



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

**Federal Trade Commission,**

Plaintiff,

v.

**JASON CARDIFF**, individually and as  
an owner, officer, director, or  
member of  
**REDWOOD SCIENTIFIC  
TECHNOLOGIES, INC.**, a  
California corporation;  
**REDWOOD SCIENTIFIC  
TECHNOLOGIES, Inc.**, a  
Nevada corporation;  
**REDWOOD SCIENTIFIC  
TECHNOLOGIES, Inc.**, a  
Delaware corporation;  
**IDENTIFY, LLC**, a Wyoming  
limited liability company;  
**ADVANCED MEN’S  
INSTITUTE PROLONGZ LLC**,  
d/b/a **AMI**, a California limited

No. ED 5:18-cv-02104-SJO-PLAx

~~[PROPOSED]~~ STIPULATED  
ORDER FOR PERMANENT  
INJUNCTION AND  
MONETARY JUDGMENT  
AS TO DEFENDANT  
DANIELLE CADIZ

1 liability company; and  
2 RUN AWAY PRODUCTS, LLC,  
3 a New York limited liability  
4 company; and both general and  
5 limited partner of  
6 CAROLS PLACE LIMITED  
7 PARTNERSHIP, an Arizona  
8 limited liability partnership;

7 **EUNJUNG CARDIFF**, a/k/a Eunjung  
8 Lee, a/k/a Eunjung No,  
9 individually and as an owner,  
10 officer, director, or member of  
11 REDWOOD SCIENTIFIC  
12 TECHNOLOGIES, INC., a  
13 California corporation;  
14 REDWOOD SCIENTIFIC  
15 TECHNOLOGIES, Inc., a  
16 Nevada corporation;  
17 REDWOOD SCIENTIFIC  
18 TECHNOLOGIES, Inc., a  
19 Delaware corporation;  
20 IDENTIFY, LLC, a Wyoming  
21 limited liability company;  
22 ADVANCED MEN'S  
23 INSTITUTE PROLONGZ LLC,  
24 d/b/a AMI, a California limited  
25 liability company; and  
26 RUN AWAY PRODUCTS, LLC,  
27 a New York limited liability  
28 company; and both general and  
limited partner of  
CAROLS PLACE LIMITED  
PARTNERSHIP, an Arizona  
limited liability partnership;

**DANIELLE CADIZ**, a/k/a Danielle  
Walker, individually;

1 **REDWOOD SCIENTIFIC**  
2 **TECHNOLOGIES, INC.**, a  
3 California corporation, also d/b/a  
4 Rengalife;

5 **REDWOOD SCIENTIFIC**  
6 **TECHNOLOGIES, INC.**, a  
7 Nevada corporation;

8 **REDWOOD SCIENTIFIC**  
9 **TECHNOLOGIES, INC.**, a  
10 Delaware corporation;

11 **IDENTIFY, LLC**, a Wyoming limited  
12 liability company;

13 **ADVANCED MEN’S INSTITUTE**  
14 **PROLONGZ LLC**, d/b/a AMI,  
15 a California limited liability  
16 company;

17 **RUN AWAY PRODUCTS, LLC**, a  
18 New York limited liability  
19 company; and

20 **CAROLS PLACE LIMITED**  
21 **PARTNERSHIP**, an Arizona  
22 limited liability partnership,

23 Defendants.

24 On October 3, 2018, Plaintiff, the Federal Trade Commission (“FTC” or  
25 “Commission”), filed its Complaint for Permanent Injunction and Other Equitable  
26 Relief pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC  
27 Act”), 15 U.S.C. § 53(b), the Restore Online Shoppers’ Confidence Act  
28 (“ROSCA”), 15 U.S.C. §§ 8401-8405, and the Electronic Fund Transfer Act  
29 (“EFTA”), 15 U.S.C. §§ 1693-1693r, and Section 6 of the Telemarketing and

1 Consumer Fraud and Abuse Prevention Act (the “Telemarketing Act”), 15 U.S.C.  
2 § 6105, and moved, pursuant to Fed. R. Civ. P. 65(b), for a temporary restraining  
3 order, asset freeze, other equitable relief, and an order to show cause why a  
4 preliminary injunction should not issue against Defendants Jason Cardiff, Eunjung  
5 Cardiff, a/k/a Eunjung Lee, a/k/a Eunjung No, Danielle Cadiz, a/k/a Danielle  
6 Walker, Redwood Scientific Technologies, Inc. (California), Redwood Scientific  
7 Technologies, Inc. (Nevada), Redwood Scientific Technologies, Inc. (Delaware),  
8 Identify, LLC, Advanced Men’s Institute Prolongz LLC, Run Away Products,  
9 LLC, and Carols Place Limited Partnership.

10 This Court entered a temporary restraining order (“TRO”) on October 10,  
11 2018. (Dkt. No. 29) On October 24, 2018, the Court extended the TRO as to  
12 Defendant Cadiz. (Dkt. No. 47) On November 7, 2018, the Court entered a  
13 stipulated Preliminary Injunction as to Defendant Cadiz. (Dkt. No. 55) On  
14 February 26, 2019, the Court entered a Corrected Stipulated Preliminary Injunction  
15 as to Defendant Cadiz. (Dkt. No. 86)

16 The Commission and Defendant Cadiz now agree to the entry of a Stipulated  
17 Order for Permanent Injunction and Monetary Judgment as to Defendant Danielle  
18 Cadiz (“Order”) to resolve all matters in dispute in this action between them.

19 **THEREFORE, IT IS ORDERED** as follows:

20 **FINDINGS**

21 The Stipulating Defendant and the FTC stipulate and the Court finds as  
22 follows:

- 23 1. This Court has jurisdiction over this matter.
- 24 2. The Complaint charges that Defendants participated in deceptive and  
25 unfair acts or practices in violation of Sections 5(a) and 12 of the FTC Act, 15  
26 U.S.C. §§ 45(a) and 52, Section 4 of ROSCA, 15 U.S.C. § 8403, Section 907(a) of  
27 EFTA, 15 U.S.C. § 1693e(a), Section 1005.10(b) of EFTA’s implementing  
28 Regulation E, 12 C.F.R. § 1005.10(b), and Section 310.4(b)(1)(v) of the FTC’s

1 Telemarketing Sales Rule (“TSR”), 16 C.F.R. § 310.4(b)(1)(v), in the marketing of  
2 Defendants’ oral film strips and the Rengalife multilevel marketing program.

3 3. Stipulating Defendant neither admits nor denies any of the allegations  
4 in the Complaint, except as specifically stated in this Order. Only for purposes of  
5 this action, Stipulating Defendant admits the facts necessary to establish  
6 jurisdiction.

7 4. Stipulating Defendant waives any claim that she may have under the  
8 Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this  
9 action through the date of this Order, and agrees to bear her own costs and attorney  
10 fees.

11 5. Stipulating Defendant and the Commission waive all rights to appeal  
12 or otherwise challenge or contest the validity of this Order.

### 13 DEFINITIONS

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

15 A. **“Billing Information”** means any data that enables any person to  
16 access a consumer’s account, such as a credit card, debit card, checking, savings,  
17 share or similar account, utility bill, or mortgage loan account.

18 B. **“Business Venture”** means any written or oral business arrangement,  
19 however denominated, whether or not covered by 16 C.F.R. Part 437, that consists  
20 of the payment of any consideration for the right or means to offer, sell, or  
21 distribute Goods or Services. The definition of Business Venture includes multi-  
22 level marketing programs.

23 C. **“Charge(s),” “Charged,” or “Charging”** means any attempt to  
24 collect money or other consideration from a consumer, including, but not limited  
25 to, causing Billing Information to be submitted for payment, including against the  
26 consumer’s credit card, debit card, bank account telephone bill, or other account.

1           D.    “**Clear(ly) and conspicuous(ly)**” means that a required disclosure is  
2 difficult to miss (i.e., easily noticeable) and easily understandable by ordinary  
3 consumers, including in all of the following ways:

- 4           1. In any communication that is solely visual or solely audible, the  
5 disclosure must be made through the same means through which  
6 the communication is presented. In any communication made  
7 through both visual and audible means, such as a television  
8 advertisement, the disclosure must be presented simultaneously in  
9 both the visual and audible portions of the communication even if  
10 the representation requiring the disclosure is made in only one  
11 means.
- 12           2. A visual disclosure, by its size, contrast, location, the length of  
13 time it appears, and other characteristics, must stand out from any  
14 accompanying text or other visual elements so that it is easily  
15 noticed, read, and understood.
- 16           3. An audible disclosure, including by telephone or streaming video,  
17 must be delivered in a volume, speed, and cadence sufficient for  
18 ordinary consumers to easily hear and understand it.
- 19           4. In any communication using an interactive electronic medium,  
20 such as the Internet or software, the disclosure must be  
21 unavoidable.
- 22           5. The disclosure must use diction and syntax understandable to  
23 ordinary consumers and must appear in each language in which the  
24 representation that requires the disclosure appears.
- 25           6. The disclosure must comply with these requirements in each  
26 medium through which it is received, including all electronic  
27 devices and face-to-face communications.
- 28

1           7. The disclosure must not be contradicted or mitigated by, or  
2           inconsistent with, anything else in the communication.

3           8. When the representation or sales practice targets a specific  
4           audience, such as children, the elderly, or the terminally ill,  
5           “ordinary consumers” includes reasonable members of that group.

6           E. **“Covered Product”** means any Dietary Supplement, Food, or Drug,  
7           including, but not limited to, TBX-FREE, Eupepsia Thin, Prolongz, or any other  
8           oral film strip product.

9           F. **“Defendant(s)”** means all of the Defendants, individually,  
10          collectively, or in any combination.

11          G. **“Dietary Supplement”** means: (1) any product labeled as a Dietary  
12          Supplement or otherwise represented as a Dietary Supplement; or (2) any pill,  
13          tablet, capsule, powder, softgel, gelcap, liquid, or other similar form containing one  
14          or more ingredients that are a vitamin, mineral, herb or other botanical, amino acid,  
15          probiotic, or other dietary substance for use by humans to supplement the diet by  
16          increasing the total dietary intake, or a concentrate, metabolite, constituent, extract,  
17          or combination of any ingredient described above, that is intended to be ingested,  
18          and is not represented to be used as a conventional Food or as a sole item of a meal  
19          or the diet.

20          H. **“Drug”** means: (1) articles recognized in the official United States  
21          Pharmacopoeia, official Homoeopathic Pharmacopoeia of the United States, or  
22          official National Formulary, or any supplement to any of them; (2) articles  
23          intended for use in the diagnosis, cure, mitigation, treatment, or prevention of  
24          disease in humans or other animals; (3) articles (other than food) intended to affect  
25          the structure or any function of the body of humans or other animals; and (4)  
26          articles intended for use as a component of any article specified in (1), (2), or (3);  
27          but does not include devices or their components, parts, or accessories.  
28

1 I. **“Essentially Equivalent Product”** means a product that contains the  
2 identical ingredients, except for inactive ingredients (e.g., binders, colors, fillers,  
3 excipients) in the same form and dosage, and with the same route of administration  
4 (e.g., orally, sublingually), as the Covered Product; *provided that* the Covered  
5 Product may contain additional ingredients if reliable scientific evidence generally  
6 accepted by experts in the field indicates that the amount and combination of  
7 additional ingredients is unlikely to impede or inhibit the effectiveness of the  
8 ingredients in the Essentially Equivalent Product.

9 J. **“Food”** means: (1) any article used for food or drink for humans or  
10 other animals; (2) chewing gum; and (3) any article used for components of any  
11 such article.

12 K. **“Good(s) or Service(s)”** includes merchandise, products, plans, or  
13 programs.

14 L. **“Investment Opportunity”** means anything, tangible or intangible,  
15 that is offered, offered for sale, sold, or traded based wholly or in part on  
16 representations, either express or implied, about past, present, or future income,  
17 profit, or appreciation.

18 M. **“Made in the United States”** means any representation, express or  
19 implied, that a product, or a specified component thereof, is of U.S.-origin,  
20 including a representation that such product is “made,” “manufactured,” “built,” or  
21 “produced” in the United States or in America, or any other U.S.-origin claim.

22 N. **“Negative Option Feature”** means, in an offer or agreement to sell or  
23 provide any Good or Service, a provision under which the consumer’s silence or  
24 failure to take affirmative action to reject a Good or Service, or to cancel the  
25 agreement, is interpreted by the seller or provider as acceptance or continuing  
26 acceptance of the offer.

27 O. **“Preauthorized Electronic Fund Transfer”** means an electronic  
28 fund transfer authorized in advance to recur at substantially regular intervals.



1 P. **“Stipulating Defendant”** means Danielle Cadiz, a/k/a Danielle  
2 Walker.

3 Q. **“Telemarketing”** means any plan, program, or campaign that is  
4 conducted to induce the purchase of Goods or Services or a charitable contribution,  
5 by use of one or more telephones and which involves more than one interstate  
6 telephone call.

7 **ORDER**

8 **I. PROHIBITED REPRESENTATIONS REGARDING HEALTH-**  
9 **RELATED CLAIMS REQUIRING HUMAN CLINICAL TESTING**  
10 **FOR SUBSTANTIATION**

11 **IT IS ORDERED** that Stipulating Defendant, Stipulating Defendant’s  
12 officers, agents, employees, and attorneys, and all other persons in active concert  
13 or participation with any of them, who receive actual notice of this Order, whether  
14 acting directly or indirectly, in connection with the manufacturing, labeling,  
15 advertising, promotion, offering for sale, sale, or distribution of any Covered  
16 Product, are permanently restrained and enjoined from making, or assisting others  
17 in making, expressly or by implication, including through the use of a product  
18 name, endorsement, depiction, or illustration, any representation that such product:

19 A. Helps users quit smoking, including any specific representation about  
20 success rates or the ease or speed of quitting;

21 B. Causes or assists in causing weight loss, including any specific  
22 representation about the amount of weight loss;

23 C. Suppresses or helps suppress appetite;

24 D. Causes or assists in causing weight loss without dieting or any change  
25 in food or lifestyle;

26 E. Helps users avoid gaining back any weight they lost;

27 F. Increases ejaculation control or the duration of sex;

28 G. Treats or prevents premature ejaculation;

1 H. Cures, mitigates, or treats any disease; or

2 I. Is comparable or superior to other treatments for quitting smoking,  
3 weight loss, or sexual performance, or in curing, mitigating, or treating any  
4 disease,

5 unless the representation is non-misleading, and, at the time of making such  
6 representation, Stipulating Defendant possesses and relies upon competent and  
7 reliable scientific evidence substantiating that the representation is true. For  
8 purposes of this Section, competent and reliable scientific evidence shall consist of  
9 human clinical testing of the Covered Product, or of an Essentially Equivalent  
10 Product, that is sufficient in quality and quantity based on standards generally  
11 accepted by experts in the relevant disease, condition, or function to which the  
12 representation relates, when considered in light of the entire body of relevant and  
13 reliable scientific evidence, to substantiate that the representation is true. Such  
14 testing must be: (1) randomized, double-blind, and placebo-controlled; and (2)  
15 conducted by researchers qualified by training and experience to conduct such  
16 testing. In addition, all underlying or supporting data and documents generally  
17 accepted by experts in the field as relevant to an assessment of such testing as  
18 described in the Section entitled Preservation of Records Relating to Competent  
19 and Reliable Human Clinical Tests or Studies must be available for inspection and  
20 production to the Commission. Persons covered by this Section have the burden of  
21 proving that a product satisfies the definition of Essentially Equivalent Product.

22 **II. PROHIBITED REPRESENTATIONS REGARDING OTHER**  
23 **HEALTH-RELATED CLAIMS**

24 **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
25 Defendant's officers, agents, employees, and attorneys, and all other persons in  
26 active concert or participation with any of them, who receive actual notice of this  
27 Order, whether acting directly or indirectly, in connection with the manufacturing,  
28 labeling, advertising, promotion, offering for sale, sale, or distribution of any

1 Covered Product, are permanently restrained and enjoined from making, or  
2 assisting others in making, expressly or by implication, including through the use  
3 of a product name, endorsement, depiction, or illustration, any representation, other  
4 than representations covered under the Section of this Order entitled Prohibited  
5 Representations: Health-Related Claims Requiring Human Clinical Testing For  
6 Substantiation, about the health benefits, performance, efficacy, safety, or side  
7 effects of the product, unless the representation is non-misleading, and, at the time  
8 of making such representation, Stipulating Defendant possesses and relies upon  
9 competent and reliable scientific evidence that is sufficient in quality and quantity  
10 based on standards generally accepted by experts in the relevant disease, condition,  
11 or function to which the representation relates, when considered in light of the  
12 entire body of relevant and reliable scientific evidence, to substantiate that the  
13 representation is true.

14 For purposes of this Section, competent and reliable scientific evidence  
15 means tests, analyses, research, or studies (1) that have been conducted and  
16 evaluated in an objective manner by experts in the relevant disease, condition, or  
17 function to which the representation relates; (2) that are generally accepted by such  
18 experts to yield accurate and reliable results; and (3) that are randomized, double-  
19 blind, and placebo-controlled human clinical testing of the Covered Product, or of  
20 an Essentially Equivalent Product, when such experts would generally require such  
21 human clinical testing to substantiate that the representation is true. In addition,  
22 when such tests or studies are human clinical tests or studies, all underlying or  
23 supporting data and documents generally accepted by experts in the field as  
24 relevant to an assessment of such testing as set forth in the Section entitled  
25 Preservation of Records Relating to Competent and Reliable Human Clinical Tests  
26 or Studies must be available for inspection and production to the Commission.  
27 Persons covered by this Section have the burden of proving that a product satisfies  
28 the definition of Essentially Equivalent Product.

1 **III. PRESERVATION OF RECORDS RELATING TO COMPETENT**  
2 **AND RELIABLE HUMAN CLINICAL TESTS OR STUDIES**

3 **IT IS FURTHER ORDERED** that, with regard to any human clinical test  
4 or study (“test”) upon which Stipulating Defendant relies to substantiate any claim  
5 covered by this Order, she shall secure and preserve all underlying or supporting  
6 data and documents generally accepted by experts in the field as relevant to an  
7 assessment of the test, including:

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

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

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

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

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

25 *Provided, however,* the preceding preservation requirement does not apply to a  
26 reliably reported test, unless the test was conducted, controlled, or sponsored, in  
27 whole or in part by: (1) Stipulating Defendant; (2) Stipulating Defendant’s officers,  
28 agents, representatives, or employees; (3) any other person or entity in active

1 concert or participation with Stipulating Defendant; (4) any person or entity  
2 affiliated with or acting on behalf of Stipulating Defendant; (5) any supplier of any  
3 ingredient contained in the product at issue to any of the foregoing or to the  
4 product's manufacturer; or (6) the supplier or manufacturer of such product.

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

9 For any test conducted, controlled, or sponsored, in whole or in part, by  
10 Stipulating Defendant, Stipulating Defendant must establish and maintain  
11 reasonable procedures to protect the confidentiality, security, and integrity of any  
12 personal information collected from or about participants. These procedures must  
13 be documented in writing and must contain administrative, technical, and physical  
14 safeguards appropriate to the size and complexity of the entity sponsoring the test,  
15 the nature and scope of that entity's activities, and the sensitivity of the personal  
16 information collected from or about the participants.

17 **IV. PROHIBITED MISREPRESENTATIONS REGARDING TESTS,**  
18 **STUDIES, OR OTHER RESEARCH**

19 **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
20 Defendant's officers, agents, employees, and attorneys, and all other persons in  
21 active concert or participation with any of them, who receive actual notice of this  
22 Order, whether acting directly or indirectly, in connection with the manufacturing,  
23 labeling, advertising, promotion, offering for sale, sale, or distribution of any  
24 Covered Product are permanently restrained and enjoined from misrepresenting, or  
25 assisting others in misrepresenting, expressly or by implication, including through  
26 the use of any product name, endorsement, depiction, or illustration:  
27  
28

1 A. That the product is clinically proven to:

- 2 1. Help users quit smoking, including any specific representation
- 3 about success rates or the ease or speed of quitting;
- 4 2. Cause or assist in causing weight loss, including any specific
- 5 representation about the amount of weight loss;
- 6 3. Suppress or help suppress appetite;
- 7 4. Cause or assist in causing weight loss without dieting or any
- 8 change in food or lifestyle;
- 9 5. Help users avoid gaining back any weight they lost;
- 10 6. Increase ejaculation control or the duration of sex; or
- 11 7. Treat or prevent premature ejaculation;
- 12 8. Be comparable or superior to other treatments for quitting
- 13 smoking;

14 B. That the performance or benefits of the product are scientifically or  
15 clinically proven or otherwise established; or

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

18 **V. FDA-APPROVED CLAIMS**

19 **IT IS FURTHER ORDERED** that nothing in this Order prohibits  
20 Stipulating Defendant, Stipulating Defendant's officers, agents, employees, and  
21 attorneys, or all other persons in active concert or participation with any of them  
22 from:

23 A. For any Drug, making a representation that is approved in labeling for  
24 such Drug under any tentative final or final monograph promulgated by the Food  
25 and Drug Administration, or under any new drug application approved by the Food  
26 and Drug Administration; and

27 B. For any product, making a representation that is specifically  
28 authorized for use in labeling for such product by regulations promulgated by the

1 Food and Drug Administration pursuant to the Nutrition Labeling and Education  
2 Act of 1990 or permitted under Sections 303-304 of the Food and Drug  
3 Administration Modernization Act of 1997.

4 **VI. PROHIBITION AGAINST MISREPRESENTATIONS OR**  
5 **UNSUBSTANTIATED CLAIMS REGARDING EARNINGS**

6 **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
7 Defendant's officers, agents, employees, and attorneys, and all other persons in  
8 active concert or participation with any of them, who receive actual notice of this  
9 Order, whether acting directly or indirectly, in connection with the advertising,  
10 promotion, offering for sale, or sale of any Good or Service, including Business  
11 Ventures or Investment Opportunities, are permanently restrained and enjoined  
12 from:

13 A. Misrepresenting, or assisting others in misrepresenting, expressly or  
14 by implication, including through the use of any program name, endorsement,  
15 lifestyle description, depiction, or illustration, any material fact, including:

- 16 1. That participants will or are likely to achieve substantial sales  
17 or earn substantial income or profit;
- 18 2. The amount of sales, income, or profit that participants have  
19 actually earned;
- 20 3. The amount of time or effort required to earn an amount of  
21 compensation or to advance; or
- 22 4. The total costs or any material restrictions, limitations, or  
23 conditions;

24 B. Making any representation, expressly or by implication, including  
25 through the use of any program name, endorsement, lifestyle description,  
26 depiction, or illustration, regarding the amount of sales, income, or profit that a  
27 participant can expect to earn, including that participants will or are likely to  
28 achieve substantial sales or earn substantial income or profit, unless the

1 representation is true, not misleading, and, at the time it is made, Stipulating  
2 Defendant possesses and relies upon competent and reliable evidence that is  
3 sufficient to substantiate that the representation is true.

4 **VII. PROHIBITED MISREPRESENTATIONS REGARDING**  
5 **ENDORSEMENTS**

6 **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
7 Defendant's officers, agents, employees, and attorneys, and all other persons in  
8 active concert or participation with any of them, who receive actual notice of this  
9 Order, whether acting directly or indirectly, in connection with the manufacturing,  
10 labeling, advertising, promotion, offering for sale, sale, or distribution of any Good  
11 or Service, are permanently restrained and enjoined from making, or assisting  
12 others in making, any misrepresentation, expressly or by implication, about the  
13 status of any endorser or person providing a review of the Good or Service,  
14 including a misrepresentation that the endorser or reviewer is an independent or  
15 ordinary user of the Good or Service.

16 **VIII. PROHIBITED MISREPRESENTATIONS REGARDING U.S.**  
17 **ORIGIN CLAIMS**

18 **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
19 Defendant's officers, agents, employees, and attorneys, and all other persons in  
20 active concert or participation with any of them, who receive actual notice of this  
21 Order, whether acting directly or indirectly, in connection with the manufacturing,  
22 labeling, advertising, promotion, offering for sale, sale, or distribution of any  
23 Covered Product, or any other product, are permanently restrained and enjoined  
24 from making, or assisting others in making, any representation, expressly or by  
25 implication, that it is Made in the United States unless:

26 A. The final assembly or processing of the product occurs in the United  
27 States, all significant processing that goes into the product occurs in the United  
28



1 States, and all or virtually all ingredients or components of the product are made  
2 and sourced in the United States; or

3 B. A Clear and Conspicuous qualification appears immediately adjacent  
4 to the representation that accurately conveys the extent to which the product  
5 contains foreign parts, ingredients or components, and/or processing; or

6 C. For a claim that a product is assembled in the United States, the  
7 product is last substantially transformed in the United States, the product's  
8 principal assembly takes place in the United States, and United States assembly  
9 operations are substantial.

10 **IX. PROHIBITED MISREPRESENTATIONS OF OTHER MATERIAL**  
11 **FACTS**

12 **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
13 Defendant's officers, agents, employees, and attorneys, and all other persons in  
14 active concert or participation with any of them, who receive actual notice of this  
15 Order, whether acting directly or indirectly, in connection with the manufacturing,  
16 labeling, advertising, promotion, offering for sale, sale, or distribution of any Good  
17 or Service are permanently restrained and enjoined from misrepresenting, or  
18 assisting others in misrepresenting, expressly or by implication, including through  
19 the use of any product name, endorsement, depiction, or illustration, any material  
20 fact concerning such Good or Service, including:

- 21 A. The success rate or rate of customer satisfaction;  
22 B. The total costs;  
23 C. Any refund policy;  
24 D. Any material restrictions, limitations, or conditions, including any  
25 conditions that might limit certain consumers' ability to obtain the full benefits of  
26 the proffered Good or Service; or  
27  
28

1 E. Any material aspect of its performance, efficacy, nature, or central  
2 characteristics, including that the benefits of the proffered Good or Service can be  
3 obtained quickly or easily.

4 **X. PERMANENT BAN ON ROBOCALLS AND RINGLESS**  
5 **VOICEMAILS**

6 **IT IS FURTHER ORDERED** that Stipulating Defendant is permanently  
7 restrained and enjoined from initiating telephone calls delivering prerecorded  
8 messages, including ringless voicemails, whether directly or through an  
9 intermediary.

10 **XI. PROHIBITION AGAINST MISREPRESENTATIONS REGARDING**  
11 **NEGATIVE OPTION SALES**

12 **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
13 Defendant's officers, agents, employees, and attorneys, and all other persons in  
14 active concert or participation with any of them, who receive actual notice of this  
15 Order, whether acting directly or indirectly, in connection with the advertising,  
16 promotion, offering for sale, or sale of any Good or Service with a Negative  
17 Option Feature, are permanently restrained and enjoined from misrepresenting, or  
18 assisting others in misrepresenting, expressly or by implication, any material fact,  
19 including:

20 A. Any cost to the consumer to purchase, receive, use, or return the  
21 initial Good or Service;

22 B. That the consumer will not be Charged for any Good or Service;

23 C. That a Good or Service is offered on a "free," "trial," "sample,"  
24 "bonus," "gift," "no obligation," or "discounted" basis, or words of similar import,  
25 denoting or implying the absence of an obligation on the part of the recipient of the  
26 offer to affirmatively act in order to avoid Charges, including where a Charge will  
27 be assessed pursuant to the offer unless the consumer takes affirmative steps to  
28 prevent or stop such a Charge;

1 D. The timing or manner of any Charge or bill;

2 E. That the consumer can obtain a Good or Service for a processing,  
3 service, shipping, handling, or administrative fee with no further obligation;

4 F. The purpose(s) for which the consumer's Billing Information will be  
5 used;

6 G. The date by which the consumer will incur any obligation or be  
7 Charged unless the consumer takes an affirmative action on the Negative Option  
8 Feature;

9 H. That a transaction has been authorized by the consumer; or

10 I. Any material aspect of the nature or terms of a refund, cancellation,  
11 exchange, or repurchase policy for the Good or Service.

12 Compliance with this Section is separate from, and in addition to, the disclosures  
13 required by Sections entitled Required Disclosures Relating to Negative Option  
14 Features and Obtaining Express Informed Consent.

15 **XII. REQUIRED DISCLOSURES RELATING TO NEGATIVE OPTION**  
16 **FEATURES**

17 **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
18 Defendant's officers, agents, employees, and attorneys, and all other persons in  
19 active concert or participation with any of them, who receive actual notice of this  
20 Order, whether acting directly or indirectly, in connection with the advertising,  
21 promotion, offering for sale, or sale of any Good or Service with a Negative  
22 Option Feature, are permanently restrained and enjoined from:

23 A. Representing, or assisting others in representing, expressly or by  
24 implication, that any Good or Service is being offered on a free, trial, no  
25 obligation, reduced, or discounted basis, without disclosing Clearly and  
26 Conspicuously, and immediately adjacent to, any such representation:

27 1. The extent to which the consumer must take affirmative  
28 action(s) to avoid any Charges: (a) for the offered Good or Service, (b) of

1 an increased amount after the trial or promotional period ends, and (c) on a  
2 recurring basis;

3 2. The total cost (or range of costs) the consumer will be Charged  
4 and, if applicable, the frequency of such Charges unless the consumer timely  
5 takes steps to prevent or stop such Charges; and

6 3. The deadline(s) (by date or frequency) by which the consumer  
7 must affirmatively act in order to stop all recurring Charges.

8 B. Obtaining Billing Information from a consumer for any transaction  
9 without first disclosing Clearly and Conspicuously, and immediately adjacent to  
10 where a consumer provides Billing Information:

11 1. The extent to which the consumer must take affirmative  
12 action(s) to avoid any Charges: (a) for the offered Good or Service, (b) of  
13 an increased amount after the trial or promotional period ends, and (c) on a  
14 recurring basis;

15 2. The total cost (or range of costs) the consumer will be Charged,  
16 the date the initial Charge will be submitted for payment, and, if applicable,  
17 the frequency of such Charges unless the consumer timely takes affirmative  
18 steps to prevent or stop such Charges;

19 3. The deadline(s) (by date or frequency) by which the consumer  
20 must affirmatively act in order to stop all recurring Charges;

21 4. The name of the seller or provider of the Good or Service and,  
22 if the name of the seller or provider will not appear on billing statements, the  
23 billing descriptor that will appear on such statements;

24 5. A description of the Good or Service;

25 6. Any Charge or cost for which the consumer is responsible in  
26 connection with the cancellation of an order or the return of a good; and  
27  
28

1           7.       The simple cancellation mechanism to stop any recurring  
2 Charges, as required by the Section entitled Simple Mechanism to Cancel  
3 Negative Option Feature.

4       C.       Failing to send the consumer:

5           1.       Immediately after the consumer’s submission of an online  
6 order, written confirmation of the transaction by email. The email must  
7 Clearly and Conspicuously disclose all the information required by  
8 Subsection XII.B, and contain a subject line reading “Order Confirmation”  
9 along with the name of the Good or Service, and no additional information;  
10 or

11           2.       Within two (2) days after receipt of the consumer’s order by  
12 mail or telephone, a written confirmation of the transaction, either by email  
13 or first class mail. The email or letter must Clearly and Conspicuously  
14 disclose all the information required by Subsection XII.B. The subject line  
15 of the email must Clearly and Conspicuously state “Order Confirmation”  
16 along with the name of the Good or Service, and nothing else. The outside  
17 of the envelope must Clearly and Conspicuously state “Order Confirmation”  
18 along with the name of the product or service, and no additional information  
19 other than the consumer’s address, the Stipulating Defendant’s return  
20 address, and postage.

21 **XIII. OBTAINING EXPRESS INFORMED CONSENT**

22       **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
23 Defendant’s officers, agents, employees, and attorneys, and all other persons in  
24 active concert or participation with any of them, who receive actual notice of this  
25 Order, whether acting directly or indirectly, in connection with the advertising,  
26 promotion, offering for sale, or sale of any Good or Service with a Negative  
27 Option Feature, are permanently restrained and enjoined from using, or assisting  
28 others in using, Billing Information to obtain payment from a consumer, unless

1 Stipulating Defendant first obtains the express informed consent of the consumer  
2 to do so. To obtain express informed consent, Stipulating Defendant must:

3 A. For all written offers (including over the Internet or other web-based  
4 applications or services), obtain consent through a check box, signature, or other  
5 substantially similar method, which the consumer must affirmatively select or sign  
6 to accept the Negative Option Feature, and no other portion of the offer.

7 Defendant shall disclose Clearly and Conspicuously, and immediately adjacent to  
8 such check box, signature, or substantially similar method of affirmative consent,  
9 only the following, with no additional information:

10 1. The extent to which the consumer must take affirmative  
11 action(s) to avoid any Charges: a) for the offered Good or Service, b) of an  
12 increased amount after the trial or promotional period ends, and c) on a  
13 recurring basis;

14 2. The total cost (or range of costs) the consumer will be Charged  
15 and, if applicable, the frequency of such Charges unless the consumer timely  
16 takes affirmative steps to prevent or stop such Charges; and

17 3. The deadline(s) (by date or frequency) by which the consumer  
18 must affirmatively act in order to stop all recurring Charges.

19 B. For all oral offers, prior to obtaining any Billing Information from the  
20 consumer:

21 1. Clearly and Conspicuously disclose the information contained  
22 in Subsection XII.B; and

23 2. Obtain affirmative unambiguous express oral confirmation that  
24 the consumer: a) consents to being Charged for any Good or Service,  
25 including providing, at a minimum, the last four (4) digits of the consumer's  
26 account number to be Charged, b) understands that the transaction includes a  
27 Negative Option Feature, and c) understands the specific affirmative steps  
28 the consumer must take to prevent or stop further Charges.

1           *Provided further* that, for transactions conducted through Telemarketing,  
2           Stipulating Defendant shall maintain for three (3) years from the date of  
3           each transaction an unedited voice recording of the entire transaction,  
4           including the prescribed statements set out in Subsection XII.B. Each  
5           recording must be retrievable by date and by the consumer's name,  
6           telephone number, or Billing Information, and must be provided upon  
7           request to the consumer, the consumer's bank, or any law enforcement  
8           entity.

9           **XIV. SIMPLE MECHANISM TO CANCEL NEGATIVE OPTION**  
10           **FEATURE**

11           **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
12           Defendant's officers, agents, employees, attorneys, and all other persons in active  
13           concert or participation with any of them, who receive actual notice of this Order,  
14           whether acting directly or indirectly, in connection with the advertising, promotion,  
15           offering for sale, or sale of any Good or Service with a Negative Option Feature,  
16           are permanently restrained and enjoined from failing to provide a simple  
17           mechanism for the consumer to: (1) avoid being Charged, or Charged an increased  
18           amount, for the Good or Service and (2) immediately stop any recurring Charges.  
19           Such mechanism must not be difficult, costly, confusing, or time consuming, and  
20           must be at least as simple as the mechanism the consumer used to initiate the  
21           Charge(s). In addition:

22           A.     For consumers who entered into the agreement to purchase a Good or  
23           Service including a Negative Option Feature over the Internet or through other  
24           web-based applications or services, Stipulating Defendant must provide a  
25           mechanism, accessible over the Internet or through such other web-based  
26           application or service that consumers can easily use to cancel the Good or Service  
27           and to immediately stop all further Charges.

1           B. For consumers who entered into the agreement to purchase a Good or  
2 Service including a Negative Option Feature through an oral offer and acceptance,  
3 Stipulating Defendant must maintain a telephone number and a postal address that  
4 consumers can easily use to cancel the Good or Service and to immediately stop all  
5 further Charges. Stipulating Defendant must assure that all calls to this telephone  
6 number shall be answered during normal business hours and that mail to the postal  
7 address is retrieved regularly.

8 **XV. PROHIBITION AGAINST UNAUTHORIZED CHARGES**

9           **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
10 Defendant’s officers, agents, employees, and attorneys, and all other persons in  
11 active concert or participation with any of them, who receive actual notice of this  
12 Order, whether acting directly or indirectly, in connection with the advertising,  
13 promotion, offering for sale, or sale of any Good or Service without a Negative  
14 Option Feature, are permanently restrained and enjoined from Charging, causing to  
15 be Charged, assisting others in Charging, or attempting to Charge any consumer,  
16 without obtaining the consumer’s express informed consent to the Charge and  
17 having created and maintained a record of such consent.

18 **XVI. PROHIBITION AGAINST DEBITING CONSUMERS’ BANK**  
19 **ACCOUNTS WITHOUT AUTHORIZATION**

20           **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
21 Defendant’s officers, agents, employees, and attorneys, and all other persons in  
22 active concert or participation with any of them, who receive actual notice of this  
23 Order, whether acting directly or indirectly, in connection with the sale of any  
24 Good or Service, are permanently restrained and enjoined from:

25           A. Failing to timely obtain written authorization signed or similarly  
26 authenticated by the consumer for any Preauthorized Electronic Fund Transfer  
27 from a consumer’s account before initiating any Preauthorized Electronic Fund  
28 Transfer; and



1 B. Failing to provide to the consumer a copy of a valid written  
2 authorization signed or similarly authenticated by the consumer for any  
3 Preauthorized Electronic Fund Transfer from a consumer's account.

4 **XVII. MONETARY JUDGMENT AND SUSPENSION**

5 **IT IS FURTHER ORDERED that:**

6 A. Judgment in the amount of Eighteen Million Two Hundred Thousand  
7 Dollars (\$18,200,000) is entered in favor of the Commission against Stipulating  
8 Defendant as equitable monetary relief.

9 B. This judgment is suspended, subject to the Subsections below.

10 C. The Commission's agreement to the suspension of the judgment is  
11 expressly premised upon the truthfulness, accuracy, and completeness of  
12 Stipulating Defendant's sworn financial statements and related documents  
13 (collectively, "financial representations") submitted to the Commission, namely:

14 1. The Financial Statement of Individual Defendant Danielle  
15 Walker a/k/a Danielle Cadiz signed on October 18, 2018, including the 4  
16 .zip file attachments containing supporting documentation;

17 2. The additional documentation submitted by secure electronic  
18 transmission from Stipulating Defendant's counsel Jesse Thaler to  
19 Commission counsel Elizabeth Sanger on October 19, 2018, including:

- 20 a. Statement of Policy Cost and Benefit Information  
21 (Protective Life Insurance Company);
- 22 b. A list of credit accounts issued in the name of Stipulating  
23 Defendant and/or her spouse;
- 24 c. A statement specifying Stipulating Defendant's income  
25 from Runaway Products for the years 2013 through 2015;  
26 and
- 27 d. A 20-page document titled, "Misc Items in  
28 possession.pdf," containing information about the

1 employment and income of Stipulating Defendant and her  
2 spouse, Stipulating Defendant's stock holdings, and  
3 Stipulating Defendant's retirement plan;

4 3. The Declaration of Danielle Cadiz Re: Business Activities and  
5 Employment Since Redwood Scientific Technologies, Inc. signed on  
6 October 19, 2018.

7 D. The suspension of the judgment will be lifted as to Stipulating  
8 Defendant if, upon motion by the Commission, the Court finds that Stipulating  
9 Defendant failed to disclose any material asset, materially misstated the value of  
10 any asset, or made any other material misstatement or omission in the financial  
11 representations identified above.

12 E. If the suspension of the judgment is lifted, the judgment becomes  
13 immediately due as to Stipulating Defendant in the amount specified in Subsection  
14 A above (which the parties stipulate only for purposes of this Section represents  
15 the consumer injury alleged in the Complaint), less any payment previously made  
16 pursuant to this Section, and any payment(s) made by or on behalf of any other  
17 Defendant to the Commission pursuant to a Final Order in this action, plus interest  
18 computed from the date of entry of this Order.

19 **XVIII. ADDITIONAL MONETARY PROVISIONS**

20 **IT IS FURTHER ORDERED that:**

21 A. Stipulating Defendant relinquishes dominion and all legal and  
22 equitable right, title, and interest in all assets transferred pursuant to this Order and  
23 may not seek the return of any assets.

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

1 C. The facts alleged in the Complaint establish all elements necessary to  
2 sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the  
3 Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral  
4 estoppel effect for such purposes.

5 D. Stipulating Defendant acknowledges that her Taxpayer Identification  
6 Numbers (Social Security Numbers or Employer Identification Numbers), which  
7 she previously submitted to the Commission, may be used for collecting and  
8 reporting on any delinquent amount arising out of this Order, in accordance with  
9 31 U.S.C. § 7701.

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

22 F. The Asset freeze of the February 26, 2019, Corrected Stipulated  
23 Preliminary Injunction as to Defendant Danielle Cadiz (Dkt. No. 86) is dissolved  
24 as to Stipulating Defendant and any preliminary injunction as to Stipulating  
25 Defendant is superseded by this Order. All Assets of Stipulating Defendant shall  
26 be released upon entry of this Order, including Stipulating Defendant's Capital  
27 One account ending #6016; Capital One account ending #8075; US Bank account  
28 ending #9004; Bank of America account ending #6326; and interest in the real

1 property in Elsinore, CA reported in the Financial Statement listed in Section  
2 XVII.C.1 of this Order as Stipulating Defendant's primary residence.

3 **XIX. CUSTOMER INFORMATION**

4 **IT IS FURTHER ORDERED** that Stipulating Defendant, Stipulating  
5 Defendant's officers, agents, employees, and attorneys, and all other persons in  
6 active concert or participation with any of them, who receive actual notice of this  
7 Order, whether acting directly or indirectly, are permanently restrained and  
8 enjoined from:

9 A. Disclosing, using, or benefitting, or assisting others in disclosing,  
10 using, or benefitting, from customer information, including the name, address,  
11 telephone number, email address, social security number, other identifying  
12 information, or any data that enables access to a customer's account (including a  
13 credit card, bank account, or other financial account), that Stipulating Defendant  
14 obtained prior to entry of this Order in connection with the advertising, promotion,  
15 offering for sale, or sale of Defendants' oral film strips or Rengalife; and

16 B. Failing to destroy such customer information in all forms in her  
17 possession, custody, or control within 30 days after entry of this Order.

18 *Provided, however,* that customer information need not be disposed of, and  
19 may be disclosed, to the extent requested by a government agency or required by  
20 law, regulation, or court order.

21 **XX. COOPERATION**

22 **IT IS FURTHER ORDERED** that Stipulating Defendant must fully  
23 cooperate with representatives of the Commission and the court-appointed  
24 Receiver in this case and in any investigation related to or associated with the  
25 transactions or the occurrences that are the subject of the Complaint. Stipulating  
26 Defendant must provide truthful and complete information, evidence, and  
27 testimony. Stipulating Defendant must appear for interviews, discovery, hearings,  
28 trials, and any other proceedings that a representative of the Commission or the

1 Receiver may reasonably request upon 7 days' written notice, or other reasonable  
2 notice, at such places and times as a Commission representative may designate,  
3 without the service of a subpoena.

4 **XXI. ORDER ACKNOWLEDGMENTS**

5 **IT IS FURTHER ORDERED** that Stipulating Defendant obtain  
6 acknowledgments of receipt of this Order:

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

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

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

24 **XXII. COMPLIANCE REPORTING**

25 **IT IS FURTHER ORDERED** that Stipulating Defendant make timely  
26 submissions to the Commission:

27 A. One year after entry of this Order, Stipulating Defendant must submit  
28 a compliance report, sworn under penalty of perjury. Stipulating Defendant must:

1           1.       Identify all telephone numbers and all physical, postal, email  
2           and Internet addresses, including all residences;

3           2.       Identify all business activities, including any business for which  
4           she performs services whether as an employee or otherwise and any entity in  
5           which she has any ownership interest;

6           3.       Describe in detail her involvement in each such business,  
7           including title, role, responsibilities, participation, authority, control, and any  
8           ownership;

9           4.       Identify the primary physical, postal, and email address and  
10          telephone number, as designated points of contact, which representatives of  
11          the Commission may use to communicate with Stipulating Defendant;

12          5.       Identify all of her businesses by all of their names, telephone  
13          numbers, and physical, postal, email, and Internet addresses;

14          6.       Describe the activities of each business, including the Goods or  
15          Services offered, the means of manufacturing, labeling, advertising,  
16          promotion, offering for sale, sale or distribution, and the involvement of any  
17          other Defendant (which Stipulating Defendant must describe if she knows or  
18          should know due to her own involvement);

19          7.       Describe in detail whether and how Stipulating Defendant is in  
20          compliance with each Section of this Order; and

21          8.       Provide a copy of each Order Acknowledgment obtained  
22          pursuant to this Order, unless previously submitted to the Commission.

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

26               1.       Name, including aliases or fictitious name, or residence  
27               address;

1           2.       Title or role in any business activity, including any business for  
2           which she performs services whether as an employee or otherwise and any  
3           entity in which Stipulating Defendant has any ownership interest, and  
4           identify the name, physical address, and any Internet address of the business  
5           or entity;

6           3.       Any designated point of contact; or

7           4.       The structure of any entity that Stipulating Defendant has any  
8           ownership interest in or controls directly or indirectly that may affect  
9           compliance obligations arising under this Order, including: creation,  
10          merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate  
11          that engages in any acts or practices subject to this Order.

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

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

21          E.       Unless otherwise directed by a Commission representative in writing,  
22          all submissions to the Commission pursuant to this Order must be emailed to  
23          DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to:  
24          Associate Director for Enforcement, Bureau of Consumer Protection, Federal  
25          Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The  
26          subject line must begin: FTC v. Danielle Cadiz, X190001.

1 **XXIII. RECORDKEEPING**

2 **IT IS FURTHER ORDERED** that Stipulating Defendant must create  
3 certain records for 10 years after entry of the Order, and retain each such record for  
4 5 years. Specifically, Stipulating Defendant, for any business that she, individually  
5 or collectively with Jason Cardiff, Eunjung Cardiff, or any Defendant, is a majority  
6 owner or controls directly or indirectly, must create and retain the following  
7 records:

8 A. Accounting records showing the revenues from all Goods or Services  
9 sold;

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

14 C. Records of all consumer complaints and refund requests concerning  
15 the subject matter of this Order, whether received directly or indirectly, such as  
16 through a third party, and any response;

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

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

20 **XXIV. COMPLIANCE MONITORING**

21 **IT IS FURTHER ORDERED** that, for the purpose of monitoring  
22 Stipulating Defendant's compliance with this Order, including the financial  
23 representations upon which the judgment was suspended:

24 A. Within 14 days of receipt of a written request from a representative of  
25 the Commission, Stipulating Defendant must: submit additional compliance  
26 reports or other requested information, which must be sworn under penalty of  
27 perjury; appear for depositions; and produce documents for inspection and  
28 copying. The Commission is also authorized to obtain discovery, without further



1 leave of court, using any of the procedures prescribed by Federal Rules of Civil  
2 Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.

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

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

14 D. Upon written request from a representative of the Commission, any  
15 consumer reporting agency must furnish consumer reports concerning Stipulating  
16 Defendant, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C.  
17 §1681b(a)(1).

18 **XXV. RETENTION OF JURISDICTION**

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

21 **XXVI. LIMITED EFFECT OF THIS ORDER**

22 **IT IS FURTHER ORDERED** that this Order is entered pursuant to the  
23 agreement of the Stipulating Defendant and the FTC. The approval of the terms of  
24 this Order will not affect a later determination as to whether the same or similar  
25 terms proposed by the FTC are appropriate with respect to any other Defendant in  
26  
27  
28

1 this matter. Any such later determinations will be made based on a de novo review  
2 of the relevant facts and circumstances.

3  
4 **For Plaintiff Federal Trade Commission:**

5 Dated: March \_\_, 2019

6 ELIZABETH JONES SANGER  
7 esanger@ftc.gov; (202) 326-2757  
8 SHIRA D. MODELL  
9 smodell@ftc.gov; (202) 326-3116  
10 JAMES A. PRUNTY  
11 jprunty@ftc.gov; (202) 326-2438  
12 EDWIN RODRIGUEZ  
13 erodriguez@ftc.gov; (202) 326-3147  
14 Federal Trade Commission  
15 600 Pennsylvania Ave., NW  
16 Washington, DC 20580  
17 Fax: (202) 326-3259

18 STACY PROCTER (Local Counsel)  
19 sprocter@ftc.gov; (310) 824-4300  
20 Federal Trade Commission  
21 10990 Wilshire Blvd., Suite 400  
22 Los Angeles, CA 90024  
23 Fax: (310) 824-4380

24 Attorneys for Plaintiff  
25 FEDERAL TRADE COMMISSION

26  
27 **For Defendant Danielle Cadiz:**

28 Dated: March \_\_, 2019

DANIELLE WALKER, a/k/a Danielle Cadiz,  
individually

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Dated: March \_\_, 2019

\_\_\_\_\_  
JESSE J. THALER  
Thaler Law  
17011 Beach Blvd., Fl. 9  
Huntington Beach, CA 92647

Attorney for DEFENDANT DANIELLE CADIZ

**SO ORDERED this 16th day of May , 2019.**

*S. James Otew*

\_\_\_\_\_  
**UNITED STATES DISTRICT JUDGE**