

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

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In the Matter of)	FILE NO. 102 3042
)	
Universal Appliances, Kitchens, and Baths, Inc.,)	
d/b/a universal-akb.com,)	AGREEMENT CONTAINING
a corporation.)	CONSENT ORDER
)	
)	

The Federal Trade Commission (“FTC” or “Commission”) has conducted an investigation of certain acts and practices of Universal Appliances, Kitchens, and Baths, Inc., d/b/a universal-akb.com (“Respondent”). Respondent, having been represented by counsel, is willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore,

IT IS HEREBY AGREED by and between Universal Appliances, Kitchens, and Baths, Inc., d/b/a universal-akb.com, by its duly authorized officer, and counsel for the Federal Trade Commission that:

1. Respondent Universal Appliances, Kitchens, and Baths, Inc., d/b/a universal-akb.com is a California corporation with its principal office or place of business at 12050 Ventura Boulevard, Suite B-105, Studio City, CA 91604. Respondent maintains a website at www.universal-akb.com, which advertises, offers for sale, and sells a variety of products to retail customers, including refrigerators, freezers, clothes washers, dishwashers, and room air conditioners.
2. Respondent admits all the jurisdictional facts set forth in the draft complaint.
3. Respondent waives:
 - a. Any further procedural steps, including but not limited to those described in Sections 1.92-1.97 of the Commission’s Rules of Practice, 16 C.F.R. §§ 1.92-1.97, and the Energy Policy and Conservation Act, 42 U.S.C. § 6303(d);
 - b. The requirement that the Commission’s decision contain a statement of findings of fact and conclusions of law; and

- c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.
4. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, the Commission will issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.
5. This agreement is for settlement purposes only and Respondent denies that the law has been violated as alleged in the draft complaint, and that the facts as alleged in the draft complaint, other than the jurisdictional facts, are true.
6. This agreement contemplates that, if it is accepted by the Commission, the Commission may, without further notice to Respondent, (1) issue its complaint corresponding in form and substance with the attached draft complaint and its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery of the complaint and the decision and order to Respondent's address as stated in this agreement by any means specified in Section 4.4(a) of the Commission's Rules shall constitute service. Respondent waives any right it may have to any other manner of service. The complaint may be used in construing the terms of the order. No agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or contradict the terms of the order.
7. Respondent has read the draft complaint and consent order.

ORDER

DEFINITIONS

1. Unless otherwise specified, "Respondent" shall mean Universal Appliances, Kitchens, and Baths, Inc., d/b/a universal-akb.com and its successors and assigns.

I.

A. **IT IS ORDERED** that Respondent shall pay, pursuant to 42 U.S.C. § 6303(a) and FTC Rules of Practice, 16 C.F.R. §§ 1.97-1.98, a civil penalty in the amount of \$100,000 according to the following schedule. Respondents shall pay \$16,691 no later than five days after the date of service of the Consent Order, and every 30 days thereafter for the next 10 months Respondent shall make monthly installment payments of the balance plus interest calculated in accordance with 28 U.S.C. § 1961, of \$8,345.98 for the first 9 months and \$8,324.54 for the 10th

month. Respondent shall make these installment payments by electronic fund transfer to the Treasurer of the United States, pursuant to a procedure to be specified by Commission staff in writing.

B. To secure performance of Respondent's obligations under this Section and payment in full of the penalty, Respondents have provided to the Commission security interests as set forth in the Security Agreement attached hereto as Appendix A and incorporated herein as if fully set forth verbatim.

C. Respondent represents and acknowledges that the Commission is relying on:

1. Respondent's material representations that it is the sole owner of the inventory set forth in the Security Agreement, and such inventory is not encumbered by any lien, assignment, pledge, security interest, or other interest; and

2. The truthfulness, accuracy and completeness of Respondent's financial condition, as represented in Respondent's sworn financial statements, submitted to the Commission on May 19, 2010, along with Respondent's supporting financial documents (collectively, "Financial Statements").

D. In the event of any default by Respondent in making any monthly installment payment or satisfying any of its obligations under this Order, or if, upon motion by the Commission, a Court finds that Respondent failed to disclose any material asset or materially misstated the value of any asset in the Financial Statements or made any other material misstatement or omission in the Financial Statements, the penalty shall immediately become due and payable in its entirety, and the Commission shall be entitled to enforce its lien and pursue any and all other remedies available to it at law or equity. Further, interest on the penalty shall accrue, computed pursuant to 28 U.S.C. § 1961.

E. Respondent relinquishes all dominion, control, and title to the funds paid pursuant to this Order to the fullest extent permitted by law. Respondent shall make no claim to or demand for return of the funds, directly or indirectly, through counsel or otherwise.

F. The monetary payment required by this Order represents a civil penalty owed to the Commission, is not compensation for actual pecuniary loss, and, therefore, is not subject to discharge under the Bankruptcy Code pursuant to 11 U.S.C. § 523(a)(7). Respondent agrees that the facts as alleged in the Complaint filed in this action shall be taken as true, without further proof, in any subsequent civil litigation filed by or on behalf of the Commission solely to enforce its rights to any payment or money judgment pursuant to this Order. Nothing in this Order shall have precedential or preclusive effect as to any claim or issue asserted by any third party in any other proceeding.

Signed this _____ day of January, 2011

Universal Appliances, Kitchens, and Baths, Inc.,
d/b/a universal-akb.com

By: _____
Igor Royz, President
Universal Appliances, Kitchens, and Baths, Inc.

Michael A. Thurman
Loeb & Loeb LLP
Counsel for Respondent

LAURA SCHNEIDER
MATTHEW J. WILSHIRE
Counsel for the Federal Trade Commission

APPROVED:

JAMES A. KOHM
Associate Director for Enforcement
Bureau of Consumer Protection

DAVID C. VLADECK
Director
Bureau of Consumer Protection