. Within five (5) days of receipt of notice of the entry of this Order, Defendants' attorney shall transfer the escrowed payment to the Commission in the form of a wire transfer or certified or cashier's check made payable to the Commission.

B. All funds paid pursuant to this Order shall be deposited into a fund administered by the Commission or its agent to be used for equitable relief, including, but not limited to consumer redress and any attendant expenses for the administration of any redress fund. In the event that direct redress to consumers is wholly or partially impracticable or funds remain after redress is completed, the Commission may apply any remaining funds for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to the defendant's practices alleged in the Complaint. Any funds not used for such equitable relief shall be deposited to the Treasury as disgorgement. Defendants shall have no right to challenge the Commission's choice of remedies under this Section.

C. Defendants shall cooperate fully with Plaintiff and the Commission and their agents in all attempts to collect the amount due pursuant to this Paragraph if the Defendants fail to pay fully the amount due at the time specified herein. In such an event, Defendants agree to

provide Plaintiff and the Commission with his federal and state tax returns for the preceding two years, and to complete new standard-form financial disclosure forms fully and accurately within ten (10) business days of receiving a request from Plaintiff or the Commission to do so.

Defendants further authorize Plaintiff and the Commission to verify all information provided on their financial disclosure forms with all appropriate third parties, including but not limited to financial institutions.

D. In the event of default on the payment required to be made by this Paragraph, the entire monetary judgment, together with interest computed under 28 U.S.C. § 1961 -- accrued from the date of default until the date of payment -- shall be immediately due and payable. Defendants agree that, in such event, the facts as alleged in the Complaint filed in this action shall be taken as true in any subsequent litigation filed by Plaintiff or the Commission to enforce their rights pursuant to this Order, including but not limited to a nondischargeability complaint in any subsequent bankruptcy proceeding.

E. In accordance with 31 U.S.C. § 7701, the Defendants are hereby required, unless they have done so already, to furnish to Plaintiff and the FTC their taxpayer identifying numbers (social security number or employer identification numbers) which shall be used for purposes of collecting and reporting on any delinquent amount arising out of the Defendants' relationship with the government.

F. The Defendants further agree, if they have not done so already, to provide the FTC with clear, legible and full-size photocopies of all valid driver's licenses they possess, which will be used for collection, reporting and compliance purposes.

STIPULATED JUDGMENT AND ORDER

Page 9

G. Plaintiff's and the Commission's agreement to and the Court's approval of this Order is expressly premised upon the truthfulness, accuracy, and completeness of the financial statements and information provided by each of the Defendants and their counsel to the Plaintiff; namely, the Financial Statement of Debtor (Form OBD-500) provided by Defendant Michael Eisenberg, dated October 30, 2007; the Financial Statement of Debtor (Form OBD-500) provided by Defendant Maryann McCulloh, dated October 22, 2007; and the Financial Statement of Corporate Debtor (Form OBD-500C) provided by Defendant Lifestyle Vending, Inc., dated October 30, 2007. If, upon motion by the Plaintiff, this Court finds that any of the Defendants have failed to disclose any material asset, or materially misstated the value of any asset in the financial statements or related documents described above, or have made any other material misstatement or omission in the financial statements, or related documents described above, then the Court shall lift the suspension of the consumer redress and require payment of the full amount of the judgment described above by (1) all defendants, jointly and severally, in the case of such a failure or misstatement by the corporate Defendant, or (2) any individual Defendant who failed to disclose any material asset, or materially misstated the value of any asset in the financial statements or related documents described above, or made any other material misstatement or omission in the financial statements, or related documents described above, less any consumer redress amount already paid. This amount shall be immediately due and payable, together with interest computed at the rate prescribed under 28 U.S.C. § 1961. Provided, however, that in all other respects this Order shall remain in full force and effect.

H. In accordance with 31 U.S.C. § 7701, the Defendants are hereby required, unless they have done so already, to furnish to Plaintiff and the FTC their respective taxpayer

STIPULATED JUDGMENT AND ORDER

Page 10

identifying numbers (social security numbers or employer identification numbers) which shall be used for purposes of collecting and reporting on any delinquent amount arising out of the Defendants' relationship with the government.

I. The Individual Defendants are ordered, if they have not done so already, to provide the FTC with clear, legible and full-size photocopies of all valid driver's licenses they possess, which will be used for collection, reporting and compliance purposes.

J. Defendants agree that the facts as alleged in the Complaint filed in this action shall be taken as true, without further proof, for the purpose of any action to collect the judgment, including but not limited to a nondischargeability complaint in any bankruptcy case.

K. Any proceedings instituted under this Paragraph are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any other proceedings Plaintiff may initiate to enforce this Order.

V. ACKNOWLEDGMENT OF RECEIPT OF ORDER BY DEFENDANTS

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

VI. DISTRIBUTION OF ORDER BY DEFENDANTS

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

A. Corporate Defendant: The Corporate Defendant must deliver a copy of this Order to all of its principals, officers, directors, and managers. The Corporate Defendant also must deliver copies of this Order to all employees, agents, and representatives who engage in conduct

related to the subject matter of the Order, including but not limited to all personnel involved in responding to consumer complaints or inquiries, and all sales personnel, whether designated as employees, consultants, independent contractors or otherwise. For current personnel, delivery shall be within (5) days of service of this Order upon Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities.

B. The Individual Defendants as Control Persons: For any business that each Individual Defendant controls, directly or indirectly, or in which the Individual Defendant has a majority ownership interest that is engaged in the sale or distribution of any Business Venture, or income-generating product or service, or assisting others engaged in these activities, the Individual Defendant must deliver a copy of this Order to all principals, officers, directors, and managers of that business. The Individual Defendant must also deliver copies of this Order to all employees, agents, and representatives of that business who engage in conduct related to the subject matter of the Order, including but not limited to all personnel involved in responding to consumer complaints or inquiries, and all sales personnel, whether designated as employees, consultants, independent contractors or otherwise. For current personnel, delivery shall be within (5) days of service of this Order upon Defendant. For new personnel, delivery shall occur prior to them assuming their responsibilities.

C. The Individual Defendants as employees or non-control persons: For any business where each Individual Defendant is not a controlling person of a business but the business is engaged in the sale or distribution of any Business Venture, or income-generating product or service, or assisting others engaged in these activities, the Individual Defendant must deliver a

copy of this Order to all principals and managers of such business before engaging in such conduct.

D. The Corporate and Individual Defendants must secure a signed and dated statement acknowledging receipt of the Order, within thirty days of delivery, from all persons receiving a copy of the Order pursuant to this Section of the Order.

VII. COMPLIANCE REPORTING BY DEFENDANTS

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

A. For a period of five (5) years from the date of entry of this Order,

1. Defendant Michael Eisenberg and Defendant Maryann McCulloh shall notify the Commission of the following:

- a. Any changes in residence, mailing addresses, and telephone numbers of Individual Defendant, within ten (10) days of the date of such change;
- b. Any changes in employment status (including self-employment) of Individual Defendant, and any change in the ownership of the Individual Defendant in any business entity, within ten (10) days of the date of such change. Such notice shall include the name and address of each business that the Individual Defendant is affiliated with, employed by, creates or forms, or performs services for; a statement of the nature of the business; and a statement of the

Individual Defendant's duties and responsibilities in connection with the business or employment; and

c. Any changes in the Individual Defendant's name or use of any aliases or fictitious names; and

2. Each defendant shall notify the Commission of any changes in corporate structure [corporate defendant(s)] or any business entity that an Individual Defendant(s) directly or indirectly control(s), or has an ownership interest in, that may affect compliance obligations arising under this Order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor entity; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order; the filing of a bankruptcy petition; or a change in the corporate name or address, at least thirty (30) days prior to such change, *provided* that, with respect to any proposed change in the corporation about which the defendant(s) learns less than thirty (30) days prior to the date such action is to take place, defendant(s) shall notify the Commission as soon as is practicable after obtaining such knowledge.

B. One hundred eighty (180) days after the date of entry of this Order, each defendant shall provide a written report to the FTC, sworn to under penalty of perjury, setting forth in detail the manner and form in which they have complied and are complying with this Order. This report shall include, but not be limited to:

1. For each Individual Defendant:

- a. The then-current residence address, mailing addresses, and telephone numbers of the Individual Defendant;
- b. The then-current employment and business addresses and telephone numbers of the Individual Defendant, a description of the business activities of each such employer or business, and the title and responsibilities of the Individual Defendant, for each such employer or business; and
- c. Any other changes required to be reported under subparagraph A of this Section.

2. For all Defendants:

- a. A copy of each acknowledgment of receipt of this Order, obtained pursuant to Paragraph V; and
- c. Any other changes required to be reported under subparagraph A of this Section.

C. For the purposes of this Order, Defendants shall, unless otherwise directed by the Commission's authorized representatives, mail all written notifications to the Commission to:

Associate Director for Enforcement Division
Federal Trade Commission
600 Pennsylvania, Ave., N.W.
Washington, DC 20580
Re: United States v. Lifestyle Vending, Inc.
Civil No. 2:06-cv-06421-ADS-ETB (ED NY)

D. For the purposes of this Order, Defendants shall, unless otherwise directed by a representative of Plaintiff, identify all written notifications to Plaintiff as provided in reference to DJ# 102-3378, and mail them to:

Director, Office of Consumer Litigation
U.S. Department of Justice - Civil Division
P.O. Box 386
Washington, D.C. 20044

E. For purposes of the compliance reporting required by this Order, representatives of Plaintiff and the Commission are authorized to communicate directly with Defendants.

VIII. MONITORING COMPLIANCE OF SALES PERSONNEL

IT IS FURTHER ORDERED that, in connection with any business that any Defendant directly or indirectly manages, controls or has a majority ownership interest in, that is engaged in the sale or distribution of any Business Venture, or income-generating product or service, or assisting others engaged in these activities, Defendants and their Representatives are hereby permanently restrained and enjoined from:

A. Failing to take reasonable steps sufficient to monitor and ensure that all employees and independent contractors engaged in sales or other customer service functions comply with Paragraphs I and II of this Order. Such steps shall include adequate monitoring of sales presentations or other calls with customers, and shall also include, at a minimum, the following:

1. Listening to the oral representations made by persons engaged in sales or other customer service functions;

2. Establishing a procedure for receiving and responding to consumer complaints; and

3. Ascertaining the number and nature of consumer complaints regarding transactions in which each employee or independent contractor is involved;

B. Failing promptly to investigate fully any consumer complaint received by any business to which this Paragraph applies; and

C. Failing to take corrective action with respect to any sales person whom any Defendant or Representative determines is not complying with this Order, which may include training, disciplining, and/or terminating such sales person;

Provided, however, that this Paragraph does not authorize or require a Defendant to take any action that violates any federal, state, or local law.

IX. RECORD-KEEPING PROVISIONS

IT IS FURTHER ORDERED that, for a period of eight (8) years from the date of entry of this Order, in connection with any business that any Defendant directly or indirectly manages, controls or has a majority ownership interest in, that is engaged in the sale or distribution of any Business Venture, or income-generating product or service, or assisting others engaged in these activities, Defendants and their agents, employees, officers, corporations, successors, and assigns, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are hereby restrained and enjoined from failing to create and retain the following records:

A. Accounting records that reflect the cost of goods or services sold, revenues generated, and the disbursement of such revenues;

STIPULATED JUDGMENT AND ORDER

B. Personnel records accurately reflecting the name, address, and telephone number of each person employed in any capacity by such business, including as an independent contractor; that person's job title or position; the date upon which the person commenced work; and the date and reason for the person's termination, if applicable;

C. Customer files containing the names, addresses, telephone numbers, dollar amounts paid, quantity of items or services purchased, and description of items or services purchased, for all consumers to whom the business has sold, invoiced or shipped any Business Venture or income-generating product or service;

D. Records that reflect, for every written or oral complaint or refund request received by any of the Defendants or their Representatives from a business opportunity purchaser, whether directly or indirectly or through any third party: (1) the business opportunity purchaser's name, address, telephone number; (2) the dollar amount paid; (3) the written complaint or refund request, if any; (4) the basis of the complaint or refund request, including the name of any salesperson complained about and the nature of any inadequate support items or services involved in the complaint; (5) the nature and result of any investigation conducted concerning the complaint or refund request; (6) each response and the date of the response to the complaint or refund request; (7) any final resolution of the complaint or refund request, and the date of the resolution; and (8) in the event of a denial of a refund request, the reason for the denial;

E. Copies of all sales scripts, training materials, advertisements, or other marketing materials, which shall be retained for three (3) years after the last date of their dissemination or use; and

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

X. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purpose of monitoring and investigating compliance with any provision of this Order,

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

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

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

C. Each Defendant shall permit representatives of the Commission or Plaintiff to interview any employer, consultant, independent contractor, representative, agent, or employee who has agreed to such an interview, relating in any way to any conduct subject to this Order.

The person interviewed may have counsel present.

STIPULATED JUDGMENT AND ORDER

Page 19

Provided, however, that nothing in this Order shall limit the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1, to obtain any documentary material, tangible things, testimony, or information relevant to unfair or deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

XI. FEES AND COSTS

IT IS FURTHER ORDERED that each party to this Order hereby agrees to bear its own costs and attorneys' fees incurred in connection with this action.

XII. RETENTION OF JURISDICTION

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


XIII. COMPLETE SETTLEMENT

The parties, by their respective counsel, hereby consent to entry of the foregoing Order which shall constitute a final judgment and order in this matter. The parties further stipulate and agree that the entry of the foregoing Order shall constitute a full, complete and final settlement of this action.

FOR THE PLAINTIFF:

JEFFREY S. BUCHOLTZ
Acting Assistant Attorney General
Civil Division
U.S. DEPARTMENT OF JUSTICE

FOR THE DEFENDANTS:


MICHAEL B. EISENBERG
Individually and as President and Owner of
Lifestyle Vending, Inc.

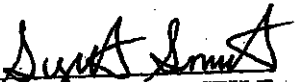
STIPULATED JUDGMENT AND ORDER

Page 20


ROSLYNN R. MAUSKOPF
United States Attorney

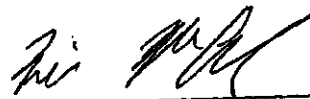
THOMAS A. MCFARLAND
Assistant U.S. Attorney
Eastern District of New York
610 Federal Plaza, 5th floor
Central Islip, NY 11722-4454
PHONE: (631) 715-7863
FAX: (631) 715-7920

EUGENE M. THIROLF
Director
Office of Consumer Litigation


SUZETTE A. SMIKLE
Trial Attorney
Office of Consumer Litigation
U.S. Department of Justice
P.O. Box 386
Washington, D.C. 20044
PHONE: (202) 307-0052
FAX: (202) 514-8742
E-MAIL: suzette.smikle@usdoj.gov

March
~~January~~ 26, 2008


MARYANN MCCULLOH
Individually and as Vice President and
Owner of Lifestyle Vending, Inc.


WILLIAM C. MCCULLOH, Esq.
McCulloh & Weiss, LLC
868 Little East Neck Road
West Babylon, NY 11704
PHONE: (631) 422-1500
FAX: (631) 422-1559

Counsel for Michael Eisenberg, Maryann
McCulloh, and Lifestyle Vending, Inc.

DATE: 1/30/08

OF COUNSEL:

THOMAS A. COHN
Director
Northeast Region
FEDERAL TRADE COMMISSION

Ann F. Weintraub
Attorney
Northeast Region
Federal Trade Commission
One Bowling Green, Suite 318
New York, NY 10004
PHONE: (212) 607-2815
FAX: (212) 607-2822

SO ORDERED this ²⁷ day of MARCH, 2008.

01 - 11 -

THE HONORABLE ARTHUR D. SPATT
UNITED STATES DISTRICT JUDGE