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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

FEDERAL TRADE COMMISSION,

Plaintiff,

-against-

CRYSTAL EWING, et. al,

Defendants.

Case Number: 2:14-cv-00683-RFB-VCF

**STIPULATED FINAL JUDGMENT AND ORDER
FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF
AS TO RICKI BLACK**

Plaintiff, the Federal Trade Commission (“Commission” or “FTC”), filed its Complaint for Permanent Injunction and Other Equitable Relief in this matter, pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b). The Commission and Defendant Ricki Black stipulate to the entry of this Stipulated Final Judgment and Order For Permanent Injunction And Other Equitable Relief (“Order”) to resolve all matters in dispute in this action between them.

THEREFORE, IT IS ORDERED as follows:

FINDINGS

1. This Court has jurisdiction over this matter.
2. The Amended Complaint charges that Defendant participated in deceptive acts or practices and false advertisements in violation of Sections 5 and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52, in connection with the labeling, advertising, marketing, distribution, and sale of Citra-Slim 4 capsules, a dietary supplement.

1 (h) providing or arranging for the provision of post office boxes or the services of commercial
2 mail receiving agencies; or (i) performing or providing marketing services of any kind.

3 2. "Commerce" means as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

4 3. "Defendant" means Ricki Black.

5 4. "Endorsement" means as defined in 16 C.F.R. § 255.0(b).

6 5. "Food," "drug," and "device" shall mean as defined in Section 15 of the FTC Act,
7 15 U.S.C. § 55.

8 6. "Person" means a natural person, an organization, or other legal entity, including
9 a corporation, partnership, sole proprietorship, limited liability company, association,
10 cooperative, or any other group or combination acting as an entity.

11 7. "Reliably Reported," for a human clinical test or study ("test"), means a report of
12 the test has been published in a peer-reviewed journal, and such published report provides
13 sufficient information about the test for experts in the relevant field to assess the reliability of the
14 results.

15 8. The term "including" in this Order means "including without limitation."
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19 **I**

20 **PROHIBITION AGAINST MISREPRESENTATIONS**
21 **AND UNSUBSTANTIATED CLAIMS**

22 **IT IS ORDERED** that Defendant, Defendant's officers, agents, employees, and
23 attorneys, and all persons in active concert or participation with her who receive actual notice of
24 this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling,
25 advertising, promotion, offering for sale, sale, or distribution of any product, program, or service,
26 are hereby permanently restrained and enjoined from:
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1 A. misrepresenting, or assisting others in misrepresenting, expressly or by
2 implication, any fact material to a consumer's decision to purchase any product, program, or
3 service, including:

- 4 1. the benefits, performance, efficacy, safety, or side effects of any product,
5 program, or service, including the health benefits of any product, program, or
6 service;
- 7 2. the terms and conditions of any policies and practices regarding refunds,
8 including that unsatisfied consumers will receive a full refund;
- 9 3. the existence of an expert endorser;
- 10 4. the qualifications of an expert endorser;
- 11 5. that an expert endorser has evaluated a product, program, or service's features
12 or characteristics; and
- 13 6. the nature or extent of an expert endorser's evaluation of a product, program
14 or service;

15 B. making any representation, expressly or by implication, about the benefits,
16 performance, efficacy, safety, or side effects of any product, program, or service, unless at the
17 time such representation is made, Defendant possesses and relies upon competent and reliable
18 evidence, which, when appropriate based on the expertise of professionals in the relevant area,
19 must be competent and reliable scientific evidence, that is sufficient in quality and quantity,
20 based on standards generally accepted in the relevant fields when considered in light of the entire
21 body of relevant and reliable evidence, to substantiate that the representation is true.
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25 For health-related claims regarding the benefits, performance, efficacy, safety, or side
26 effects of any product, program, or service, Defendant, at the time such representation is made,
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1 must possess and rely upon competent and reliable scientific evidence that is sufficient in quality
2 and quantity, based on standards generally accepted in the relevant fields, when considered in
3 light of the entire body of relevant and reliable evidence, to substantiate that the representation is
4 true.

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6 For purposes of this Section, competent and reliable scientific evidence means tests,
7 analyses, research, or studies: (1) that have been conducted and evaluated in an objective
8 manner by qualified persons; (2) that are generally accepted in the profession to yield accurate
9 and reliable results; and (3) as to which, when they are human clinical tests or studies, all
10 underlying or supporting data and documents generally accepted by experts in the field as
11 relevant to an assessment of such testing as set forth in the Section entitled Preservation of
12 Records Relating to Competent and Reliable Human Clinical Tests or Studies are available for
13 inspection and production to the Commission.
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15 II

16 PROHIBITED REPRESENTATIONS REGARDING TESTS OR STUDIES

17 IT IS FURTHER ORDERED that Defendant, Defendant's officers, agents, employees,
18 and attorneys, and all other persons in active concert or participation with any of them, who
19 receive actual notice of this Order, whether acting directly or indirectly, in connection with the
20 manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any
21 product, program, or service, in or affecting commerce, are permanently restrained and enjoined
22 from misrepresenting, or assisting others in misrepresenting, in any manner, expressly or by
23 implication, including through the use of a product, program, or service name, endorsement,
24 depiction, or illustration, the existence, contents, validity, results, conclusions, or interpretations
25 of any test, study, or research or that the benefits of such product, program, or service are
26 scientifically proven.
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III

**PRESERVATION OF RECORDS RELATING TO
COMPETENT AND RELIABLE HUMAN CLINICAL TESTS OR STUDIES**

IT IS FURTHER ORDERED that, with regard to any human clinical test or study (“test”) upon which Defendant relies to substantiate any claim covered by Sections I and II of this Order, Defendant shall secure and preserve all underlying or supporting data and documents generally accepted by experts in the field as relevant to an assessment of the test, including, but not necessarily limited to:

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

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

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

D. All documents referring or relating to any statistical analysis of any test data, including, but not limited to, any pretest analysis, intent-to-treat analysis, or between-group analysis performed on any test data; and

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

V

MONETARY JUDGMENT, PARTIAL SUSPENSION, AND CONSUMER REDRESS

IT IS FURTHER ORDERED that:

A. Judgment in the amount of one million six hundred seventy-seven thousand four hundred sixty-eight dollars and sixty-nine cents (\$1,677,468.69) is entered in favor of the Commission against Defendant, jointly and severally, as equitable monetary relief, *provided, however*, that the remaining unpaid amount of this judgment shall be suspended upon timely completion of the payment and other obligations in the subparagraphs below:

1. Defendant is ordered, within seven (7) days of entry of this Order, by electronic fund transfer to the Commission in accordance with instructions previously provided by a representative of the Commission, to transfer all funds with Bank of America in the accounts ending in [REDACTED] and [REDACTED]; and with Fifth Third Bank in the accounts ending in [REDACTED] and [REDACTED];
2. Defendant is ordered to sell the 2005 Nissan 350Z Roadster, VIN JN1AZ36A45M755134 (“Vehicle”), identified in her sworn financial statement dated May 29, 2015, as amended and reaffirmed on July 9, 2015, at fair market value within 14 days;
3. Within three (3) business days of receipt of net proceeds from the sale of all interest in the Vehicle, Defendant shall cause to be wired to the Commission the net proceeds from the sale in accordance with the instructions provided by a representative of the Commission; and Defendant Black shall identify the name and address of the purchaser of the Vehicle and state the amount of any fee or commission paid in connection with the sale;

- 1 4. Defendant is also ordered to sell the three items of jewelry (“Jewelry”)
2 identified in her sworn financial statement dated May 29, 2015, as amended
3 and reaffirmed on July 9, 2015, at fair market value within 30 days; and
4
5 5. Within three (3) business days of receipt of the net proceeds from the sale of
6 any item of the Jewelry, Defendant shall cause to be wired to the Commission
7 the net proceeds from the sale in accordance with the instructions provided by
8 a representative of the Commission; and Defendant shall identify the name of
9 purchaser, or, if sold through a merchant, broker, or auctioneer, the name and
10 address of such merchant, broker, or auctioneer, and state the amount of any
11 fee or commission paid in connection with the sale.

12 B. The Commission’s agreement to the suspension of part of the judgment is
13 expressly premised upon the truthfulness, accuracy, and completeness of Defendant’s sworn
14 financial statement and related documents (collectively, “financial representations”) submitted to
15 the Commission, namely: (1) the Financial Statement of Defendant dated May 29, 2015; (2) the
16 Amended Financial Statement of Defendant dated July 9, 2015; (2) all documents submitted in
17 support of such financial statements, including bank records, tax returns, and records of income
18 and assets; and (3) communications with the Commission regarding any of the foregoing.

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20 C. The suspension of the judgment will be lifted as to Defendant if, upon motion by
21 the Commission, the Court finds that Defendant failed to disclose any material asset, materially
22 misstated the value of any asset, or made any other material misstatement or omission in the
23 financial representations identified above.

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25 D. If the suspension of the judgment is lifted, the judgment becomes immediately
26 due as to Defendant in the amount specified in Subsection A, above, which the parties stipulate
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1 for purposes of this Section represents the consumer injury, less any payment previously made
2 pursuant to this Section plus interest computed from the date of entry of this Order.

3 E. Defendant relinquishes dominion and all legal and equitable right, title, and
4 interest in all assets transferred pursuant to this Order and may not seek the return of any assets.

5 F. The facts alleged in the Complaint will be taken as true, without further proof, in
6 any subsequent civil litigation by or on behalf of the Commission in a proceeding to enforce its
7 rights to any payment or monetary judgment pursuant to this Order, such as a
8 nondischargeability complaint in any bankruptcy case.

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

12 H. Defendant acknowledges that her Taxpayer Identification Numbers (Social
13 Security Numbers or Employer Identification Numbers) may be used for collecting and reporting
14 on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.

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

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4 **VI**

5 **CUSTOMER INFORMATION**

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

9 A. Disclosing, using, or benefitting from customer information, including the name,
10 address, telephone number, email address, social security number, other identifying information,
11 or any data that enables access to a customer's account (including a credit card, bank account, or
12 other financial account), that Defendant obtained prior to entry of this Order in connection with
13 the sale of Citra-Slim 4; and
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15 B. Failing to destroy such customer information in all forms in their possession,
16 custody, or control within 30 days after entry of this Order.

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

22 **COOPERATION WITH FTC COUNSEL**

23 **IT IS FURTHER ORDERED** that Defendant must fully cooperate with representatives
24 of the Commission 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. Defendant must provide
26 truthful and complete information, evidence, and testimony. Defendant must appear for
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1 interviews, discovery, hearings, trials, and any other proceedings that a Commission
2 representative may reasonably request upon 5 days written notice, or other reasonable notice, at
3 such places and times as a Commission representative may designate, without the service of a
4 subpoena.

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6 **VIII**

7 **ORDER ACKNOWLEDGMENTS**

8 **IT IS FURTHER ORDERED** that Defendant obtain acknowledgments of receipt of this
9 Order:
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11 A. Defendant, within 7 days of entry of this Order, must submit to the Commission
12 an acknowledgment of receipt of this Order sworn under penalty of perjury.

13 B. For 20 years after entry of this Order, Defendant, for any business engaged in
14 activities covered by this Order that Defendant, individually or collectively with any other
15 defendant named in the Amended Complaint, is the majority owner or controls directly or
16 indirectly, must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC
17 managers and members; (2) all employees, agents, and representatives who participate in
18 conduct related to the subject matter of the Order; and (3) any business entity resulting from any
19 change in structure as set forth in the Section titled Compliance Reporting. Delivery must occur
20 within 7 days of entry of this Order for current personnel. For all others, delivery must occur
21 before they assume their responsibilities.
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23 C. From each individual or entity to which Defendant delivered a copy of this Order,
24 that Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of
25 this Order.
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IX

COMPLIANCE REPORTING

IT IS FURTHER ORDERED that Defendant make timely submissions to the

Commission:

A. 60 days after entry of this Order, Defendant must submit a compliance report, sworn under penalty of perjury.

1. Defendant must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with Defendant; (b) identify all of Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the products, programs, and services offered, the means of advertising, marketing, and sales, and the involvement of any other defendant named in the Amended Complaint (which Defendant must describe if she knows or should know due to her own involvement); (d) describe in detail whether and how Defendant is in compliance with each Section of this Order; and (e) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the Commission;
2. Additionally, Defendant must: (a) identify all telephone numbers and all physical, postal, email and Internet addresses, including all residences; (b) identify all business activities, including any business for which Defendant performs services whether as an employee or otherwise and any entity in which Defendant has any ownership interest; and (c) describe in detail

1 Defendant's involvement in each such business, including title, role,
2 responsibilities, participation, authority, control, and any ownership.

3 B. For 20 years after entry of this Order, Defendant must submit a compliance
4 notice, sworn under penalty of perjury, within 14 days of any change in the following:

- 5
- 6 1. Defendant must report any change in: (a) any designated point of contact; or
7 (b) the structure of any entity that Defendant has any ownership interest in or
8 control directly or indirectly that may affect compliance obligations arising
9 under this Order, including: the creation, merger, sale, or dissolution of the
10 entity or any subsidiary, parent, or affiliate that engages in any acts or
11 practices subject to this Order.
 - 12 2. Additionally, Defendant must report any change in: (a) name, including
13 aliases or fictitious names, or residence address; or (b) title or role in any
14 business activity, including any business for which Defendant performs
15 services, whether as an employee or otherwise, and any entity in which
16 Defendant has any ownership interest, and identify the name, physical
17 address, and any Internet address of the business or entity.

18

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

22

23 D. Any submission to the Commission required by this Order to be sworn under
24 penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by
25 concluding: "I declare under penalty of perjury under the laws of the United States of America
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1 that the foregoing is true and correct. Executed on: _____” and supplying the date, signatory’s
2 full name, title (if applicable), and signature.

3 E. Unless otherwise directed by a Commission representative in writing, all
4 submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or
5 sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement,
6 Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue, NW,
7 Washington, D.C. 20580. The subject line must begin: *FTC v. Crystal Ewing, Classic*
8 *Productions, LLC, Ricki Black et al.*, D. Nev., No. 2:14-cv-00683-RFB-VCF, FTC Matter No.
9 X140063.
10

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12 **X**

13 **RECORD KEEPING PROVISIONS**

14 **IT IS FURTHER ORDERED** that Defendant must create certain records for 20 years
15 after entry of the Order, and retain each such record for 5 years. Specifically, Defendant, for any
16 business engaged in activities covered by this Order that Defendant, individually or collectively
17 with any other defendant named in the Amended Complaint, is a majority owner or controls
18 directly or indirectly, must create and retain the following records:
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20 A. Accounting records showing the revenues from all products, programs, or services
21 sold, all costs incurred in generating those revenues, and the resulting net profit or loss;

22 B. Personnel records showing, for each person providing services, whether as an
23 employee or otherwise, that person’s: name, addresses, telephone numbers; job title or position;
24 dates of service; and, if applicable, the reason for termination;

25 C. All records necessary to demonstrate full compliance with each provision of this
26 Order, including all submissions to the Commission; and
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1 D. A copy of each unique advertisement or other marketing material.

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3 **XI**

4 **COMPLIANCE MONITORING**

5 **IT IS FURTHER ORDERED** that, for the purpose of monitoring Defendant's
6 compliance with this Order, including the financial representations upon which part of the
7 judgment was suspended and any failure to transfer any assets as required by the Order:

8 A. Within 14 days of receipt of a written request from a representative of the
9 Commission, Defendant must: submit additional compliance reports or other requested
10 information, which must be sworn under penalty of perjury; appear for depositions; and produce
11 documents, for inspection and copying. The Commission also is authorized to obtain discovery,
12 without further leave of court, using any of the procedures prescribed by Federal Rules of Civil
13 Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.

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15 B. For matters concerning this Order, the Commission is authorized to communicate
16 directly with Defendant. Defendant must permit representatives of the Commission to interview
17 any employee or other person affiliated with Defendant who has agreed to such an interview.
18 The person interviewed may have counsel present.

19
20 C. The Commission may use all other lawful means, including posing, through its
21 representatives, as consumers, suppliers, or other individuals or entities, to Defendant or any
22 individual or entity affiliated with Defendant, without the necessity of identification or prior
23 notice. Nothing in this Order limits the Commission's lawful use of compulsory process,
24 pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.
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1 D. Upon written request from a representative of the Commission, any consumer
2 reporting agency must furnish consumer reports concerning Defendant, pursuant to Section
3 604(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681b(a)(1).
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5 **XII**

6 **RETENTION OF JURISDICTION**

7 **IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this matter for
8 purposes of construction, modification, and enforcement of this Order.
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SO STIPULATED AND AGREED:


Dated: November 2, 2015



ELSIE B. KAPPLER
ALEJANDRO G. ROSENBERG
Federal Trade Commission
600 Pennsylvania Ave., NW
Maildrop CC-9528
Washington, D.C. 20580
(202) 326-2466 (Kappler)
(202) 326-3556 (Felix)
(202) 326-2698 (Rosenberg)
(202) 326-3197 (Fax)
Email: ekappler@ftc.gov; arosenberg@ftc.gov

Attorneys for Plaintiff
Federal Trade Commission

Dated: 7/13, 2015


RICKI BLACK, Defendant, *pro se*

SO ORDERED:

Dated: _____, 2015

United States District Judge