

REASONS FOR SETTLEMENT

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This statement accompanies the Consent Decree and Order for Civil Penalties, Injunction, and Other Relief ("Order") in full settlement of an action brought to recover penalties and other equitable relief against Gothic Lens, LLC, a Georgia Limited Liability Corporation, also doing business as Kim Lens Sales, and Da Young Kim, also doing business as Gothic Lens and Kim Lens Sales, individually, and in her official capacity as managing member of Gothic Lens, LLC for engaging in acts and practices in violation of Section 5(a) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 45(a), and the Federal Trade Commission's Contact Lens Rule, 16 C.F.R. Part 315.

Pursuant to Section 5(m)(3) of the FTC Act, 15 U.S.C. § 45(m)(3), the Federal Trade Commission ("Commission") hereby sets forth its reasons for settlement by entry of the Order. The Order holds the defendants liable for \$50,000 in civil penalties for their alleged violations of the Commission's Contact Lens Rule. This amount is appropriate in light of the civil penalty factors set forth in 15 U.S.C. § 45(m)(1). In addition, the Commission believes that this penalty will serve as an effective deterrent in this context for future violations of the Contact Lens Rule.

Based on the defendants' inability to pay the full amount of the civil penalty, the penalty is waived except for the proceeds from the sale of defendant Da Young Kim's 2008 BMW 335i automobile. Because this determination of the defendants' inability to pay is based on sworn financial affidavits provided to the Commission by the defendants, the Order contains a Right to Reopen provision for the full amount of the civil penalty should a court find that the defendants materially misrepresented the existence of, or the value of, any asset.

The injunctive provisions of the Order prohibit the defendants from violating any provision of the Contact Lens Rule in the future. These provisions will help protect consumers from future harm from any such violations.

For the foregoing reasons, the Commission believes that settlement by entry of the attached Order is justified and within the public interest.